

**STOCK PURCHASE AGREEMENT**  
**AMONG**  
**HANNOVER FINANCE, INC.**  
**AND**  
**MUTUAL OF OMAHA INSURANCE COMPANY**

**DATED AS OF SEPTEMBER 15, 2017**

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STOCK PURCHASE AGREEMENT

THIS STOCK PURCHASE AGREEMENT (this “Agreement”), dated as of September 15, 2017, is made by and between Mutual of Omaha Insurance Company (“Seller”) and Hannover Finance, Inc. (“Buyer”). Seller and Buyer are sometimes also referred to as the “Parties” and each, individually, as a “Party”.

RECITALS

**WHEREAS**, The Omaha Indemnity Company, a Wisconsin-domiciled insurer (the “Company”) is a property and casualty insurance company which has not written any new or renewal business since 1986 and has since that time engaged primarily in the business of running off its remaining liabilities under its previously issued insurance policies and/or reinsurance agreements (the “Business”); and

**WHEREAS**, the Company is currently organized as a stock corporation and Seller is the sole shareholder of the Company and owns, directly or indirectly, all of the issued and outstanding capital stock of the Company;

**WHEREAS**, subject to the terms and conditions set forth in this Agreement and the Related Transactions, Seller desires to sell to Buyer and Buyer desires to purchase from Seller one-hundred percent (100%) of the issued and outstanding capital stock of the Company upon the terms and subject to the conditions set forth herein.

**NOW, THEREFORE**, in consideration of the representations, warranties, covenants and agreements contained in this Agreement, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, and intending to be legally bound hereby, the Parties agree as follows:

ARTICLE 1  
DEFINITIONS

Section 1.1 Defined Terms. For purposes of this Agreement, the following terms shall have the respective meanings set forth below:

“**Acquisition Proposal**” means any proposal or offer for a merger, consolidation or other business combination involving the Company, any proposal or offer to acquire in any manner an equity interest in, or a portion of the business or assets of, the Company, any proposal or offer with respect to any recapitalization or restructuring of the Company or any proposal or offer with respect to any other transaction similar to any of the foregoing with respect to the Company other than in connection with the transactions contemplated by this Agreement.

“**Action**” means any civil, criminal, administrative, investigative or informal action, audit, demand, suit, claim, arbitration, hearing, litigation, dispute, investigation or other proceeding of any kind or nature.

“**Accountant**” shall have the meaning set forth in Section 2.2(b)(ii)(A) hereof.

“**Adjustment Payment**” shall have the meaning set forth in Section 2.2(b)(ii)(C) hereof.

“**Administrative Services Agreement**” shall have the meaning set forth in Section 5.13 hereof.

“**Affiliate**” means, with respect to any Person, any Person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the Person in question. For purposes of the foregoing, “control,” including the terms “controlling,” “controlled by” and “under common control with,” means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by Contract or otherwise.

“**Affiliate Agreement**” shall have the meaning set forth in Section 3.17 hereof.

“**Ancillary Agreements**” shall mean the Administrative Services Agreement, LPT Agreement and Guaranty Agreement.

“**Annual Statutory Statements**” shall have the meaning set forth in Section 3.4(a) hereof.

“**Business**” shall have the meaning set forth in the Recitals.

“**Business Day**” means any day other than a Saturday, a Sunday, or any other day on which commercial banks in the United States and/or Germany are required to be closed for regular banking business.

“**Buyer Indemnified Parties**” shall have the meaning set forth in Section 8.1(a) hereof.

“**Buyer Material Adverse Effect**” means a material adverse effect on the ability of Buyer to perform its obligations under this Agreement or to consummate the transactions contemplated hereby on a timely basis.

“**Buyer Prepared Tax Return**” shall have the meaning set forth in Section 9.2(b).

“**Cash Equivalents**” shall mean Short-Term Treasuries or any other securities reasonably acceptable to Buyer.

“**Closing**” shall have the meaning set forth in Section 2.4 hereof.

“**Closing Date**” shall have the meaning set forth in Section 2.4 hereof.

“**Closing SAP Balance Sheet**” shall mean the unaudited SAP balance sheet of the Company as of the close of business on the Business Day prior to the Closing Date.

“**Code**” shall mean the Internal Revenue Code of 1986, as amended, and any successor thereto.

“**Company**” shall have the meaning set forth in the Recitals.

“**Company Actuarial Analysis**” shall have the meaning set forth in Section 3.4(e) hereof.

“**Constituent Documents**” of a Person means, as applicable, the declaration and charter, certificate of incorporation, certificate of formation, articles of incorporation, certificate of designations, bylaws, partnership agreement, limited liability company agreement, membership agreement, shareholder agreement, or any similar organizational or governing document or instrument of a Person.

“**Common Stock**” shall mean the common stock, par value \$100.00 per share, of the Company.

“**Contract**” means any contract, agreement, mortgage, indenture, debenture, note, loan, bond, lease, sublease, license, franchise, obligation, instrument, promise, understanding or other binding commitment, arrangement or undertaking of any kind whether oral or written, and whether express or implied, to which a Person is a party or by which any property or assets owned or used by it may be bound or affected.

“**Defense Notice Period**” shall have the meaning set forth in Section 8.3(b)(i) hereof.

“**Demand Notice**” shall have the meaning set forth in Section 8.2(b) hereof.

“**Disclosure Schedules**” means the disclosure schedules accompanying this Agreement, dated as of the date of this Agreement, which will be arranged in schedules corresponding to the numbered and lettered Sections contained in this Agreement.

“**Disputed Items**” shall have the meaning set forth in Section 2.2(b)(ii)(A) hereof.

“**Dispute Notice**” shall have the meaning set forth in Section 2.2(b)(ii)(A) hereof.

“**Dispute Period**” shall have the meaning set forth in Section 2.2(b)(ii)(A) hereof.

“**Effective Time**” shall have the meaning set forth in Section 2.4.

“**Employee Benefit Plan**” shall mean any employee, compensation, and benefit plan, contract, agreement, or arrangement in which any past or current employees of the Company participate or previously participated and which the Company maintains, to which the Company contributes or has any obligation to contribute, or with respect to which the Company has any liability that is in effect as of the date hereof, if any, including all pension (including all such employee pension benefit plans as defined in Section 3(2) of ERISA), profit-sharing, savings and thrift, fringe benefit, equity, bonus, incentive or deferred compensation, severance

pay, medical and life insurance plans, and employee welfare benefit plans as defined in Section 3(1) of ERISA.

**“Environmental Laws”** shall mean all Laws relating to pollution or protection of human health or the environment, including laws relating to emissions, discharges, releases, or threatened releases of pollutants, contaminants, petroleum or petroleum-based materials or wastes, or chemical, industrial, Hazardous Substances, or toxic substances or wastes into ambient air, surface water, ground water, or lands or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport, or handling of pollutants, contaminants, or chemical, industrial, Hazardous Substances, or toxic materials or wastes. Without limiting the generality of the foregoing, such Environmental Laws include, but are not limited to, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Resource Conservation and Recovery Act of 1976, each as amended.

**“ERISA”** means the Employee Retirement Income Security Act of 1974, as amended, and all regulations and rules issued thereunder, or any successor law.

**“ERISA Affiliate”** shall mean a corporation, trade or business that, together with the Company, is treated as a single employer under Section 414 of the Code or Section 4001(a)(14) of ERISA.

**“Excluded Assets”** shall have the meaning set forth in Section 2.2(a) hereof.

**“Governmental Entity”** shall mean any government or governmental or regulatory body thereof, or political subdivision thereof, whether federal, state, county, local, municipal or foreign, or any agency, instrumentality, authority, board, bureau, commission or department thereof, or any court, arbitrator, administrative, judicial or quasi-judicial tribunal (public or private).

**“Guaranty Agreement”** shall have the meaning set forth in Section 5.15.

**“Guaranty Fund”** means any insolvency fund, including any guaranty fund, association, pool, plan or other facility (whether participation therein is voluntary or involuntary) that provides for the assessment of, payment by or assumption by its participants or members of a part or the whole of any claim, debt, charge, fee or other obligation of any insurer or reinsurer, or its respective successors or assigns, that has been declared insolvent by any authority having jurisdiction, or which is otherwise unable to meet any claim, debt, charge, fee or other obligation in whole or in part.

**“Hazardous Substance”** means: (a) any hazardous, flammable, explosive or toxic materials, radioactive materials, asbestos in any form that is or could become friable, mold, or polychlorinated biphenyls (PCBs); or (b) any chemical, material or substance defined, classified or regulated as toxic or hazardous or as a pollutant, contaminant or waste under any Environmental Laws, including wastewater, storm water, petroleum or petroleum products or byproducts.

**“Impaired Insurance License”** shall have the meaning set forth in Section 2.2(b)(i)(A) hereof.

“**Income Tax**” means any federal, state, local, or foreign Tax measured by or imposed on net income, including any interest, penalty, or addition thereto, whether or not disputed.

“**Indemnified Party**” shall have the meaning set forth in Section 8.2(a) hereof.

“**Indemnification Notice**” shall have the meaning set forth in Section 8.2(a) hereof.

“**Indemnifying Party**” shall have the meaning set forth in Section 8.2(a) hereof.

“**Indemnified Taxes**” means (i) any and all Taxes imposed on the Company for any Pre-Closing Tax Years; (ii) any and all Taxes of any member of an affiliated, consolidated, combined or unitary group of which the Company (or any of its predecessors) is or was a member on or prior to the Closing Date, including pursuant to Section 1.1502-6 of the Treasury Regulations (or any corresponding or similar provision of state, local or foreign income Tax Law); (iii) any and all Taxes of any Person imposed on the Company as a transferee or successor, by Contract or pursuant to any Law, which Taxes relate to an event or transaction occurring before the Closing; (iv) any Tax attributable to the making of the Section 338(h)(10) Election; and (v) any Taxes for which Seller is responsible pursuant to Section 9.6; provided, however, that in the case of clauses (i), (ii), and (iii) above, “Indemnified Taxes” shall only include Taxes that exceed the amount, if any, explicitly reserved for such Taxes on the face of the Closing SAP Balance Sheet.

“**Insurance Licenses**” shall have the meaning set forth in Section 3.14(b) hereof.

“**Intellectual Property**” means (a) trademarks, service marks, brand names, certification marks, collective marks, d/b/a’s, domain names, logos, symbols, trade dress, assumed names, fictitious names, trade names, and other indicia of origin, all applications and registrations for the foregoing, and all goodwill associated therewith and symbolized thereby, including all renewals of same; (b) inventions and discoveries, whether patentable or not, and all patents, registrations, invention disclosures and applications therefor, including divisions, continuations, continuations-in-part and renewal applications, and including renewals, extensions and reissues; (c) trade secrets, confidential information and know-how, including processes, schematics, business methods, formulae, drawings, prototypes, models, designs, customer lists and supplier lists; (d) published and unpublished works of authorship, whether copyrightable or not (including without limitation databases and other compilations of information), including mask rights and computer software (including firmware and middleware), copyrights therein and thereto, registrations and applications therefor, and all renewals, extensions, restorations and reversions thereof; (e) internet domain names and social media account or user names (including “handles”), all associated web addresses, URLs, websites and web pages, social media sites and pages, and all content and data thereon or relating thereto, whether or not copyrights, and (f) any other intellectual property or proprietary rights. Intellectual Property also includes any of the foregoing rights which the Company licenses from another party.

“**Investment Assets**” means all assets owned by the Company and reportable (in the aggregate) on line 12 on the “Assets” page of the NAIC Annual Statement Blank of the Company.

“**IRS**” means the United States Internal Revenue Service.

“**Key States**” shall have the meaning set forth in Section 2.2(b)(i)(B) hereof..

“**Knowledge**” of a fact or other matter will be attributable to Seller if any of Mark R. Boetel or Kurt S. Christiansen (x) is or at any time was, actually aware of such fact or other matter, or (y) reasonably should be or could have been aware of such fact or other matter after conducting a reasonably comprehensive inquiry concerning the existence of such fact or other matter.

“**Law**” shall mean all applicable federal, state, local, or foreign laws (including common law), statutes, ordinances, rules, regulations, judgments, orders, injunctions, decrees, or other binding requirements of any Governmental Entity.

“**Liability**” means any debts, commitments, liabilities or obligations of any kind or nature whatsoever, whether accrued, fixed or unfixed, choate or inchoate, liquidated or unliquidated, secured or unsecured, contingent, absolute, known or unknown, due or to become due, determined, determinable or otherwise, including any liability for Taxes.

“**License Adjustment Date**” shall have the meaning set forth in Section 2.2(b)(i)(B) hereof.

“**License Adjustment Payment**” shall have the meaning set forth in Section 2.2(b)(i)(B) hereof.

“**License Adjustment Settlement Date**” shall have the meaning set forth in Section 2.2(b)(i)(B) hereof.

“**Liens**” shall mean any security interest, pledge, mortgage, lien, charge, restriction, or other encumbrance, including any Tax lien.

“**Liquidated Damages Amount**” shall have the meaning set forth in Section 10.3(a) hereof.

“**Losses**” shall have the meaning set forth in Section 8.1(a) hereof.

“**LPT Agreement**” shall have the meaning set forth in Section 5.14 hereof.

“**Material Company Contracts**” shall mean Contracts to which the Company is a party or by which it or properties or assets owned or used by it are bound or affected, and in respect of which the Company, and/or all other parties thereto, has (or reasonably may have) remaining performance obligations to comply with or claims to assert thereunder.

“**Material Filings**” shall have the meaning set forth in Section 5.4 hereof

“**OCI**” means the Wisconsin Office of the Commissioner of Insurance.

“**Material Adverse Change**” means, in respect of the Company, any effect, change, event or development that, alone or in combination, has had or would reasonably be expected to have (a) a material adverse effect on the financial condition, properties, assets, liabilities, business or results of operations of the Company, provided, however, that a “Material Adverse Change” in respect of the Company shall exclude any such effect or change arising out of or in connection with: (i) changes in general economic or business conditions or political climate in the United States, including changes in interest or currency rates; (ii) changes in the United States or global financial or commodity markets; (iii) any changes that are the result of factors generally affecting the property and casualty insurance industry in the geographic areas in which the Company operates; or (iv) changes in any applicable Law or SAP after the date of this Agreement (provided, that, with respect to clauses (i) through (iv), such change, event, circumstance or development does not (x) primarily relate to (or have the effect of primarily relating to) the Company or (y) disproportionately adversely affect the Company compared to other companies of similar size operating as run-off companies in the property and casualty insurance industry in similar geographic areas in which the Company operates); (b) a material adverse effect on the ability of Seller to perform its obligations under this Agreement or to consummate the transactions contemplated hereby on a timely basis; or (c) the effect of fifteen (15) or more Insurance Licenses becoming Impaired Insurance Licenses.

“**NDOI**” shall have the meaning set forth in Section 2.5(a)(vi) hereof.

“**Necessary Consents**” shall have the meaning set forth in Section 5.4 hereof.

“**Necessary Permits**” shall have the meaning set forth in Section 5.4 hereof

“**Notice Period**” shall have the meaning set forth in Section 2.2(b)(ii)(A) hereof.

“**Order**” means any award, decision, injunction, judgment, decree, settlement, order, process, ruling, subpoena or verdict (whether temporary, preliminary or permanent) entered, issued, made or rendered by any court, administrative agency, arbitrator, Governmental Authority or other tribunal of competent jurisdiction.

“**Ordinary Course of Business**” shall mean an action taken by a Person that is consistent in nature, scope and magnitude with the past practices of such Person and is taken in the ordinary course of the normal, day-to-day operations of such Person.

“**Permit**” shall have the meaning set forth in Section 3.11 hereof.

“**Permitted Liens**” means Liens for Taxes that are not yet due and payable or are being contested in good faith by appropriate proceedings.

“**Person**” shall mean any individual, firm, corporation, partnership, limited liability company, joint venture, association, estate, trust, Governmental Entity, unincorporated organization or other entity, and shall include any successor (by merger or otherwise) of such Person.

“**Post-Closing Annual Statutory Statement**” shall have the meaning set forth in Section 5.7(b) hereof.

“**Post-Closing Quarterly Statutory Statement**” shall have the meaning set forth in Section 5.7(b) hereof.

“**Post-Closing Tax Year**” means a taxable year that begins after the Closing Date.

“**Pre-Closing Tax Year**” means a taxable year that begins before the Closing Date, including the portion of any Straddle Period that begins before the Closing Date and ends on the Closing Date (which period may include, for this purpose only, the Closing Date).

“**Preemptive Rights**” shall have the meaning set forth in Section 3.2(d) hereof.

“**Purchase Price**” shall have the meaning set forth in Section 2.2 hereof.

“**Quarterly Statutory Statement**” shall have the meaning set forth in Section 3.4(a) hereof.

“**Real Property**” means all land, together with all buildings, structures, improvements and fixtures located thereon, including all electrical, mechanical, plumbing and other building systems, fire protection, security and surveillance systems, telecommunications, computer, wiring, and cable installations, utility installations, water distribution systems, and landscaping, together with all easements and other rights and interests appurtenant thereto (including air, oil, gas, mineral, and water rights).

“**Reinsurance Agreements**” shall have the meaning set forth in Section 3.18 hereof.

“**Related Transactions**” shall mean, collectively, the Administrative Services Agreement, the LPT Agreement, and the Guaranty Agreement.

“**Remaining Disputed Items**” shall have the meaning set forth in Section 2.2(b)(ii)(A) hereof.

“**Requirements of Law**” means, with respect to any Person, any Law or Order, in each case binding on that Person or its property or assets.

“**Resolved Items**” shall have the meaning set forth in Section 2.2(b)(ii)(A) hereof.

“**SAP**” means the statutory accounting practices prescribed or permitted by the OCI, applied on a consistent basis.

“**Section 338(h)(10) Election**” shall have the meaning set forth in Section 9.4(a) hereof.

“**Seller Indemnified Parties**” shall have the meaning set forth in Section 8.1(b) hereof.

“**Seller Prepared Tax Return**” shall have the meaning set forth in Section 9.2(a) hereof.

“**Settlement Date**” shall have the meaning set forth in Section 2.2(b)(ii)(C) hereof.

“**Shares**” shall have the meaning set forth in Section 2.1 hereof.

“**Short-Term Treasuries**” means U.S. Treasury obligations having a remaining term to maturity as of the last Business Day preceding the Closing Date of less than ninety (90) days.

“**Statutory Statements**” shall have the meaning set forth in Section 3.4(a) hereof

“**Straddle Period**” means any taxable period that includes (but does not end on) the Closing Date.

“**Tail Policy**” shall have the meaning set forth in Section 5.17 hereof.

“**Tax Allocation Agreement**” means that certain Tax Sharing Agreement dated as of January 1, 2014 by and among Seller and each of Seller’s affiliated companies eligible to join in a consolidated income tax return with Seller, including all amendments thereto and restatements thereof.

“**Tax Claim**” shall have the meaning set forth in Section 9.3 hereof.

“**Tax Return**” means any return, form (including, without limitation IRS Form 8275 or 8275-R), report or statement filed or required to be filed with respect to any Tax (including any elections, declarations, schedules or attachments thereto, and any amendment thereof) with a Taxing Authority.

“**Taxes**” means all federal, state, county, local, foreign and other taxes, assessments, charges, duties, fees, levies, imposts or other similar charges, including all income, franchise, profits, capital gains, capital stock, gross receipts, production, customs, sales, use, transfer, service, occupation, occupancy, ad valorem, property, escheat/unclaimed property, excise, parking, commercial activity, natural resources, severance, windfall profits, premium, stamp, license, lease, payroll, employment, social security, unemployment, disability, workers’ compensation, alternative minimum, add-on, value-added, capital taxes, withholding and other similar charges of any kind whatsoever (whether payable directly or by withholding and whether or not requiring the filing of a Tax Return), and all estimated taxes, deficiency assessments, additions to tax and penalties (civil or criminal), and additional amounts imposed on or in respect of a failure to comply with any requirement relating to such taxes or any Tax Return. “Taxes” also includes any liabilities or obligations under any agreements or arrangements with any Person with respect to the liability for, or sharing of, Taxes (including pursuant to Section

1.1502-6 of the Treasury Regulations or comparable provisions of state, local or foreign Tax Law), including any liability for Taxes as a transferee or successor, by Contract or otherwise.

“**Taxing Authority**” shall mean any Governmental Entity with jurisdiction over, responsibility for, or oversight of Taxes.

“**Third Party Claim**” shall have the meaning set forth in Section 8.3(a) hereof.

“**Transfer Taxes**” shall have the meaning set forth in Section 9.6 hereof.

“**Treasury Regulations**” means the final, temporary or proposed regulations promulgated by the United States Department of the Treasury Department under the Code.

“**Wisconsin Court**” shall have meaning set forth in Section 11.5 hereof.

## ARTICLE 2 PURCHASE AND SALE OF CAPITAL STOCK

Section 2.1 Purchase and Sale. Subject to the terms and conditions of this Agreement, at the Closing, Seller shall sell, convey, transfer, assign and deliver to Buyer and Buyer shall purchase from Seller, free and clear of all Liens and Preemptive Rights, forty-thousand (40,000) shares of Company Common Stock (collectively, the “Shares”), all of which Shares have been duly authorized, validly issued, fully paid and nonassessable. The Shares represent, and at the Closing will represent, 100% of the total issued and outstanding, fully-converted, fully-diluted shares of capital stock of the Company.

### Section 2.2 Purchase Price

(a) Delivery of Closing SAP Balance Sheet; Computation of Purchase Price. On the tenth (10th) Business Day immediately prior to the Closing Date, Seller shall prepare and deliver (or cause to be prepared and delivered) to Buyer the Closing SAP Balance Sheet. The aggregate purchase price of the Shares shall be an amount equal to the sum of: (i) four million two hundred five thousand dollars (\$4,205,000.00), *plus* (ii) the amount of capital and surplus as regards policyholders as shown on the Closing SAP Balance Sheet, *minus* (iii) an amount equal to the aggregate value of the assets listed on Schedule 2.2 as shown in the Closing SAP Balance Sheet (collectively, the “Excluded Assets”) (the foregoing together, the “Purchase Price”). For purposes of calculating the Purchase Price, the Company’s statutory capital and surplus will be determined in accordance with statutory accounting principles consistently applied and taking into account completion of all of the Related Transactions.

(b) Adjustments. The Purchase Price will be subject to the following additional adjustments:

(i) Insurance Licenses:

(A) At the Closing, in the event that any Insurance License has been and continues to be rescinded, terminated, revoked, non-renewed, suspended or otherwise restricted or impaired and neither Seller nor Buyer has been notified in writing by the applicable

regulatory authority that such rescission, termination, revocation, nonrenewal, suspension, restriction, or impairment is solely attributable to the identity of the Buyer or the Buyer's management or business plan (an "Impaired Insurance License") as of the Closing Date, the Purchase Price shall be decreased by an amount equal to \$145,000 with respect to each such Impaired Insurance License; provided, however, that in the event that any of the Company's Georgia, New York, Texas or Washington Insurance Licenses are an Impaired Insurance License as of the Closing Date, then the Purchase Price shall be decreased by an amount equal to \$350,000 with respect to each such Impaired Insurance License; provided, further, that in the event the Company's California Insurance License is an Impaired Insurance License as of the Closing Date, then Buyer is under no obligation to consummate the transactions contemplated under this Agreement and may, in its sole discretion, either terminate this Agreement under Section 10.1(c) of this Agreement or reduce the Purchase Price by \$350,000.

(B) On the date that is the six (6) month anniversary of the Closing Date (the "License Adjustment Date"), in the event that any Insurance License of the Company has become, following the Closing Date, and continues to be, an Impaired Insurance License as of the Adjustment Date as a proximate result of the actions or omissions of Seller or any of its Affiliates (including the Company) which occurred or failed to occur, as the case may be, prior to the Closing Date, the Purchase Price shall be decreased by an amount equal to \$145,000 with respect to each such Impaired Insurance License; provided, however, that in the event that the Company's Insurance License in any of the states of California, Georgia, New York, Texas or Washington (the "Key States") is an Impaired Insurance License as of the License Adjustment Date, then the Purchase Price shall be reduced in respect of such Key State Impaired Insurance License, as the case may be, by an amount equal to \$350,000 for each such Impaired Insurance License. The amount of the payment (the "License Adjustment Payment") due from Seller to Buyer pursuant to this Section 2.2(b)(i)(B) shall be due and payable on the tenth (10th) Business Day after Buyer has notified Seller in writing of the status of the Company's authority to transact insurance business in the jurisdictions in respect of which a reduction in the Purchase Price is necessary, which notice by Buyer shall be given within ten (10) Business Days after the License Adjustment Date (the "License Adjustment Settlement Date"). The Adjustment Payment shall be made by wire transfer of immediately available funds to the account or accounts identified by the Buyer in writing on or prior to the License Adjustment Settlement Date. Following the adjustment to the Purchase Price, if any, set forth in this Section 2.2(b)(i)(B), there shall be no further adjustments to the Purchase Price for an Insurance License becoming a Impaired Insurance License and Seller shall not be required to compensate or reimburse Buyer for the value of any Insurance License which becomes a Impaired Insurance License after the License Adjustment Date or for any lost opportunity costs or other consequential damages incurred as a result of such Insurance License becoming a Impaired Insurance License; provided, however, that Buyer's right to indemnification set forth in Article 8 hereof including, without limitation, indemnification for costs incurred in order to defend or have reinstated an Insurance License, shall otherwise remain in full force and effect.

(C) Notwithstanding the foregoing, the maximum aggregate amount by which the Purchase Price may be reduced pursuant to Section 2.2(b)(i) shall be two million dollars (\$2,000,000).

(ii) Disputes:

(A) Within ninety (90) days after the Closing Date (the “Notice Period”), Buyer shall deliver notice in writing to Seller of either (i) Buyer’s agreement as to the Closing SAP Balance Sheet or (ii) Buyer’s dispute thereof (if any), specifying in reasonable detail the nature of its dispute (any such items in dispute, the “Disputed Items” and any such notice of the Disputed Items, the “Dispute Notice”) (Disputed Items may include, without limitation, any normal recurring year-end adjustments not reflected, or not reflected accurately, within the Closing SAP Balance Sheet). If Buyer fails to deliver to Seller a Dispute Notice within the Notice Period, the Closing SAP Balance Sheet shall be final and binding on the Parties, except in the case of fraud or a breach of Section 3.4 or Section 3.5. If Buyer delivers a Dispute Notice to Seller prior to the expiration of the Notice Period, each Party shall cooperate and shall cause its representatives to cooperate with the other Party and their representatives in good faith to seek to promptly resolve the Disputed Items. Any Disputed Items that are agreed to in writing by the Parties (such resolved Disputed Items, “Resolved Items”) within fifteen (15) days of receipt of the Dispute Notice or such other time as is mutually agreed in writing by the Parties (the “Dispute Period”) shall be final and binding upon the Parties, except in the case of fraud or a breach of Section 3.4 or Section 3.5. If at the end of the Dispute Period, the Parties have failed to reach agreement with respect to any Disputed Items (such unresolved Disputed Items, “Remaining Disputed Items”), such Remaining Disputed Items shall, within twenty (20) days after the expiration of the Dispute Period, be submitted to KPMG, LLC or if such accounting firm is not available, to an independent certified public accounting firm of national standing and reputation jointly selected and retained by Buyer and Seller that is not an independent auditor for either Buyer or Seller or any of their respective Affiliates, is otherwise neutral and impartial and has experience in the substance of the Remaining Disputed Items; provided, however, that if Buyer and Seller are unable to select such other accounting firm within twenty (20) days after the expiration of the Dispute Period, either Party may request the office of the American Arbitration Association located in Chicago, Illinois, to appoint, within twenty (20) Business Days from the date of such request, an independent accounting firm meeting the requirements set forth above. The accounting firm so selected shall be referred to herein as the “Accountant.” The Accountant may consider only the Remaining Disputed Items and must resolve such Remaining Disputed Items (i) in accordance with the terms and provisions of this Agreement; and (ii) in a manner that does not assign a value to any item greater than the greatest value for such item claimed by any Party, or less than the smallest value of such item claimed by any Party, as set forth in the Dispute Notice. The Accountant shall deliver to Buyer and Seller, as promptly as practicable and in any event within forty-five (45) days after its appointment, a written report setting forth the resolution of each Remaining Disputed Item, the resulting adjustments to the Closing SAP Balance Sheet (taking into account the Resolved Items and its resolution of the Remaining Disputed Items), the re-computation of the Purchase Price pursuant to Section 2.2 and the amount of the payment due from Seller to Buyer, or Buyer to Seller, as applicable. Except in the case of fraud, or a breach of Section 3.4 or Section 3.5, the conclusions in such report shall be final and binding upon Buyer and Seller. Each of Buyer and Seller shall (A) bear all of their respective fees, costs and expenses incurred by it in connection with the resolution of the Disputed Items and (B) pay one-half of the fees and costs of the Accountant.

(B) During the time in which the Accountant is reviewing the Remaining Disputed Items, each Party shall make available to the Accountant such work papers, schedules, books and records and other supporting documents and data as the Accountant may reasonably request to resolve the Remaining Disputed Items.

(C) The amount of the payment (the “Adjustment Payment”) due from Seller to Buyer, or Buyer to Seller, as applicable, pursuant to Section 2.2(b)(ii)(A) shall be due and payable on the tenth (10th) Business Day after Buyer and Seller agree to the Adjustment Payment or Buyer and Seller receive notice of any final determination of the Adjustment Payment by the Accountant (the “Settlement Date”). The Adjustment Payment shall be made by wire transfer of immediately available funds to the account or accounts of the Party entitled to receive such payment, which account or accounts shall be identified by such Party in writing on or prior to the Settlement Date.

Section 2.3 Closing Investment Assets and Year-End/Closing Surplus. Prior to Closing, Seller will cause the Company to convert and maintain all of the Company’s Investment Assets into cash or Cash Equivalents. Seller shall also contribute cash or Cash Equivalents to the Company in amounts necessary to increase and maintain the capital and surplus as regards policyholders of the Company (as would be reported on line 37 on the “Liabilities, Surplus and Other Funds” page of the NAIC Annual Statement Blank of the Company) to at least Twenty-One Million Dollars (\$21,000,000) and as close as reasonably possible thereto, but in any event not more than Twenty-One Million Five Hundred Thousand Dollars (\$21,500,000) as of each of December 31, 2017 and the Closing Date.

Section 2.4 Closing. Unless this Agreement shall have been terminated pursuant to Section 10.1, the consummation of the purchase and sale of the Shares and the other transactions contemplated by this Agreement (the “Closing”) shall take place at 10:00 a.m. local time on a Business Day that is no later than (10) Business Days after which the last condition to Closing set forth in Article 6 has been satisfied or duly waived, or such other date and time as may be mutually agreed by the Parties in writing, but in no event earlier than January 1, 2018 or later than January 31, 2018 (such time and date of the Closing being referred to in this Agreement as the “Closing Date”). Unless a place is agreed to in writing by the Parties, documents to be delivered at Closing shall be delivered by courier or in uneditable electronic form. The Closing shall be deemed effective as of 12:01.01 a.m. on January 1, 2018 (the “Effective Time”).

Section 2.5 Closing Deliveries. At the Closing, the Parties shall take the following actions:

(a) Seller shall deliver to Buyer:

(i) a receipt evidencing receipt by Seller of payment and delivery by Buyer of the Purchase Price;

(ii) certificates representing the Shares and appropriate instruments of transfer as shall be necessary to vest in Buyer as of the Closing Date, all right, title and interest in and to the Shares free and clear of any Liens and Preemptive Rights;

(iii) copies (or other evidence) of all Necessary Permits and Necessary Consents required to be obtained, filed or made by Seller and the Company in satisfaction of Section 6.1(c) and Section 6.2(c).

(iv) the certificates contemplated in Section 6.1(a), Section 6.1(b) and Section 6.1(d);

(v) a certificate of the Secretary of the Company, in form and substance reasonably satisfactory to Buyer, certifying as to (a) the good standing of the Company with a certificate of good standing and/or compliance of the Company issued by OCI or the Secretary of State of the State of Wisconsin (to the extent such types of certificates are issued by such Governmental Authorities) not more than ten (10) days prior to the Closing, (b) the articles of incorporation of the Company, as amended, as certified by OCI or the Secretary of State of the State of Wisconsin not more than ten (10) days prior to the Closing, (c) the bylaws of the Company, as amended, and (d) the stock ledger of the Company;

(vi) a certificate of the Secretary of Seller, in form and substance reasonably satisfactory to Buyer, certifying the resolutions of the board of directors of Seller approving and authorizing this Agreement and the transactions contemplated by this Agreement;

(vii) signed resignation and release letters from all officers and directors of the Company;

(viii) the minute books and other Constituent Documents of the Company from and after the time of the acquisition of the Company by the Seller in 1967;

(ix) the LPT Agreement duly executed by the Company and Property and Casualty Company of Omaha;

(x) the Administrative Services Agreement duly executed by the Company and Property and Casualty Company of Omaha;

(xi) the Guaranty Agreement duly executed by the Seller;

(xii) (a) copies of all Insurance Licenses, and (b) certificates or other documents from the insurance regulator of each state/jurisdiction in which the Company has an Insurance License, dated no earlier than (1) forty-five (45) days immediately prior to Closing, in the case of the Key States, and (2) forty-five (45) days immediately prior to the date of this Agreement, in the case of all other states, in each case evidencing that each Insurance License is valid and in good standing as of the date of the certificate or other documentation provided.

(xiii) a statement from Seller, in compliance with Treasury Regulations Section 1.1445-2(b)(2), certifying that Seller is not a foreign person for purposes of U.S. income taxation;

(xiv) IRS Form 8023 executed by Seller; and

(xv) all such additional instruments, documents and certificates provided for by this Agreement or as may be reasonably requested by Buyer in connection with the consummation of the transactions contemplated by this Agreement.

(b) Buyer shall deliver to Seller:

(i) the Purchase Price, by wire transfer of immediately available funds to an account designated in writing by Seller;

(ii) copies (or other evidence) of all Necessary Permits and Necessary Consents required to be obtained, filed or made by Buyer in satisfaction of Section 6.1(c) and Section 6.2(c);

(iii) the certificates contemplated in Section 6.2(a), Section 6.2(b) and Section 6.2(d);

(iv) IRS Form 8023 duly executed by Buyer; and

(v) all such additional instruments, documents and certificates provided for by this Agreement or as may be reasonably requested by Seller in connection with the consummation of the transactions contemplated by this Agreement.

Section 2.6 Withholding. Notwithstanding any other provision in this Agreement to the contrary, the Buyer shall have the right to deduct and withhold from any payments to be made hereunder any Taxes required to be withheld from such payments. The Buyer shall timely pay any withheld amounts to the applicable Governmental Entities. To the extent that amounts are so withheld and paid to the appropriate Governmental Entity, such withheld amounts shall be treated for all purposes of this Agreement as having been delivered and paid to the applicable recipient of payment in respect of which such deduction and withholding was made.

**ARTICLE 3  
REPRESENTATIONS AND WARRANTIES OF SELLER**

Seller hereby represents and warrants to Buyer that the following representations and warranties are true and correct as of the date hereof and will be true and correct as of the Closing:

Section 3.1 Organization, Standing and Corporate Power.

(a) The Company is a stock insurance corporation duly organized, validly existing and in good standing under the laws of the State of Wisconsin. The Company is duly qualified to do business and is in good standing as a foreign corporation in each jurisdiction where the ownership or operation of its properties and assets or the conduct of its business as currently conducted requires such qualification. Seller has made available to Buyer complete copies of the Constituent Documents of the Company, as amended through the date of this Agreement, and will provide to Buyer at the Closing true and complete Constituent Documents of the Company, as amended through the Closing Date. Except as set forth on Schedule 3.1(a)

hereto, the Company has not conducted and does not currently conduct the business of insurance in any jurisdiction in which it was and is not currently licensed. The Company has all requisite power, authority and licenses, permits and other governmental authorizations to own or use the properties and assets that it purports to own or use and to conduct its business as it is now being conducted.

(b) Seller is a mutual insurance company duly organized, validly existing and in good standing under the Laws of the State of Nebraska and has the requisite power and authority to own its properties and assets and carry on its business as currently conducted. Seller is duly qualified to do business and is in good standing as a foreign corporation in each jurisdiction where the ownership or operation of its properties and assets or the conduct of its business as currently conducted requires such qualification. Seller has the requisite power and authority to enter into this Agreement and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement and the Related Transactions have been or will be duly authorized by all necessary organizational action on the part of Seller, Company, and/or their Affiliates and no other proceedings on the part of Seller, Company and/or their Affiliates are or shall be necessary to authorize this Agreement or the Related Transactions. This Agreement and the Related Transactions has been, or will be, duly executed and delivered by Seller, Company and/or their Affiliates (as the case may be) and (assuming due authorization, execution and delivery by Buyer, as applicable) this Agreement and the Related Transactions constitute the legal, valid and binding obligation of Seller, Company and/or their Affiliates (as the case may be) subject to applicable bankruptcy, insolvency rehabilitation, receivership, moratorium or other similar Laws affecting the enforcement of creditors' rights generally.

### Section 3.2 Capital Structure.

(a) The authorized capital stock of the Company consists solely of forty-thousand (40,000) shares of Company Common Stock. Of the authorized capital stock of the Company, only the Shares are issued and outstanding.

(b) The Shares sold, conveyed, transferred, contributed, assigned and/or delivered to Buyer pursuant to this Agreement are duly-authorized, validly issued, fully paid and non-assessable. The Shares are free and clear of all Liens. Seller, directly or indirectly, has, and upon Closing Buyer will acquire, good, valid and marketable title to the Shares free and clear of any and all Liens.

(c) The Company has not issued, and does not currently have outstanding, any bonds, debentures, notes, debt instruments or other indebtedness.

(d) Other than this Agreement, there are no outstanding or authorized (A) options, warrants, redemption rights, repurchase rights, purchase rights, subscription rights, conversion rights, exchange rights, or other Contracts or commitments that could require either Seller or any Affiliate (including the Company) to purchase or issue, sell, or otherwise cause to become outstanding, as applicable, any capital stock or equity interests of the Company; or (B) stock or equity appreciation, phantom stock or equity, profit participation, or similar rights with respect to the Company ((A) and (B) collectively, "Preemptive Rights").

(e) There are no (A) voting trusts, proxies or other agreements or understandings with respect to the voting of any shares of capital stock or equity interests of the Company; (B) bonds, debentures, notes, debt instruments or other indebtedness of the Company having the right to vote (or convertible into, or exchangeable for securities having the right to vote) on any matters on which the shareholders or equity holders of the Company may vote; (C) securities or obligations exercisable or exchangeable for, or convertible into, any capital stock or equity interests of the Company; or (D) agreements, commitments or understandings of any nature whatsoever, fixed or contingent, that directly or indirectly obligates either Seller or any Affiliate (including the Company) to grant, offer or enter into any of the foregoing.

(f) Except for portfolio investments made in the Ordinary Course of Business, the Company does not (A) own, of record or beneficially, directly or indirectly, any membership interest, common stock, any other voting stock or similar equity securities (including options, warrants, rights, commitments or agreements to acquire such equity securities) of any Person or any right (contingent or otherwise) to acquire the same; or (B) otherwise possesses, directly or indirectly, the power to direct or cause the direction of the management or policies of any Person.

Section 3.3 Non-Contravention; Consents.

(a) Except as set forth in Schedule 3.3(a), the execution, delivery and performance by Seller of this Agreement and the Ancillary Agreements does not, and the consummation of the transactions contemplated hereby will not, (A) conflict with any of the provisions of the Constituent Documents of Seller or the Company (B) conflict with, result in a breach of or default (with or without notice or lapse of time, or both) under or give rise to a right of termination under, any Insurance License, or under any Material Company Contract, permit, license or instrument to which Seller or the Company is a party and to which a Governmental Entity is not a party; or (C) subject to the matters referred to in Section 3.3(b), contravene any Requirements of Law applicable to Seller or the Company in any material respect.

(b) No consent, approval or authorization of, or declaration or filing with, or notice to, any Governmental Entity is required to be obtained, made or given by Seller or the Company in connection with the execution and delivery of this Agreement and the Ancillary Agreements by Seller or the consummation by Seller or the Company of any of the transactions contemplated hereby, except for those consents, approvals, authorizations, declarations, filings or notices set forth in Schedule 3.3(b).

(c) No consent, approval, or authorization of, or waiver from, or notice to any Person other than a Governmental Entity is required to be obtained, made or given by Seller or the Company in connection with the execution and delivery of this Agreement and the Ancillary Agreements by Seller or the consummation by Seller or the Company of any of the transactions contemplated hereby, except for those consents, approvals, authorizations, waivers or notices set forth in Schedule 3.3(c).

Section 3.4 Financial Statements; Reserves; Actuarial Results.

(a) Seller has furnished Buyer with copies of the following statutory statements of the Company, in each case together with the exhibits, schedules and notes thereto and any affirmations and certifications filed therewith (collectively, the “Statutory Statements”): (A) the audited annual statutory financial statements (each, an “Annual Statutory Statement”) as of December 31 for each of the years ended 2014 through 2016, in each case as filed with OCI and (B) the unaudited quarterly statutory financial statement (the “Quarterly Statutory Statement”) for the quarterly period ended June 30, 2017, as filed with OCI.

(b) Except as set forth in Schedule 3.4(b), (A) the Statutory Statements were prepared in all material respects in accordance with SAP; provided, that, except as disclosed in Schedule 3.4(b), such preparation shall not have involved the use of any material accounting practices permitted, rather than prescribed, by OCI; (B) subject, in the case of the Quarterly Statutory Statement, to normal recurring year-end adjustments, the Statutory Statements present fairly in all material respects the statutory financial position of the Company at the respective dates thereof and the statutory results of operations, capital and surplus and cash flows of the Company for the respective periods then ended; (C) the Statutory Statements complied in all material respects with all applicable Requirements of Law when filed; (D) the Statutory Statements were filed with or submitted to the OCI in a timely manner on forms prescribed or permitted by OCI; and (E) no material deficiency has been asserted by any Governmental Entity with respect to any of the Statutory Statements.

(c) The Closing SAP Balance Sheet, when prepared and delivered to Buyer pursuant to Section 2.2(a), shall (A) be prepared in all material respects in accordance with SAP, consistent with the preparation of the Annual Statutory Statement of the Company for the year ended December 31, 2016, as filed with OCI, and (B) subject to normal recurring year-end adjustments, otherwise present fairly in all material respects the statutory financial position of the Company as of the close of business on the Business Day prior to the Closing Date.

(d) The aggregate reserves of the Company as recorded in the Statutory Statements have been determined in all material respects in accordance with generally accepted actuarial principles consistently applied. The insurance reserving practices and policies of the Company have not changed, in any material respect, since January 1, 2017 and the results of the application of such practices and policies are reflected in all material respects in the Company’s Statutory Statements. All reserves of the Company set forth in its Statutory Statements are fairly stated in all material respects in accordance with generally accepted actuarial principles and meet applicable Requirements of Law. The Company has not intentionally or willfully misstated, underestimated or overestimated in any Statutory Statement any liabilities in respect of insurance losses or loss adjustment expenses of the Company.

(e) Seller has delivered to Buyer a true and complete copy of the actuarial report prepared by the Company’s actuaries for the period ending on December 31, 2016, and all attachments, addenda, supplements and modifications thereto (the “Company Actuarial Analysis”). The information and data furnished to the Company’s actuaries by the Company which was used to prepare the Company Actuarial Analysis was accurate in all material respects and to the Seller’s Knowledge no other information or data used by the Company’s actuaries is

inaccurate in any material respect. Except as set forth in Schedule 3.4(e), since December 31, 2012, the Company has not adjusted its insurance reserves except in the Ordinary Course of Business.

Section 3.5 Absence of Undisclosed Liabilities. Except as disclosed on the face of the balance sheet (rather than in the notes thereto) forming part of the Company's Annual Statutory Statement for the year ended December 31, 2016 or as otherwise set forth in Schedule 3.5 (none of which, in either case, results from, arises out of, relates to, is in the nature of, or was caused by any breach of contract, breach of warranty, tort, infringement, or violation of Requirements of Law), the Company has no Liabilities.

Section 3.6 Rights to the Company Shares. Upon consummation of the transactions contemplated by this Agreement, including the execution and delivery of documents in accordance with Section 2.5, at the Closing, Buyer shall acquire all right, title and interest in and to the Company Shares free of any Liens and Preemptive Rights.

Section 3.7 Employees; Labor Matters

(a) The Company does not currently have, and has not had any employees since 1986. The Company has not misclassified any Person as an independent contractor, temporary employee, leased employee or any other servant or agent compensated other than through reportable wages as an employee of the Company and no such Person has been improperly excluded from any Employee Benefit Plan. All Persons classified by the Company as independent contractors satisfy and have at all times satisfied the applicable Requirements of Law to be so classified; the Company has fully and accurately reported its compensation on IRS Forms 1099 when required to do so; and the Company does not have any obligations to provide benefits with respect to such Persons under Employee Benefit Plans or otherwise. No individuals are currently providing, or have ever provided, services to the Company pursuant to a leasing agreement or similar type of arrangement, nor has the Company entered into any arrangement whereby services will be provided by such individuals.

(b) The Company is not a party to or subject to any collective bargaining agreement or other agreement with a labor union. There are no strikes, work stoppages or unfair labor practice charges or grievances or other labor disputes pending or, to Seller's Knowledge, overtly threatened against, involving or affecting the Company.

(c) The Company is in compliance in all material respects with all applicable Laws, Contracts, policies, plans and programs relating to employment, employment practices, wages, hours, collective bargaining, unemployment insurance, workers' compensation, equal employment opportunity, age and disability discrimination, the payment withholding of Taxes, the hiring and consideration of applicants for employment, and the termination of employment, including, but not limited to, any obligations pursuant to: the Worker Adjustment and Retraining Notification Act of 1988 and similar state or local law; the Fair Labor Standards Act and similar state or local law; the Immigration Reform and Control Act of 1986 and similar state or local law; Title VII of the Civil Rights Act of 1964, as amended, and similar state or local law; the Employee Retirement Income Security Act and similar state or local law; the Americans with Disabilities Act and similar state or local law; the Age Discrimination in Employment Act and

similar state or local law; the Older Worker Benefit Protection Act and similar state or local law; the National Labor Relations Act and similar state or local law; the Family and Medical Leave Act and similar state or local law; and any other state or local employment non-discrimination laws or statutes. Other than those matters disclosed in Schedule 3.7(c), there are no material complaints, charges or claims against the Company pending or, to the Knowledge of the Seller, threatened to be brought or filed with any public or Governmental Entity, arbitrator or court based on, arising out of, in connection with, or otherwise relating to the employment by Company of any individual, or the termination of such employment.

### Section 3.8 Benefit Plans.

(a) Except as set forth on Schedule 3.8(a), the Company does not sponsor or maintain any Employee Benefit Plan, is not a “participating employer” in any employee benefit plan sponsored or maintained by any other entity, and has no ongoing financial obligation under any Employee Benefit Plan or to any prior employees of the Company.

(b) Any Employee Benefit Plans intended to be tax qualified under Section 401(a) of the Code are so qualified. No Employee Benefit Plan is (i) currently under examination by, nor are any matters with respect to any Employee Benefit Plan pending before the IRS, the Employee Benefits Security Administration or any other Governmental Authority, (ii) subject to any claim, suit or arbitration (other than routine claims for benefits), or (iii) subject to the minimum funding standards of Code Section 412. Each Employee Benefit Plan is, and at all times has been, in compliance with and has been administered in accordance with its terms and in compliance with all applicable Law, including the Code and ERISA, and there have been no prohibited transactions as defined in Code Section 4975 or ERISA Section 406 with respect to such plans which could subject the Company to a Tax or penalty under Code Section 4975 or ERISA Section 502(i)

(c) Except as set forth in Schedule 3.8(c), the Closing and the consummation of the transactions contemplated by this Agreement will not, either alone or in combination with any other event (where such other event would not alone have an effect described in this sentence), (i) entitle any current or former employee, officer, director, consultant or independent contractor of the Company to severance pay, or any other payment or benefit, (ii) result in the payment to any current or former employee, officer, director, consultant or independent contractor of the Company of any money or property, (iii) accelerate the time of payment or vesting or increase the amount of compensation due any such employee, officer, director, consultant or independent contractor or (iv) cause any amounts payable under the Employee Benefit Plans to fail to be deductible for federal income Tax purposes by virtue of Section 280G of the Code.

(d) The Company has no express or implied commitment (i) to create or incur any Liability with respect to or cause to exist any Employee Benefit Plan, or any other program or arrangement, (ii) to enter into any contract or agreement to provide compensation or benefits to any individual, or (iii) to modify, change or terminate any Employee Benefit Plan.

(e) Neither the Company nor any ERISA Affiliate has incurred any Liability under Title IV of ERISA that has or could, after the Closing Date, become a Lien upon any properties or assets of the Company pursuant to Section 4068 of ERISA.

(f) The Company is not and has never been required to contribute to any “multiemployer plan” or “multiple employer plan” as such terms are defined by ERISA, in which current or former employees of the Company participate or participated, and no ERISA Affiliate has or has had any contribution requirement to any such “multiemployer plan” or “multiple employer plan” that could result in any Liability to the Company.

(g) Except as set forth in Schedule 3.8(g), no Employee Benefit Plan provides medical, surgical, hospitalization, death or similar benefits (whether or not insured) for current or former employees of the Company for periods extending beyond their retirement or other termination of service, other than (i) coverage mandated by applicable Law, or (ii) death benefits under any pension plan.

Section 3.9 Absence of Certain Changes or Events. Since January 1, 2017, there has not been any Material Adverse Change and the Company has conducted its business in all material respects in the Ordinary Course of Business; provided, that since 1986, the Company has not written any new or renewal insurance or reinsurance business. Except (i) as contemplated or permitted by this Agreement or (ii) as disclosed in Schedule 3.9, since January 1, 2017 there has not occurred any of the actions or events listed in Section 5.1.

Section 3.10 Taxes.

(a) All Tax Returns required to be filed with respect to the Company with any Taxing Authority have been duly and timely filed in the manner prescribed by applicable Requirements of Law (taking into account all valid extensions) and such Tax Returns were correct and complete in all material respects. All Taxes due and owing by the Company (whether or not shown on any Tax Return) have been timely paid. No claim has ever been made by a Taxing Authority in a jurisdiction where the Company does not file Tax Returns that the Company is or may be subject to taxation by that jurisdiction.

(b) The Company has not, and the Seller has not in respect of the Company, received from any Taxing Authority (including jurisdictions where the Company has not filed Tax Returns) any (A) written notice indicating an intent to open an audit or other review; (B) request for information related to Tax matters; or (C) notice of deficiency or proposed adjustment for any amount of Tax proposed, asserted, or assessed by any Taxing Authority against the Company. Seller has delivered to Buyer correct and complete copies of all Tax Returns, examination reports, and statements of deficiencies assessed against or agreed to by the Company, or assessed against or agreed to by Seller in respect of the Company, filed or received since December 31, 2012.

(c) The unpaid Taxes of the Company (i) do not, as of the most recent Quarterly Statutory Statement, exceed the reserve for Tax Liability (rather than any reserve for deferred Taxes established to reflect timing differences between book and Tax income) set forth on the face of the most recent Quarterly Statutory Statement (rather than in any notes thereto)

and (ii) do not exceed that reserve as adjusted for the passage of time through the Closing Date in accordance with the past custom and practice of the Company in filing its Tax Returns. Since the date of the most recent Quarterly Statutory Statement, the Company has not incurred any liability for Taxes arising from extraordinary gains or losses, as that term is used in GAAP, outside the ordinary course of business consistent with past custom and practice.

(d) The Company has not executed or filed, and Seller has not executed or filed in respect of the Company, any agreement or other document extending the period for assessment, reassessment or collection of any amounts of Taxes that will be in force after the Closing Date, and no power of attorney granted by the Company prior to the Closing Date shall remain in effect after the Closing Date. The Company is not a party to or bound by, and Seller is not a party to or bound by in respect of the Company, any closing agreement, offer in compromise, or similar agreement with any Taxing Authority. The Company is not party to, and Seller is not party to in respect of the Company, any Action by any Taxing Authority. There are no pending or threatened Actions by any Taxing Authority.

(e) There are no Liens for any Taxes upon the properties or assets of the Company, other than for current Taxes not yet due and payable.

(f) The transactions contemplated by this Agreement are not subject to any withholding Tax provision of any federal, state, local or foreign Tax Law.

(g) Other than the Tax Allocation Agreement, the Company is not party to or bound by any tax indemnity, tax sharing or tax allocation agreement.

(h) The Company (A) has never been a member of any affiliated group of corporations, within the meaning of Section 1504 of the Code, other than the group of which the Company is presently a member or (B) has no liability for the Taxes of any Person under Section 1.1502-6 of the Treasury Regulations (or any similar provision of state, local, or foreign Law), as a transferee or successor, by Contract, or otherwise.

(i) The Company has not made, nor are they required to make, any adjustment under Section 481(a) of the Code by reason of a change in accounting method or otherwise.

(j) The Company is not a party to any nonqualified deferred compensation plan that fails in any respect to meet the requirements of Section 409A (a)(2)(3) and (4) of the Code or is not operated in accordance with such requirement. The Company is not a party to any Contract, Employee Benefit Plan, or other plan or arrangement, compliance with which has resulted or could result, separately or in the aggregate, in the payment of (i) any “excess parachute payment” within the meaning of Section 280G of the Code (or any corresponding provision of state, local or foreign Tax law) or (ii) would result in any obligation to withhold Taxes pursuant to Section 4999 of the Code (or any corresponding provision of state, local or foreign Tax Law). The Company has never been a United States real property corporation (as defined in Section 897(c)(2) of the Code) during the applicable period specified in Section 897(c)(1)(A)(ii) of the Code. The Company is not obligated to indemnify, gross-up or make-whole any obligation imposed with respect to Section 280G, 4999 or 409A of the Code.

(k) The Company has never been a party to any joint venture, partnership or other Contract which could be treated as a partnership for tax purposes.

(l) The Company has withheld and paid all Taxes required to have been withheld and paid in connection with any amounts paid or owing to any employee, independent contractor, creditor, stockholder, or other third party, and complied with all information reporting, backup withholding provisions and similar provisions of applicable Tax Law.

(m) The Company has sufficient information contained in their records to calculate any taxable income or allowable loss which may arise as the result of the disposition of properties or assets owned by the Company at the Closing Date. The Company does not have any deferred intercompany transactions and the transactions contemplated hereby will not result in a Tax liability.

(n) All instruments executed by the Company (and which are subject to stamp duty) have been duly stamped. The Company has no liability with respect to stamp duty reserve Tax.

(o) The Company has never engaged in a reportable transaction as that term is defined in Section 6707A(c)(1) and Treasury Regulation 1.6011-4.

(p) The Company will not be required to include any item of income in, or exclude any item of deduction from, taxable income for any taxable period (or portion thereof) ending after the Closing Date as a result of any: (A) "closing agreement" as described in Section 7121 of the Code (or any corresponding or similar provision of state, local or foreign income Tax Law) executed on or prior to the Closing Date; (B) intercompany transaction or excess loss account described in Treasury Regulations under Section 1502 of the Code (or any corresponding or similar provision of state, local or foreign income Tax Law); (C) installment sale or open transaction disposition made on or prior to the Closing Date; (D) prepaid amount received on or prior to the Closing Date; or (E) election under Section 108(i) of the Code.

(q) The Company has not distributed stock of another Person, or has had its stock distributed by another Person, in a transaction that was purported or intended to be governed in whole or in part by Section 355 or Section 361 of the Code.

(r) No private letter rulings, technical advice memoranda or similar agreement or rulings have been requested, entered into or issued by any Taxing Authority with respect to the Company. The Company has not received a Tax opinion with respect to any transaction of the Company other than transactions in the ordinary course of business.

(s) The Company is in compliance with the terms and conditions of all applicable Tax exemptions, Tax agreements and Tax orders of any Governmental Authority to which it may be subject or to which it may have claimed, and the transactions contemplated by this Agreement will not have any adverse effect on such compliance.

Section 3.11 Compliance with Applicable Law. Except as set forth in Schedule 3.11: (A) the Company has in full force and effect all federal, state, local and foreign governmental approvals, authorizations, consents, licenses and permits (excluding Insurance

Licenses, collectively, “Permits”) necessary for it to own, lease or operate its properties and assets and to carry on its business as now conducted; (B) the Company is in compliance with all applicable Requirements of Law in all material respects (including, without limitation, all applicable Requirements of Law regarding privacy, data security and the collection, use, storage, transfer, or disposal of personal information); (C) no event has occurred or circumstance exists that (with or without the giving of notice or the lapse of time or both) (x) constitutes or results, directly or indirectly, in a material violation of, or a failure to comply with, any applicable Requirements of Law by Seller or the Company, or (y) would result in the revocation, withdrawal, suspension, cancellation, or termination of, or any modification to, any Permit or Insurance License; (D) Seller and Company have not received any notice or other communication from any Governmental Entity or any other Person regarding (x) any actual, alleged, possible, or potential violation of, or failure to comply with, any applicable Requirements of Law in any material respect, or (y) any actual, proposed, possible, or potential revocation, withdrawal, suspension, cancellation, termination of, or modification to any Permit or Insurance License which has not been resolved; and (E) all applications required to have been filed for the renewal of each Permit and Insurance License have been duly filed on a timely basis with the appropriate Governmental Entity, and all other filings required to have been made with respect to each Permit and Insurance License have been duly made on a timely basis with the appropriate Governmental Entity.

Section 3.12 Litigation. There are no Actions or Orders issued, pending or, to the Knowledge of Seller, threatened against Seller or the Company on any of their respective properties or assets, at law, in equity or otherwise, in, before or by, or otherwise involving any Governmental Entity or other Person that (A) are material to the Company; (B) individually or in the aggregate, challenge the validity or legality of, or have the effect of prohibiting, preventing, restraining, delaying, making illegal or otherwise interfering with, this Agreement, the consummation of transactions contemplated by this Agreement, any action taken or proposed to be taken by Seller or the Company pursuant hereto or in connection with the transactions contemplated hereby. There are no unsatisfied judgments or outstanding injunctions, decrees, or awards against Seller or the Company, or against any of their respective assets, businesses or properties.

Section 3.13 Contracts. Schedule 3.13 lists all Material Company Contracts. Seller has delivered to Buyer a correct and complete copy of each Material Company Contract. Each Material Company Contract is the legal, valid and binding obligation of the Company, and of each other party thereto, and is enforceable in accordance with its terms. The Company, and all other parties, are not in material violation or default of any term of any such Material Company Contract and no condition or event exists which with the giving of notice or the passage of time, or both, would constitute a material violation or default of any Material Company Contract by the Company or any other party thereto or permit the termination, modification, cancellation or acceleration of performance of the obligations of the Company or any other party to such Material Company Contract. Except as set forth in Schedule 3.13, the consummation of the transactions contemplated by this Agreement will not give rise to a right of a party or parties (other than the Company) to any Material Company Contract to terminate such Material Company Contract or impose liability under the terms thereof on the Company. None of the Material Company Contracts (i) commits the Company to pay any fees, bonus or other amount upon or following any threatened or actual change in control, or change in the nature of

the business of the Company or (ii) contains covenants restricting, restraining or impairing the ability of (A) the Company to engage in any line of business or with any Person, to compete with any Person, to do business with any Person or in any location or to employ any Person or (B) any Person to obtain products or services from Company.

Section 3.14 Insurance Matters.

(a) Seller has provided Buyer with copies of: (A) each Statutory Statement filed with or submitted to any insurance regulatory authority by the Company since January 1, 2014; (B) any final or draft reports of examination (including, without limitation, financial, market conduct and similar examinations) of the Company issued by any insurance regulatory authority since January 1, 2012; and (C) all other filings or submissions under insurance holding company statutes and regulations made by the Company with any insurance regulatory authority since January 1, 2012. The Company has filed all reports, registrations, filings and submissions required to be filed with any insurance regulatory authority (including without limitation, under any applicable insurance holding company statute) since January 1, 2012. All such reports, registrations, filings and submissions were in material compliance with applicable Requirements of Law when filed or as amended or supplemented, and no material deficiencies have been asserted by any Governmental Entity with respect to such reports, registrations, filings or submissions that have not been cured or remedied to the satisfaction of the applicable insurance regulatory authority.

(b) The Company (A) is duly licensed or authorized as an insurance company in the States listed in Schedule 3.14(b), and attached to Schedule 3.14(b) is a copy of each such insurance authorization and license (collectively, the “Insurance Licenses”); (B) is in good standing with no restrictions, limitations or impairments in each state where it has an Insurance License; (C) is duly authorized to write those lines of business listed in Schedule 3.14(b); and (D) is not “commercially domiciled” for insurance regulatory purposes in any jurisdiction or otherwise treated as domiciled in a jurisdiction other than the State of Wisconsin. The Company has not engaged in any activity which would reasonably be expected to cause the loss, limitation, restriction, revocation, suspension or impairment of any Insurance License, and no Action or notification with respect to any loss, limitation, restriction, revocation, suspension or impairment of any Insurance License is pending or, to the Knowledge of Seller, threatened. To the Knowledge of the Seller, the execution and delivery of this Agreement and the consummation of the transactions contemplated herein will not result in the limitation, loss, restriction, revocation, suspension, termination or impairment of any Insurance License.

(c) The Company has not marketed, sold or issued new or renewal insurance or reinsurance products since 1986. To the Knowledge of Seller, no proceeding or customer complaint has been filed with the insurance regulatory authorities which could reasonably be expected to lead to the revocation, failure to renew, limitation, suspension, restriction, or impairment of any Insurance License.

(d) Since January 1, 2012, no agent, broker, intermediary or producer has had any underwriting or binding authority on behalf of the Company, and the Company is not and has not been a party to any general agency Contract or other similar arrangement.

(e) Except as set forth in Schedule 3.14(e), no claim or assessment by any Guaranty Fund is pending, the Seller and the Company have not received notice of any such claim or assessment, and there is no basis for the assertion of any such claim or assessment against the Company by any such Guaranty Fund.

Section 3.15 Brokers. No broker, investment banker, financial advisor or other Person is entitled to any broker's, finder's, financial advisor's or similar fee or commission in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of Seller or any of its Affiliates (including the Company), except those for which Seller (and not the Company or Buyer) will be solely responsible.

Section 3.16 Property and Assets.

(a) The Company has good and marketable title to all of its properties and assets, free of any Liens. The Company has no properties or assets other than: A) its Constituent Documents, minute books, corporate and regulatory records, financial and accounting records, actuarial records, stock ledger, Insurance Licenses and Permits; (B) cash and cash equivalents; (C) those other properties and assets agreed to by the Parties and set forth in Schedule 3.16(a); and (D) existing amounts of cash, securities or other assets on deposit with state insurance departments. The Company does not own, lease, license or use any other personal property or any Intellectual Property and the Company does not have any debts, commitments, liabilities or obligations of any kind or nature whatsoever, whether accrued, fixed or unfixed, choate or inchoate, liquidated or unliquidated, secured or unsecured, contingent, absolute, known or unknown, due or to become due, determined, determinable or otherwise (and there is no existing condition, situation or set of circumstances which could reasonably be expected to result in such a debt, liability, obligation or commitment) with respect to the ownership, lease, license or use of any Intellectual Property or other personal property. The conduct of the Company's business[es] as currently and formerly conducted has not infringed, misappropriated, or otherwise violated the Intellectual Property or other rights of any Person.

(b) Except as set forth in Schedule 3.16(b), the Company has never owned, possessed, operated, leased or used any Real Property, and the Company does not have any debts, commitments, liabilities or obligations of any kind or nature whatsoever, whether accrued, fixed or unfixed, choate or inchoate, liquidated or unliquidated, secured or unsecured, contingent, absolute, known or unknown, due or to become due, determined, determinable or otherwise (and there is no existing condition, situation or set of circumstances which could reasonably be expected to result in such a debt, liability, obligation or commitment) with respect to the ownership, possession, operation, lease or use of any Real Property.

Section 3.17 Certain Relationships. Except as set forth in Schedule 3.17, the Company is not party to any Contract with Seller or its other Affiliates, or any officer or director of such Persons, or to Seller's Knowledge, any employee of such Persons (the "Affiliate Agreements"). Schedule 3.17 sets forth a true and complete list of all balances due under any Affiliate Agreement as of the last Business Day of the calendar month immediately preceding the date of this Agreement. Except as set forth in Schedule 3.17, since December 31, 2016, there has not been any incurrence or accrual of any Liability (as a result of allocations or otherwise) by the Company or other transaction between the Company and Seller or any of its other Affiliates, or

any officer or director of such Persons, or to Seller's Knowledge, any employee of such Persons, except in the Ordinary Course of Business.

Section 3.18 Reinsurance. With respect to any reinsurance, coinsurance, retrocession or similar treaty or agreement to which the Company is a party and under which the Company is the ceding entity, including, without limitation, the LPT Agreement (collectively, the "Reinsurance Agreements"): (A) each such Reinsurance Agreement remains enforceable in accordance with its terms, and neither the Company nor, to the Knowledge of the Seller, any of the other parties thereto are in material default under any such Reinsurance Agreement; (B) neither the Seller nor Company have received any written notice from any applicable reinsurer that any amount of reinsurance ceded by the Company will be uncollectible or otherwise defaulted upon; (C) there are no pending or, to the Knowledge of the Seller, threatened Actions with respect to any such Reinsurance Agreement; and (D) with respect to each such Reinsurance Agreement, the Company is entitled to take full (i.e. 100%) credit for the reinsurance provided thereunder on its Statutory Statements under all applicable Law.

Section 3.19 Accounts with Financial Institutions. Schedule 3.19 sets forth a list of all safe deposit boxes, active bank accounts and other time or demand deposits of the Company, including any custodial accounts for securities owned by the Company, together with the names and addresses of the applicable financial institution or other depository, the account number, and the identities of all Persons authorized to draw thereon or who have access thereto.

Section 3.20 Insurance. Seller has delivered to Buyer a copy or summary of each insurance policy (including, without limitation, policies providing property, casualty, liability, and workers' compensation coverage and bond and surety arrangements) pursuant to which the Company was a named insured, or otherwise the beneficiary of coverage, at any time within the past five (5) years; provided, however, that in the case of each and every summary of an insurance policy provided hereunder, the summary shall include at a minimum: (A) the name of the insurer, the name of the policyholder, and the name of each covered insured; (B) the policy number and the period of coverage; (C) the scope (including an indication of whether the coverage was on a claims made, occurrence, or other basis) and amount (including a description of how deductibles and ceilings are calculated and operate) of coverage; and (D) a description of any retroactive premium adjustments or other loss-sharing arrangements. There are no pending or, to the Knowledge of Seller, threatened, material claims against such insurance involving the Company as to which the insurers have denied liability. No notice of cancellation or termination has been received with respect to any insurance policy described in this Section 3.20.

Section 3.21 Environmental Matters. Except as set forth in Schedule 3.21 hereto:

- (a) the Company is, and at all times has been, in material compliance with all Environmental Laws;
- (b) the properties used by the Company are and at all times have been, in material compliance with all Environmental Laws, and there has been no release, discharge or disposal of Hazardous Substances by the Company, or otherwise existing, on, at or under any real property currently or previously owned, leased or otherwise operated by the Company;

(c) neither Seller nor the Company has received any written notice, request for information, or order from any Governmental Entity that the operation of the Company's businesses or condition of its properties or assets is in violation of any Environmental Laws, or that the Company has any Liabilities or potential Liabilities, including any investigatory, remedial or corrective obligations, relating to any of them or their facilities arising under Environmental Laws; and

(d) there has been no release, discharge or disposal of Hazardous Substances at any third party disposal site by or on behalf of the Company (including the disposal of any Hazardous Substances used in the conduct of the business of the Company); and

(e) the Company has not expressly or, by operation of law, assumed any Liability, including any obligation for corrective or remedial action, of any other Person arising out of Environmental Laws.

Section 3.22 Powers of Attorney. No Person holds a power of attorney entitling such Person to bind the Company except those agents for service of process identified in Schedule 3.22.

Section 3.23 Disclosure. To the Knowledge of Seller, there is no fact which has not been disclosed herein or in the Disclosure Schedules which could reasonably be expected to have a Material Adverse Change.

#### **ARTICLE 4 REPRESENTATIONS AND WARRANTIES OF BUYER**

Buyer represents and warrants to Seller as follows:

Section 4.1 Organization, Standing and Corporate Power.

(a) Buyer is a corporation validly existing and in good standing under the Laws of the State of Delaware and has the requisite corporate power and authority to own its properties and assets and carry on its business as currently conducted. Buyer is duly qualified to do business and is in good standing as a foreign corporation in each jurisdiction where the ownership or operation of its properties and assets or the conduct of its business as currently conducted requires such qualification.

(b) Buyer has the requisite corporate power and authority to enter into this Agreement and to consummate the transactions contemplated hereby. The execution and delivery by Buyer of this Agreement and the consummation by Buyer of the transactions contemplated hereby have been duly authorized by all necessary corporate action on the part of Buyer. This Agreement has been duly executed and delivered by Buyer and (assuming the due authorization, execution and delivery by Seller) constitutes a valid and binding obligation of Buyer, enforceable against Buyer in accordance with its terms, subject to applicable bankruptcy, insolvency rehabilitation, receivership, moratorium or other similar Laws affecting the enforcement of creditors' rights generally.

Section 4.2 Non-Contravention; Consents.

(a) The execution, delivery and performance by Buyer of this Agreement does not, and the consummation of the transactions contemplated hereby will not, (A) conflict with any of the provisions of its Constituent Documents; (B) conflict with, result in a breach of or default (with or without notice or lapse of time, or both) under or give rise to a right of termination under, any Contract, permit, license or instrument to which Buyer is a party and to which a Governmental Entity is not a party; or (C) subject to the matters referred to in Section 4.2(b), contravene any Requirements of Law applicable to Buyer or any Affiliate of Buyer in any material respect.

(b) No consent, approval or authorization of, or declaration or filing with, or notice to, any Governmental Entity is required to be obtained, made or given by Buyer in connection with the execution and delivery of this Agreement by Buyer or the consummation by Buyer of any of the transactions contemplated by this Agreement, except for those consents, approvals, authorizations, declarations, filings or notices set forth in Schedule 4.2(b).

(c) No consent, approval, or authorization of, or waiver from, or notice to any Person other than a Governmental Entity is required to be obtained, made or given by Buyer in connection with the execution and delivery of this Agreement by Buyer or the consummation by Buyer of any of the transactions contemplated hereby, except for those consents, approvals, authorizations, waivers or notices set forth in Schedule 4.2(c).

Section 4.3 Brokers. No broker, investment banker, financial advisor or other Person is entitled to any broker's, finder's, financial advisor's or similar fee or commission in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of Buyer or any of its Affiliates, except those for which Buyer will be solely responsible.

Section 4.4 Litigation. There is no Action pending or, to the knowledge of Buyer, threatened against Buyer that, if adversely determined, would have a Buyer Material Adverse Effect. There is no Order outstanding against Buyer that would have a Buyer Material Adverse Effect. There are no Actions whether settled, pending, or threatened (including in the form of offers to obtain a license), alleging any infringement, misappropriation, or other violation by the Company of the Intellectual Property of any Person.

Section 4.5 Investment Intent. The Company Shares are being acquired by Buyer for its own account and not with a view to, or for offer or sale in connection with, any distribution thereof in any transaction which would be in violation of the Securities Act of 1933, as amended.

**ARTICLE 5  
COVENANTS**

Section 5.1 Conduct of Business of the Company. Except as contemplated or permitted by this Agreement or as may be required by applicable Requirements of Law, from the Date of this Agreement to the Closing Date, the Company shall, and Seller shall cause the Company to, (i) conduct its business in all material respects in the Ordinary Course of Business;

(ii) use its commercially reasonable best efforts to preserve intact its business organization and goodwill and relationships with third parties and its rights and franchises, (iii) use its commercially reasonable best efforts to preserve and maintain each of the Insurance Licenses, which shall include, but not be limited to, making all requisite filings, paying all fees, Taxes and assessments, and engaging legal counsel to defend any action or proceeding to suspend, revoke or otherwise cancel any Insurance License; (iv) not intentionally engage in any practice, take any action, fail to take any action or enter into any transaction or other agreement or arrangement which would reasonably be expected to cause any representation or warranty of Seller to be untrue at any time, or result in a breach of any covenant or obligation made by Seller in this Agreement; (v) perform the obligations under any insurance policies written by the Company and all Material Company Contracts, in each case in all material respects; and (vi) maintain its books and records in the usual, regular and ordinary manner consistent with past practice. Without limiting the foregoing, from the date of this Agreement to the Closing, except as set forth in this Section 5.1 and as contemplated or permitted by this Agreement and the Related Transactions, the Company shall not, and Seller shall cause the Company not to, take any of the following actions without the prior consent of Buyer:

(a) (i) declare, set aside or pay any dividends on, or make any other distributions (whether in cash, equity or property) in respect of, the outstanding equity interests of the Company; (ii) split, combine or reclassify any of its outstanding equity interests or issue or authorize the issuance of any other securities in respect of, in lieu of or in substitution for their outstanding equity interests; or (iii) purchase, redeem or otherwise acquire any outstanding equity interests of the Company or any rights, warrants or options to acquire any such equity;

(b) issue, sell, grant, pledge or otherwise encumber any of its equity interests or other securities or issue any securities convertible into, or any rights, warrants or options to acquire, any such equity interests or other securities or convertible securities;

(c) amend its Constituent Documents;

(d) (i) acquire (including by way of bulk reinsurance, merger, consolidation or acquisition of stock or assets) any Person or any division thereof or material portion of the assets thereof; (ii) enter into any agreement providing for the merger or consolidation of the Company with any other Person; (iii) liquidate, dissolve, or wind up, or otherwise dispose of all or substantially all of its assets (including by way of bulk reinsurance, whether on an indemnity or assumption basis); (iv) consider or adopt of a plan of bankruptcy liquidation, dissolution, rehabilitation, restructuring, recapitalization, re-domestication or other reorganization; or (v) organize any new company, subsidiary or joint venture, partnership or similar arrangement;

(e) mortgage, pledge or subject to any Lien (other than Permitted Liens) any of its properties or assets;

(f) except as set forth in Section 2.3, sell, lease, license or otherwise dispose of any property or assets;

(g) create, incur, assume or guarantee any indebtedness, obligation or liability for money including, without limitation, the creation of any Lien (except for any Permitted Liens) on all or any portion of any property of the Company;

(h) enter into, amend or modify in any material respect, or terminate any Material Company Contract or Employee Benefit Plan;

(i) make any change in its financial or statutory accounting methods, principles or practices which materially affect any properties, assets or liabilities, except insofar as may be required by a change in applicable Requirements of Law or applicable accounting principles;

(j) make any payment, accrual or commitment for capital expenditures;

(k) make any material change in the business, condition, operations, properties, assets or liabilities of the Company;

(l) suffer or permit to suffer any damage, destruction or other loss of any asset or property of the Company (whether or not covered by insurance);

(m) make any material change in the reserving, financial or accounting methods, practices or policies of the Company;

(n) except as set forth in Section 2.3, make any loan, advance or capital contribution to or otherwise invest in any Person;

(o) except with respect to claims payments made in the Ordinary Course of Business in respect of insurance or reinsurance business previously issued or assumed by the Company, pay, discharge, settle or satisfy any material claims, Liens, liabilities or obligations (absolute, accrued, asserted or unasserted, contingent or otherwise) or waive any right;

(p) except where such actions would not create, or potentially create, any new or additional Liability for the Company, (i) enter into any employment, consulting, deferred compensation, severance, retirement or other similar agreement with any director, officer, employee or agent of the Company (or materially amend any such existing agreement); (ii) grant any severance or termination pay to any director, officer, employee or agent of the Company; (iii) materially change any compensation or other benefits payable to any director, officer, employee or agent of the Company pursuant to any severance, retirement or similar policies or plans thereof; (iv) materially increase any compensation (including bonuses) payable or to become payable to any director, officer, employee or agent of the Company; or (v) materially alter any employment practices or the terms and conditions of employment;

(q) fail to pay in full all assessments by any Guaranty Fund of which written notice has been received;

(r) issue any new or renewal policies of insurance or reinsurance, or generate any new or renewal insurance or reinsurance business in any jurisdiction, whether by the Company or on its behalf;

(s) (i) make any change to any Tax election; (ii) settle or compromise any Action or controversy relating to Taxes; (ii) amend or fail to file when due any Tax Return; (iii) make any request for a written ruling of a Governmental Entity relating to Taxes; or (iv) enter into a written and legally binding agreement with a Governmental Entity relating to Taxes;;

(t) terminate, cancel or amend any insurance coverage for the Company which has not been replaced by a comparable amount of insurance coverage for the Company;

(u) make any payment under any Tax allocation or similar agreement except in the Ordinary Course of Business; or

(v) approve, or enter into any Contract or commitment, whether in writing or otherwise and whether made by or on behalf of the Company, to take any of the actions specified in this Section 5.1.

Section 5.2 Access to Information. From the Date of this Agreement until the Closing Date, Seller and the Company shall afford Buyer and its officers, employees and other representatives full access upon reasonable advance notice at reasonable times during normal business hours to all of Seller's and the Company's properties, books, Contracts and records, and Seller and the Company shall furnish Buyer such information concerning the Company's business, properties, financial condition, operations and personnel as Buyer may from time to time reasonably request; provided, however, that Buyer's investigation shall be conducted in a manner that does not unreasonably interfere with the normal operations, customers and employee relations of Seller or the Company. After the Closing Date, Seller will provide Buyer and its officers, employees and other representatives with any information which Buyer may request, including reasonable access to Seller's relevant officers, employees and other representatives during normal business hours and upon reasonable notice, in order to prepare the Company's Statutory Statements and to comply with regulatory requirements and requests.

Section 5.3 Commercially Reasonable Best Efforts.

(a) Upon the terms and subject to the conditions and other agreements set forth in this Agreement, each of the Parties to this Agreement agrees to use its commercially reasonable best efforts to take, or cause to be taken, all actions, and to do, or cause to be done, and to assist and cooperate with the other Parties in doing, all things necessary, proper or advisable to consummate and make effective, in the most expeditious manner practicable, the transactions contemplated by this Agreement; provided, that this Section 5.3(a) shall not require either Party to waive any condition to Closing set forth in Article 6.

(b) During the period from the Date of this Agreement until the earlier of the date this Agreement is terminated and the Closing Date, neither Party shall take any action or omit to take any action for the purpose of directly or indirectly preventing, materially delaying or materially impeding (or that would reasonably be expected to prevent, materially delay or materially impede) the consummation of the transactions contemplated by this Agreement or agree, commit in writing or otherwise, to take any such actions.

Section 5.4 Consents, Approvals and Filings. Seller and Buyer shall each use their commercially reasonable best efforts and will cooperate fully with each other to (i) comply

as promptly as practicable with all requirements of any Governmental Entity applicable to the transactions contemplated by this Agreement; (ii) obtain, make or provide (as the case may be) as promptly as practicable all consents, approvals, authorizations, declarations, filings or notices set forth in Schedule 3.3(b) and Schedule 4.2(b) in connection with the consummation of the transactions contemplated by this Agreement (“Necessary Permits”); and (iii) obtain or provide (as the case may be) as promptly as practicable all consents, approvals, authorizations, waivers or notices set forth in Schedule 3.3(c) and Schedule 4.2(c) in connection with the consummation of the transactions contemplated by this Agreement (“Necessary Consents”). In connection therewith, Seller and Buyer shall make and cause their respective Affiliates to make all formal filings and material supplements thereto required pursuant to applicable Requirements of Law (such formal filings and material supplements thereto, collectively, “Material Filings”) as promptly as practicable in order to facilitate the prompt consummation of the transactions contemplated by this Agreement and shall make, and shall cause their respective Affiliates to make, such Material Filings as such Governmental Entities may reasonably request. To the extent permitted by applicable Law, each Party shall request confidential treatment of Material Filings made by it.

Section 5.5 Public Announcements. Seller and Buyer shall not, and shall not permit their respective Affiliates or representatives, without the prior written approval of the other Party, to issue any press releases or otherwise make any public statements with respect to the transactions contemplated by this Agreement, except as may be required by applicable Requirements of Law.

Section 5.6 Litigation Support. For a period of five (5) years following the Closing Date, if either Party actively is contesting or defending against any Action in connection with (a) any transaction contemplated under this Agreement; or (b) any fact, situation, circumstance, status, condition, activity, practice, plan, occurrence, event, incident, action, failure to act, or transaction on or prior to the Closing Date involving the Company, the other Party will cooperate with it and its counsel in the contest or defense, make available its personnel, and provide such testimony and access to its books and records as shall be necessary in connection with the contest or defense, all at the sole cost and expense of the contesting or defending Party (unless the contesting or defending Party is entitled to indemnification therefor under Section 8.1).

Section 5.7 Subsequent Statutory Statements.

(a) Seller shall cause the Company to commence preparation of and, consistent with past practice and on a timely basis, if required prior to the Closing Date, file with or submit to OCI, and any other insurance department or other Governmental Entity with which the Company is required to make such filings or submissions, and promptly deliver to Buyer, true, accurate and complete copies of, the Quarterly Statutory Statement for the Company, for June 30, 2017 and each subsequent quarter ended prior to the Closing Date; provided, that all such Statutory Statements shall (A) be prepared in all material respects in accordance with SAP, which preparation shall not (except as set forth in Section 3.4(a)) have involved the use of any material practices permitted rather than prescribed by OCI; (B) be prepared in all material respects in accordance with the books and records of the Company; (C) present fairly in all material respects the statutory financial position of the Company at the respective date thereof

and the statutory results of operations and cash flows of the Company for the respective periods then ended; (D) comply in all material respects with applicable Requirements of Law; and (E) be filed with or submitted to OCI and any other insurance department or other Governmental Entity with which OCI is required to make such filings or submissions, in a timely manner on forms prescribed or permitted by the applicable Governmental Entity.

(b) Seller shall prepare the Annual Statutory Statement of the Company for the 2017 calendar year in accordance with SAP ( the “Post-Closing Annual Statutory Statement”), which preparation shall be at Seller’s sole cost and expense and shall be at no cost or expense to Company or the Buyer. Buyer shall prepare the Quarterly Statutory Statement of the Company for the first quarter of calendar year 2018 in accordance with SAP (the “Post-Closing Quarterly Statutory Statement”); provided, however, that if Closing occurs on or after February 1, 2018, upon the written request of Buyer, Seller shall prepare the Post-Closing Quarterly Statutory Statement, and the Buyer (or Company) shall pay Seller an amount to be mutually agreed by Buyer and Seller as reimbursement for Seller’s reasonable costs and expenses in preparing the Post-Closing Statutory Statement. Buyer shall provide, or cause to be provided, to Seller any information necessary to prepare the Post-Closing Annual and, if applicable, Quarterly Statutory Statement that is in the possession of Buyer or the Company and not otherwise in the possession of Seller or any of its Affiliates. To the extent applicable, Seller shall provide, or cause to be provided, to Buyer any information necessary to prepare the Post-Closing Quarterly Statutory Statement that is in the possession of Seller or any of its Affiliates and not otherwise in the possession of Buyer or the Company. Fifteen (15) Business Days prior to the filing deadline for the Post-Closing Annual Statutory Statement and, if applicable, Post-Closing Quarterly Statutory Statement, the Seller will make the completed filing available to Buyer for its review. Assuming compliance by Buyer and Seller with their respective obligations under this Section 5.7(b), the timely making of the actual filing of the Post-Closing Annual Statutory Statement and, if applicable, the Post-Closing Quarterly Statutory Statement, along with the payment of any required filing fees, will be the sole obligation and responsibility of Buyer and Company.

Section 5.8 Acquisition Proposal. None of Seller, the Company or any Affiliate of Seller shall itself, nor shall Seller, the Company or any Affiliate of Seller authorize or permit any officer, director or employee of, or any investment banker, attorney, accountant or other advisor or representative of Seller or the Company to directly or indirectly, (i) solicit, initiate or encourage the submission of any Acquisition Proposal; or (ii) participate in any negotiations or any material discussions regarding, or furnish to any Person any information with respect to, or agree to or endorse, or take any other action to facilitate any Acquisition Proposal or any inquiries or the making of any proposal that constitutes, or may reasonably be expected to lead to, any Acquisition Proposal. Immediately after the execution and delivery of this Agreement, Seller will cease and terminate, and will cause their Affiliates (including the Company) to cease and terminate, any existing activities, discussions or negotiations with any Person(s) conducted heretofore with respect to any possible Acquisition Proposal.

Section 5.9 Intercompany Accounts; Affiliate Agreements. Other than as set forth in Schedule 5.9, (a) Seller shall cause all accounts receivable or payable (whether or not currently due or payable) under each Affiliate Agreement to be settled in full (without any premium or penalty) at or prior to the Closing and (b) except for the Administrative Services

Agreement, the LPT Agreement, and the Guaranty Agreement, the Company's participation in all Affiliate Agreements shall be terminated and discharged without any further liability or obligation to the Company thereunder (or any premium or penalty) effective at the Closing, upon terms and pursuant to instruments reasonably satisfactory to Buyer.

Section 5.10 Termination of Signing and Withdrawal Powers. At least five (5) Business Days prior to the Closing Date, Seller shall cause Company to deliver written notification to any financial institution which maintains, on behalf of Company, any account or safe deposit box listed in Section 3.20 notifying each such financial institution that the signing or withdrawal powers or other authority of all Persons with respect to such accounts or safe deposit boxes are revoked immediately upon receipt by such financial institution of such notice.

Section 5.11 Obligations of Affiliates. Seller agrees that in each instance where its Affiliates are obligated to act or refrain from acting under this Agreement during the period prior to the Closing, Seller shall cause such Affiliate to so act or refrain from acting.

Section 5.12 Notification of Certain Matters. Each Party shall give prompt notice to the other Party of (a) the occurrence, or failure to occur, of any event or the existence of any condition that has caused or could reasonably be expected to cause any of its representations or warranties contained in this Agreement to be untrue or inaccurate in any material respect at any time after the Date of this Agreement, up to and including the Closing and (b) any failure on its part to comply with or satisfy, in any material respect, any covenant, condition or agreement to be complied with or satisfied by it under this Agreement; provided, that no such disclosure pursuant to clause (a) or (b) shall be deemed to amend or supplement the Disclosure Schedules or to otherwise prevent or cure any misrepresentation, breach of warranty, or breach of covenant or obligation.

Section 5.13 Administrative Services Agreement. Prior to or in connection with the Closing, Seller will cause Property and Casualty Company of Omaha to enter into an administrative services agreement with the Company in the form attached hereto as Exhibit A (the "Administrative Services Agreement"), and Seller shall cause Property and Casualty Company of Omaha and the Company to not modify or amend such Administrative Services Agreement prior to the Closing Date or the Effective Time (whichever is later) without the express written consent of Buyer.

Section 5.14 Assumption of Run-Off Liabilities. Prior to or in connection with the Closing, Seller will cause Property and Casualty Company of Omaha to enter into a 100% quota share reinsurance agreement with the Company in the form attached hereto as Exhibit B (the "LPT Agreement") and Seller shall cause Property and Casualty Company of Omaha and the Company to not modify or amend such LPT Agreement prior to the Closing Date or the Effective Time (whichever is later) without the express written consent of Buyer.

Section 5.15 Seller Guaranty. In connection with the Closing, Seller shall issue a full and irrevocable guaranty of Property and Casualty Company of Omaha's obligations to the Company under the Administrative Services Agreement and the LPT Agreement in the form attached hereto as Exhibit C ("Guaranty Agreement").

Section 5.16 Application to Change Name. Within ninety (90) days after the Closing Date, Buyer shall, at its expense, file any applications and related documents with all applicable regulatory authorities to change the name of the Company to another name selected by Buyer which does not include the word “Omaha”. Buyer shall thereafter use its commercially reasonable efforts to diligently pursue this process.

Section 5.17 Professional Liability and Directors and Officers Insurance.

(a) For a period of six (6) years after the Closing, the Seller shall maintain insurance company professional liability insurance, and directors’ and officers’ liability insurance, coverages on terms and conditions (in both amount and scope) providing equivalent benefits as the current policies described in Section 3.20 for claims against the Company (and/or its directors, officers, and employees) with respect to any acts, errors or omissions actually or allegedly taking place on or before the Closing Date, including the transactions contemplated hereby; or

(b) Immediately prior to the Closing, Seller, on behalf of the Company, shall have purchased a six (6) year prepaid “tail policy” on terms and conditions (in both amount and scope) providing substantially equivalent benefits as the current policies of insurance company professional liability insurance, and directors’ and officers’ liability insurance, maintained by the Seller and/or the Company with respect to claims against the Company (and/or its directors, officers and employees) based on any acts, errors or omissions actually or allegedly taking place on or before the Closing Date, including the transactions contemplated hereby (the “Tail Policy”).

**ARTICLE 6**  
**CONDITIONS PRECEDENT**

Section 6.1 Conditions to Obligations of Buyer. Buyer’s obligation to consummate the transactions contemplated by this Agreement shall be subject to the satisfaction by Seller, or the waiver by Buyer (except for the condition set forth in Section 6.1(c), which cannot be waived), on or prior to the Closing Date of all of the following conditions:

(a) Representations and Warranties. The representations and warranties of Seller set forth in this Agreement shall be true and correct in all material respects as of the Date of this Agreement and as of the Closing as though made at and as of the Closing, except (x) the representations and warranties in Section 3.1 (*Organization, Standing and Corporate Power*), Section 3.2 (*Capital Structure*), Section 3.3 (*Non-Contravention; Consents*), and Section 3.6 (*Rights to Company Shares*) shall be true and correct in all respects as of the Date of this Agreement and as of the Closing as though made at and as of the Closing and (y) to the extent that any other representations and warranties of Seller are qualified by the term “material” or “Material Adverse Change”, in which case such representations and warranties (as so written, including the term “material” or “Material”) shall be true and correct in all respects as of the Date of this Agreement and at and as of the Closing as though made at and as of the Closing; and Buyer shall have received a certificate signed by an executive officer of Seller to the effect set forth in this Section 6.1(a); provided, however, that solely for purposes of satisfying the closing condition set forth in this Section 6.1(a), no representation or warranty of Seller shall be deemed

not to be true and correct due to any single Insurance License (other than the California Insurance License) becoming an Impaired Insurance License or due to any group of fourteen (14) or less Insurance Licenses (not including the California Insurance License) becoming Impaired Insurance Licenses;

(b) Performance of Obligations. Seller shall have performed and complied with all of its covenants and obligations hereunder in all material respects through the Closing, except (i) Seller shall have performed and complied with all of its covenants and obligations set forth in Section 5.9 (Intercompany Accounts; Affiliate Agreements) and Section 2.3 (Closing Investment Assets and Year-End/Closing Surplus) in all respects and (ii) to the extent that other covenants and obligations are qualified by the term “material” or “Material Adverse Change”, in which case Seller shall have performed and complied with all of such covenants and obligations (as so written, including the term “material” or “Material”) in all respects through the Closing; and Buyer shall have received a certificate signed by an executive officer of Seller to the effect set forth in this Section 6.1(b).

(c) Third Party Approvals. All (i) Necessary Permits required of Seller and the Company set forth in Schedule 3.3(b); (ii) Necessary Permits required of Buyer set forth in Schedule 4.2(b); (iii) Necessary Consents required of Seller and the Company set forth in Schedule 3.3(c); and (iv) Necessary Consents required of Buyer set forth in Schedule 4.2(c), shall, in each case, have been duly obtained by Seller, the Company and Buyer, respectively, and shall be in full force and effect; provided, that such Necessary Permits and any such approvals or permits from Governmental Entities shall be subject only to conditions (A) customarily imposed by insurance regulatory authorities in transactions of the type contemplated by this Agreement; (B) that would not result in a material adverse effect on the economic or other business benefits which Buyer would otherwise receive from the transactions contemplated by this Agreement had Buyer not been subject to any such conditions; and (C) that do not materially differ from those statutory or regulatory obligations imposed on companies holding insurance licenses or certificates of authority similar to those of the Company and engaged in business similar to that of the Company.

(d) No Actions. No Action shall be pending before any Governmental Entity wherein an unfavorable Order would (i) prevent consummation of any of the transactions contemplated by this Agreement; (ii) cause any of the transactions contemplated by this Agreement to be rescinded following the Closing; (iii) adversely affect the right of Buyer to own the Company Shares and to control the Company; or (iv) adversely affect the right of the Company to own its properties and assets and to operate its businesses (and no such Order shall be in effect); and Buyer shall have received a certificate signed by an executive officer of Seller to the effect set forth in this Section 6.1(d).

(e) Insurance License in California. The Company’s Insurance License in the State of California shall not have become an Impaired Insurance License.

(f) Closing Investment Assets. The Company shall have converted and maintained all of the Company’s investment assets into cash or Cash Equivalents.

(g) Conversion of Omaha Life Insurance Company to P&C Company. Omaha Life Insurance Company shall have obtained all applicable regulatory approvals from Governmental Entities for its conversion to a property and casualty insurance company authorized as such in the State of Nebraska and shall have completed all necessary corporate and organizational action to effectuate said conversion.

(h) Material Adverse Change. There shall not have been any Material Adverse Change affecting the Company.

(i) Delivery of Documents. Seller shall have delivered, or caused to be delivered, to Buyer each of the deliverables specified in Section 2.5(a).

Section 6.2 Conditions to Obligations of Seller. Seller's obligation to consummate the transactions contemplated by this Agreement shall be subject to the satisfaction by Buyer, or the waiver by Seller (except for the condition set forth in Section 6.2(c), which cannot be waived), on or prior to the Closing Date of all of the following conditions:

(a) Representations and Warranties. The representations and warranties of Buyer set forth in this Agreement shall be true and correct in all material respects as of the Date of this Agreement and as of the Closing as though made at and as of the Closing, except to the extent that such representations and warranties are qualified by the term "material" or "Buyer Material Adverse Effect", in which case such representations and warranties (as so written, including the term "material" or "Material") shall be true and correct in all respects as of the Date of this Agreement and as of the Closing as though made at and as of the Closing, and Seller shall have received a certificate signed on behalf of Buyer by an executive officer of Buyer to the effect set forth in this Section 6.2(a).

(b) Performance of Obligations of Buyer. Buyer shall have performed and complied with all of its covenants and obligations hereunder in all material respects through the Closing, except to the extent that such covenants and obligations are qualified by the term "material" or "Buyer Material Adverse Effect", in which case Buyer shall have performed and complied with all of such covenants and obligations (as so written, including the term "material" or "Material") in all respects through the Closing; and Seller shall have received a certificate signed by an executive officer of Buyer to the effect set forth in this Section 6.2(b).

(c) Regulatory Approvals. All (i) Necessary Permits required of Seller and the Company set forth in Schedule 3.3(b); (ii) Necessary Permits required of Buyer set forth in Schedule 4.2(b); (iii) Necessary Consents required of Seller and the Company set forth in Schedule 3.3(c); and (iv) Necessary Consents required of Buyer set forth in Schedule 4.2(c), shall, in each case, have been duly obtained by Seller, the Company and Buyer, respectively, and shall be in full force and effect; provided, that such Necessary Permits and any such approvals or permits from Governmental Entities shall be subject only to conditions (A) customarily imposed by insurance regulatory authorities in transactions of the type contemplated by this Agreement; (B) that would not result in a material adverse effect on the economic or other business benefits which Buyer would otherwise receive from the transactions contemplated by this Agreement had Buyer not been subject to any such conditions; and (C) that do not materially differ from those statutory or regulatory obligations imposed on companies holding insurance licenses or

certificates of authority similar to those of the Company and engaged in business similar to that of the Company.

(d) No Actions. No Action shall be pending before any Governmental Entity wherein an unfavorable Order would (i) prevent consummation of any of the transactions contemplated by this Agreement; (ii) cause any of the transactions contemplated by this Agreement to be rescinded following the Closing; (iii) adversely affect the right of Buyer to own the Company Shares and to control the Company; or (iv) adversely affect the right of the Company to own its properties and assets and to operate its businesses (and no such Order shall be in effect); and Seller shall have received a certificate signed by an executive officer of Buyer to the effect set forth in this Section 6.2(d).

(e) Delivery of Documents. Buyer shall have delivered, or caused to be delivered, to Seller each of the deliverables specified in Section 2.5(b).

## ARTICLE 7 SURVIVAL OF REPRESENTATIONS AND WARRANTIES

Section 7.1 Survival. The representations, warranties and covenants (except for those covenants in Article 5 that by their express terms are to be performed prior to or at Closing) made by Buyer and Seller in this Agreement or in any certificate executed and delivered in connection with the transactions contemplated hereby shall survive the Closing and shall continue in full force and effect following the Closing Date.

## ARTICLE 8 INDEMNIFICATION

### Section 8.1 Obligation to Indemnify.

(a) Seller agrees to indemnify and hold harmless Buyer, its Affiliates (including, following the Closing, the Company) and their respective directors, officers, shareholders, partners, members and employees and their heirs, successors and permitted assigns (collectively, "Buyer Indemnified Parties") from, against and in respect of any damages, losses, charges, Liabilities, payments, judgments, settlements, assessments, deficiencies, Taxes, interest, penalties, and reasonable costs and expenses (including, without limitation, reasonable attorneys' fees, and reasonable out of pocket disbursements) ("Losses") imposed on, sustained, or incurred or suffered by any of the Buyer Indemnified Parties, whether in respect of Third Party Claims, claims between the Parties, or otherwise, directly or indirectly resulting from, in connection with or arising out of (i) the inaccuracy or any breach of the representations and warranties of Seller contained in this Agreement or in any other agreement, certificate or document delivered by or on behalf of Seller at the Closing; it being understood that for purposes of this Section 8.1(a)(i), any qualifications relating to materiality, including the term "Material Adverse Change", contained in any such representation or warranty shall be disregarded for purposes of determining whether such representation or warranty was breached or was inaccurate; (ii) any breach or failure by Seller to perform any of its covenants or obligations contained in this Agreement or in any other certificate or document delivered by or on behalf of Seller at the Closing; (iii) Indemnified Taxes; (iv) claims against, or actions by, the Company, Seller, or any

of Seller's Affiliates (or their respective employees, directors, or officers) occurring, or based on facts and circumstances occurring, prior to the Effective Time or the Closing Date (whichever is later), and in each case that arise out of or relate to the operations of the Company prior to the Effective Time or the Closing Date (whichever is later); and/or (v) the Administrative Services Agreement, the LPT Agreement, the Guaranty Agreement or any other agreement delivered by or on behalf of Seller at the Closing. Notwithstanding the foregoing, Buyer Indemnified Parties shall be entitled to indemnification under Section 8.1(a)(i) only to the extent that the aggregate amount of such Losses exceed on a cumulative basis one hundred thousand dollars (\$100,000) (the "Seller Rep and Warranty Basket"), at which point the Seller will be obligated to indemnify the Buyer Indemnified Parties from and against all such Losses in excess of the Seller Rep and Warranty Basket.

(b) Buyer agrees to indemnify and hold harmless Seller, its Affiliates (excluding, following the Closing, the Company), and their respective directors, officers, shareholders, partners, members and employees and their heirs, successors and permitted assigns (collectively, "Seller Indemnified Parties") from, against and in respect of any Losses imposed on, sustained, or incurred or suffered by any of the Seller Indemnified Parties, whether in respect of Third Party Claims, claims between the Parties, or otherwise, directly or indirectly resulting from, in connection with or arising out of (i) the inaccuracy or any breach of the representations and warranties of Buyer contained in this Agreement or in any other agreement, certificate or document delivered by or on behalf of Buyer at the Closing; (ii) any breach or failure by Buyer to perform any of its covenants or obligations contained in this Agreement or in any other agreement, certificate or document delivered by or on behalf of Seller at the Closing; and/or (iii) claims against, or actions by, the Company, Buyer, or any of Buyer's Affiliates (or their respective employees, directors, or officers) occurring, or based on facts and circumstances occurring, after the Effective Time or the Closing Date (whichever is later), and in each case that arise out of or relate to the operations of the Company after the Effective Time or the Closing Date (whichever is later) (excluding actions taken by Property and Casualty Company of Omaha on behalf of the Company under the Administrative Services Agreement and/or the LPT Agreement).

#### Section 8.2 Indemnification Notice Procedures.

(a) A Person entitled to indemnification hereunder pursuant to Section 8.1 (an "Indemnified Party"), including pursuant to any Third Party Claim which might give rise to indemnification pursuant to Section 8.1, shall provide prompt written notice (the "Indemnification Notice") to the Party from whom indemnification is sought (the "Indemnifying Party") of any claim or demand that it may have pursuant to Section 8.1; provided, that in the event such Indemnification Notice relates to a Third Party Claim, the Indemnified Party shall provide an Indemnification Notice to the Indemnifying Party with respect thereto within fifteen (15) days following such Indemnified Party's receipt of such Third Party Claim. Any delay in delivering an Indemnification Notice shall not affect the indemnification provided hereunder except to the extent the Indemnifying Party shall have been materially prejudiced as a result of such delay. An Indemnification Notice shall contain a brief summary of the facts underlying or related to such claim to the extent then known by the Indemnified Party and copies of any correspondence, notices or pleadings (if a Third Party Claim); provided, that an Indemnification

Notice need not state the amount of Losses that the Indemnified Party believes it has incurred or suffered relating to such claim

(b) At any time after an Indemnified Party has delivered an Indemnification Notice, such Indemnified Party in his, her or its discretion may supplement or amend such Indemnification Notice by delivery of any correspondence, notice or other information relating to the claim covered by the original Indemnification Notice. In addition, at any time after an Indemnified Party has delivered a Indemnification Notice with respect to a claim other than a Third Party Claim, such Indemnified Party in its discretion may deliver a notice which attaches the original Indemnification Notice, sets forth a summary in reasonable detail of the facts underlying or relating to such claim to the extent then known by the Indemnified Party, includes a statement demanding indemnification from the Indemnified Party and includes a statement of the amount of Losses for which the Indemnified Party seeks indemnification at that time (a “Demand Notice”). The Indemnifying Party shall have fifteen (15) Business Days from the date on which the Indemnified Party delivers a Demand Notice during which to notify the Indemnified Party in writing of any objections it has to the Indemnified Party’s notice or claims for indemnification. If the Indemnifying Party does not deliver such written notice of objection to such Demand Notice within such 1-Business Day period, the Indemnifying Party shall be deemed to have accepted the claim as set forth in the Demand Notice. If the Indemnifying Party accepts the claim as set forth in the Demand Notice, it shall have fifteen (15) Business Days from the date of acceptance to pay such claim and if the Indemnifying Party rejects the claim, the Indemnified Party shall be entitled to initiate an Action to seek enforcement of its rights to indemnification under this Agreement. The Indemnifying Party shall have no right to participate in or control any claim that is not a Third Party Claim.

Section 8.3 Third Party Claims.

(a) The Indemnified Party agrees to give the Indemnifying Party notice in writing of the assertion of any claim or demand made by, or any other Action instituted by, any Person not a Party to this Agreement (a “Third Party Claim”) in respect of which indemnity may be sought under Section 8.1 in accordance with the notice procedures set forth in Section 8.2 promptly after such Indemnified Party received written notice of the Third Party Claim; provided, however, that any delay in delivering such notice shall not affect the indemnification provided hereunder, except to the extent the Indemnifying Party shall have been materially prejudiced as a result of such delay. From and after the delivery of a Indemnification Notice with respect to a Third Party Claim, the Indemnified Party shall deliver to the Indemnifying Party, within ten (10) Business Days after the Indemnified Party’s receipt thereof, copies of all material notices and documents (including court papers) received by the Indemnified Party relating to the Third Party Claim.

(b) (i) With respect to a Third Party Claim, the Indemnifying Party will be entitled to participate in the defense thereof and, if it so elects, to assume the defense thereof, unless such Third Party Claim is reasonably likely to materially and adversely affect the Indemnified Party and/or the Indemnified Party’s Affiliates other than as a result of monetary damages. Unless the Indemnified Party shall have notified the Indemnifying Party of the existence of the condition set forth in the preceding sentence, the Indemnifying Party shall have thirty (30) days (or such lesser number of days set forth in the Claim Notice as may be required

by any Governmental Entity, any court or arbitration proceedings, or any regulatory inquiry or investigation) from receipt of the Claim Notice with respect to a Third Party Claim (the “Defense Notice Period”) to notify the Indemnified Party of its election to assume the defense of such Third Party Claim. All Losses incurred by the Indemnified Party prior to any assumption by the Indemnifying Party of the defense of a Third Party Claim shall be reimbursed by the Indemnifying Party to the extent the Indemnifying Party is required to indemnify and hold harmless the Indemnified Party from, against and in respect of Losses incurred or suffered by the Indemnified Party to the extent arising from such Third Party Claim. If the Indemnifying Party notifies the Indemnified Party within the Defense Notice Period that it elects to defend such Third Party Claim, it shall have the right to so defend, with counsel selected by the Indemnifying Party that is reasonably acceptable to the Indemnified Party, at its expense. Once the Indemnifying Party has duly assumed the defense of a Third Party Claim, the Indemnified Party shall have the right, but not the obligation, to participate in the defense thereof, including the opportunity to participate in any discussions or correspondence with any Governmental Entity, and to employ counsel separate from the counsel employed by the Indemnifying Party. The Indemnified Party shall participate in any such defense at its own expense unless (A) the Indemnifying Party and the Indemnified Party are both named parties to the proceedings and a Governmental Entity, arbitrator or arbitration panel, as applicable, with jurisdiction over the proceedings at issue shall have determined that representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them or the availability to the Indemnified Party of one or more defenses or counterclaims that are inconsistent with one or more of those that may be available to the Indemnifying Party in respect thereof or (B) the Indemnified Party assumes the defense of a Third Party Claim after the Indemnifying Party has failed to diligently pursue a Third Party Claim it has assumed, and in the case of (A) or (B), all such expenses incurred by the Indemnified Party in connection with such participation shall be borne by the Indemnifying Party. Each Party shall reasonably cooperate in the defense or prosecution of a Third Party Claim. Such cooperation shall include the retention and, upon the Indemnifying Party’s request, the provision to the Indemnifying Party of records and information which are reasonably relevant to such Third Party Claim, and making employees available on a mutually convenient basis to provide additional information and explanation of any material provided hereunder.

(ii) In the event the Indemnifying Party (x) elects not to defend the Indemnified Party against a Third Party Claim, whether by not giving the Indemnified Party timely notice of its desire to so defend or otherwise; (y) is not entitled to defend the Third Party Claim as a result of the Indemnified Party’s election to defend the Third Party Claim as provided in Section 8.3(b); or (z) after assuming the defense of a Third Party Claim, fails to conduct the defense of such Third Party Claim in a reasonably diligent manner within twenty (20) days after receiving written notice from the Indemnified Party to the effect that the Indemnifying Party has so failed, the Indemnified Party shall have the right but not the obligation to assume its own defense; it being understood that the Indemnified Party’s right to indemnification for such Third Party Claim shall not be adversely affected by assuming the defense of such Third Party Claim.

(iii) Whether or not the Indemnifying Party shall have assumed the defense of a Third Party Claim, the Indemnifying Party shall have no liability with respect to any compromise or settlement of such claims effected without its written consent and the Indemnifying Party shall not consent to the entry of judgment, admit any liability with respect to,

or settle, compromise or discharge, such Third Party Claim without the Indemnified Party's prior written consent unless (A) there is no finding or admission of any violation of applicable Requirements of Law and no effect on any other claims that may be made against the Indemnified Party or any of its Affiliates; (B) there is no imposition of an Order that would restrict the future activity of the Indemnified Party or its Affiliates; and (C) the sole relief provided is monetary damages that are concurrently paid in full by the Indemnifying Party and a full and complete release is provided to the Indemnified Party and its Affiliates.

Section 8.4 Survival. The indemnities provided in this Agreement shall survive Closing indefinitely.

Section 8.5 Indemnification Payments; Characterization. All payments made by an Indemnifying Party to an Indemnified Party in respect of any claim pursuant to this Article 8 or Article 9 shall be (a) made by wire transfer of immediately available funds to an account designated in writing by the relevant indemnified party and (b) treated as adjustments to the Purchase Price for Tax purposes to the extent such characterization is proper and permissible under applicable Requirements of Law.

## ARTICLE 9 TAX MATTERS

Section 9.1 Straddle Periods. In the case of a Straddle Period, (i) Taxes imposed on a periodic basis or otherwise measured by the level of any item deemed to be the amount of such Taxes for the entire period (or, in the case of such Taxes determined on an arrears basis, the amount of such Taxes for the immediately preceding period), multiplied by a fraction the numerator of which is the number of calendar days in the period ending on the Closing Date and the denominator of which is the number of calendar days in the entire period irrespective of the lien or assessment date of such Taxes; (ii) Taxes imposed on or measured by income, gross receipts, wages, expenses or other similar periodic measures or imposed on sales, assignments or any other transfers of any property deemed equal to the amount which would be payable if the taxable year ended with the Closing Date (based on an interim closing of the books as of the Closing); and (iii) Taxes imposed on the basis of premium deemed equal to the amount which would be payable on the basis of the amount of the premium written as of the Closing.

Section 9.2 Preparation and Filing of Tax Returns.

(a) Seller shall prepare and file or cause to be prepared on a timely basis all Income Tax Returns for taxable years that end on or before the Closing Date that are due after the Closing Date (each a "Seller Prepared Tax Return"). All Seller Prepared Tax Returns shall be prepared at Seller's expense and in accordance with applicable Law and in a manner consistent with the prior practice of the Company to the extent in compliance with applicable Law. Seller shall permit Buyer to review and comment on each Seller Prepared Tax Return (and any supporting materials) prior to filing and shall make such revisions to such Tax Returns as are reasonably requested by Buyer. All Income Taxes shown to be payable on any Seller Prepared Tax Return shall be promptly paid by Seller.

(b) Buyer shall prepare and file or cause to be prepared and filed all Tax Returns for the Company for Tax periods starting prior to the Closing Date (other than a Seller Prepared Tax Return), unless such Tax Returns are filed prior to Closing Date (each a “Buyer Prepared Tax Return”). All such Tax Returns shall be prepared in accordance with applicable Law and in a manner consistent with the prior practice of the Company to the extent in compliance with applicable Law. Upon request, Buyer shall permit Seller to review and comment on any Buyer Prepared Tax Return (and any supporting materials) prior to filing to the extent Seller request such review in writing, and shall make such revisions to such Tax Returns as are reasonably requested by Seller. Any Taxes shown on any Buyer Prepared Tax Return (except to the extent attributable to the post-Closing portion of any Straddle Period) shall be paid by Seller.

Section 9.3 Cooperation and Controversies. Seller, Buyer, and the Company shall reasonably cooperate, and shall cause their respective Affiliates, agents, auditors, representatives, officers and employees reasonably to cooperate, in preparing and filing all Tax Returns (including amended returns and claims for refund) and any audit, investigation, appeal, hearing, litigation or other proceeding with respect to Taxes (a “Tax Claim”), including maintaining and making available to each other all records necessary in connection with Taxes, which cooperation shall include but not be limited to (i) providing all relevant information that is available to Buyer, Seller or the Company, as the case may be, with respect to such Tax Claim; (ii) making personnel available at reasonable times; and (iii) preparation of responses to requests for information; provided, that the foregoing shall be done in a manner so as to not unreasonably interfere with the conduct of business by Buyer, Seller or the Company, as the case may be. None of Seller, Buyer, the Company shall dispose of any Tax Returns, Tax schedules, Tax workpapers or any books or records unless it first offers in writing to the other Party the right to take possession of such materials at such other Party’s sole expense and the other Party fails to accept such offer within fifteen (15) days of the offer being made or if an offer is accepted and the offeree fails to take possession within thirty (30) days of the date on which the offer is made. Any information obtained under this Section 9.3 shall be kept confidential, except as may be otherwise necessary in connection with the filing of Tax Returns or claims for refund or with respect to any Tax Claim.

Section 9.4 Section 338(h)(10) Election.

(a) The Company, Seller, and Buyer shall join in making a timely election under Section 338(h)(10) of the Code (and any corresponding election under state, local, and foreign Law) with respect to the purchase and sale of the Shares of the Company hereunder (collectively, a “Section 338(h)(10) Election”).

(b) The “aggregate deemed sales price” (as defined in Treas. Reg. §1.338-4) and the “adjusted gross-up basis” (as defined in Treas. Reg. §1.338-5) shall be allocated among the assets of Company in accordance with Treas. Reg. §1.338-6 and §1.338-7. A draft of the proposed allocation (“Allocation Schedule”) shall be prepared by Buyer and delivered to Seller within sixty (60) days of Closing. The draft Allocation Schedule shall be deemed final unless, within thirty (30) days after delivery thereof, Seller notifies Buyer in writing that Seller objects to the draft Allocation Schedule. Buyer and Seller shall negotiate in good faith to resolve any

dispute with respect to the draft Allocation Schedule. Any disputes Buyer and Seller are unable to resolve shall be resolved in accordance with Section 2.2(b)(ii).

(c) Buyer and Seller shall execute and deliver Internal Revenue Service Form 8023 at Closing and Form 8883 promptly following the time that the Allocation Schedule becomes final pursuant to Section 9.4(b). Buyer and Seller will file Internal Revenue Service Form 8023 and Form 8883 and any other state, local and foreign forms required for the Section 338(h)(10) Election in accordance with the Allocation Schedule. The Parties agree not to take any position inconsistent with the Allocation Schedule for Tax reporting purposes unless otherwise required by a “determination” within the meaning of Section 1313 of the Code (or similar state law) to the contrary.

(d) Buyer does not make any representation or warranty regarding the efficacy of the Section 338(h)(10) Election or the availability of the net operating loss or any other credit or positive Tax attribute.

Section 9.5 Survival. All agreements, covenants and indemnification matters contained in this Article 9 and the representations and warranties set forth in Section 3.10 (Taxes) shall survive the Closing indefinitely.

Section 9.6 Transfer Taxes. The Seller and Buyer shall each be liable for and shall hold the other harmless against one-half of any real property transfer, sales, use, transfer, stock transfer, and stamp taxes, any transfer, recording, registration and other fees, and any similar Taxes which become payable as a result of the transactions contemplated by this Agreement (collectively, “Transfer Taxes”). Buyer or Seller, as appropriate, shall execute and deliver all instruments and certificates necessary to enable the other to comply with any filing requirements relating to any such Transfer Taxes.

Section 9.7 Tax Sharing Agreements. All Tax sharing Contracts or similar Contracts with respect to or involving the Company shall be terminated as of the Closing Date. After the Closing Date, the Company shall not be bound thereby or have any Liability thereunder, and such Contracts shall have no further effect for any Tax year (whether the current year, a future year or a past year).

Section 9.8 Tax Treatment of Payments. Any payments pursuant to this Agreement shall be treated as an adjustment to Purchase Price except as otherwise required by applicable Law.

## **ARTICLE 10 TERMINATION PRIOR TO THE CLOSING**

Section 10.1 Termination of Agreement. This Agreement may be terminated at any time prior to the Closing:

(a) by Seller or Buyer in writing, if any Order shall have been issued and shall have become final and nonappealable, or if any statute shall have been enacted, or if any rule or regulation shall have been promulgated by any Governmental Entity, that prohibits or restrains either Party from consummating the transactions contemplated by this Agreement, and the Party

seeking to terminate this Agreement pursuant to this Section 10.1(a) shall have used its commercially reasonable best efforts to cure such condition;

(b) by Seller or Buyer in writing, if the Closing has not occurred on or prior to January 31, 2018; provided, however, that the right to terminate this Agreement under this Section 10.1(b) shall not be available to the Party whose failure to fulfill any obligation under this Agreement has been the cause of or resulted in the failure of the Closing to occur on or before such date;

(c) by Seller or Buyer, if there shall have been a breach by Buyer or Seller, respectively, of any of their respective representations, warranties, covenants or obligations contained herein, which breach would result in the failure to satisfy any condition set forth in Section 6.1 or Section 6.2, and in any such case such breach shall be incapable of being cured or, if capable of being cured, shall not have been cured within thirty (30) calendar days after written notice thereof shall have been received by the Party alleged to be in breach; provided, however, that the right to terminate this Agreement under this Section 10.1(c) shall not be available to a Party who shall then be in breach of this Agreement, which breach would result in the failure to satisfy any condition set forth in Section 6.1 or Section 6.2; provided further, however, that Buyer shall not have the right to terminate this Agreement under this Section 10.1(c) due to any single Insurance License (other than the California Insurance License) becoming an Impaired Insurance License or due to any group of fourteen (14) or less Insurance Licenses (not including the California Insurance License) becoming Impaired Insurance Licenses;

(d) at any time prior to the Closing, by mutual written consent of Seller and Buyer; or

(e) by Seller, if any representation or warranty of Seller shall have become inaccurate or untrue due to any fact, event or condition occurring after the date of this Agreement and Seller, acting in good faith, shall have reasonably determined that such fact, event or condition may result in liability of the Seller to the Buyer Indemnified Parties under Section 8.1(a) for Losses exceeding one million dollars (\$1,000,000).

Section 10.2 Effect of Termination; Survival. In the event of termination of this Agreement as provided in Article 10:

(a) this Agreement shall forthwith become void and there shall be no liability on the part of any Party except (i) under the provisions of Section 11.1, and any other Section of this Agreement which, by its express provisions, survives the termination of this Agreement, or the survival of which is necessary to fulfill the intended effect of any other Section which, by its express provisions, survives the termination of this Agreement, (ii) under any section of the Letter of Intent executed by Buyer and Seller, dated June 7, 2017, and which section, by its express provisions, survives the termination of such Letter of Intent, or the survival of which is necessary to fulfill the intended effect of any other section which, by its express provisions, survives the termination of such Letter of Intent, (iii) under any section of the Confidentiality Agreement executed by Buyer and Seller, dated June 7, 2017, and which section, by its express provisions, survives the termination of such Confidentiality Agreement, or the survival of which is necessary to fulfill the intended effect of any other section which, by its express provisions,

survives the termination of such Confidentiality Agreement, and (iv) that nothing herein shall relieve any Party from liability for damages incurred or suffered by the other Party as a result of any breach of this Agreement prior to its termination, or shall preclude any Party from seeking and obtaining any other equitable or common law remedies relating to such a breach; and

(b) all filings, applications and other submissions made pursuant to the transactions contemplated by this Agreement shall, to the extent practicable, be withdrawn from the Governmental Entity or other Person to which made.

Section 10.3 Liquidated Damages Upon Failure to Close.

(a) In the event that Buyer terminates this Agreement other than as permitted in Section 10.1, or fails to close the transactions contemplated by this Agreement for any reason other than a condition precedent to the obligations of Buyer to close set forth in Section 6.2 not being satisfied, Seller would suffer immediate and irreparable damages, which damages cannot be determined with reasonable certainty. To compensate Seller for such damages, at Seller's election Buyer shall pay to Seller five hundred thousand dollars (\$500,000) as liquidated damages (the "Liquidated Damages Amount") within five (5) Business Days of receipt by Buyer of Seller's notice of election under this Section 10.3(a). In the event that Seller elects to enforce its rights pursuant to this Section 10.3(a), Seller shall not be entitled to any remedy pursuant to Section 11.7 of this Agreement. The determination as to whether to enforce its rights to the Liquidated Damages Amount pursuant to this Section 10.3(a) or to enforce the equitable remedies provided for in Section 11.7 of this Agreement shall be at the sole discretion of Seller. In the event that Seller elects to enforce its rights to the Liquidated Damages Amount pursuant to this Section 10.3(a), Buyer shall be fully released and discharged from any past, present or future obligations or liabilities under this Agreement upon the payment of the Liquidated Damages Amount.

(b) In the event that Seller terminates this Agreement other than as permitted in Section 10.1, or fails to close the transactions contemplated by this Agreement for any reason other than a condition precedent to the obligations of Seller to close set forth in Section 6.1 not being satisfied, Buyer would suffer immediate and irreparable damages, which damages cannot be determined with reasonable certainty. To compensate Buyer for such damages, at Buyer's election Seller shall pay to Buyer the Liquidated Damages Amount within five (5) Business Days of receipt by Seller of Buyer's notice of election under this Section 10.3(b). In the event that Buyer elects to enforce its rights pursuant to this Section 10.3(b), Buyer shall not be entitled to any remedy pursuant to Section 11.7 of this Agreement. The determination as to whether to enforce its rights to the Liquidated Damages Amount pursuant to this Section 10.3(b) or to enforce the equitable remedies provided for in Section 11.7 of this Agreement shall be at the sole discretion of Buyer. In the event that Buyer elects to enforce its rights to the Liquidated Damages Amount pursuant to this Section 10.3(b), Seller shall be fully released and discharged from any past, present or future obligations or liabilities under this Agreement upon the payment of the Liquidated Damages Amount.

(c) It is specifically agreed that the Liquidated Damages Amount represents liquidated damages and not a penalty.

(d) In the event that either party shall fail to pay the Liquidated Damages Amount as and when due pursuant to Section 10.3(a) or Section 10.3(b), such amount shall accrue interest from the date such amount became past due until the date when paid in full (together with any interest thereon), at a rate per annum equal to the rate of interest publically announced by The Bank of New York Mellon from time to time, in the City of New York, as such bank's Prime Lending Rate.

**ARTICLE 11  
GENERAL PROVISIONS**

Section 11.1 Fees and Expenses. Whether or not the Closing shall occur, except as provided herein, each Party shall pay such Party's own fees and expenses incident to preparing for, entering into and carrying out this Agreement and the transactions contemplated hereby; provided, Seller shall also be solely responsible for all fees and expenses of the Company incident to preparing for, entering into and carrying out this Agreement and the transactions contemplated hereby, including, without limitation, any broker's fee payable to Merger & Acquisition Services, Inc. in connection with this Agreement and the transactions contemplated hereby.

Section 11.2 Notices. All notices and other communications given or made pursuant hereto shall be in writing and shall be deemed to have been duly given or made as of (a) in the case of personal delivery, when actually delivered; (b) in the case of delivery by prepaid overnight courier with guaranteed next day delivery, the day designated for delivery by such courier; (c) in the case of delivery by registered or certified mail, postage prepaid, return receipt requested, five (5) days after deposit in the mails; (d) in the case of transmittal by facsimile, upon receipt by the sender of a printed confirmation of transmittal; or (e) in the case of transmittal by electronic mail, upon receipt by the sender of electronic confirmation of such transmittal, and in each case shall be addressed as follows (or at such other address, facsimile number or e-mail address for a Party as shall be specified by like notice):

(a) If to Buyer, to:

Patrick P. Fee, President  
Hannover Finance, Inc.  
200 South Orange Avenue  
Suite 1900  
Orlando, Florida 32801  
E-mail: pfee@hfinc.us

with a copy, which shall not constitute notice to Buyer, to:

Thomas R. Hrdlick  
Foley & Lardner LLP  
777 East Wisconsin Avenue  
Milwaukee, Wisconsin 53202  
Facsimile: (414) 297-4900  
E-mail: thrdlick@foley.com

(b) If to Seller, to:

Mutual of Omaha Insurance Company  
3300 Mutual of Omaha Plaza  
Omaha, Nebraska 68175-1008  
Attn: General Counsel  
Tel. No.: (402) 351-6684  
Facsimile: (402) 351-4444  
E-mail: Richard.Anderl@mutualofomaha.com

with a copy, which shall not constitute notice to Seller, to:

H. Dale Dixon III  
Kutak Rock LLP  
1650 Farnam Street  
Omaha, Nebraska 68102  
Facsimile: (402) 346-1148  
E-mail: Dale.Dixon@kutakrock.com

Section 11.3 Interpretation. This Agreement shall be governed by the following rules of interpretation: (a) when a reference is made in this Agreement to an Article, Section, Schedule, or Disclosure Schedule, such reference shall be to an Article of, a Section of, or a Schedule or Disclosure Schedules to, this Agreement unless otherwise indicated; (b) any fact or item disclosed in any of the Disclosure Schedules shall be deemed disclosed in all other of the Disclosure Schedules to which such fact or item may apply where the relevance of such disclosure is readily apparent from the text or information disclosed; provided, that nothing in the Disclosure Schedules shall be deemed adequate to disclose an exception to a representation or warranty made herein unless the Disclosure Schedules identifies the exception with particularity and describes the relevant facts in reasonable detail and, without limiting the generality of the foregoing, the mere listing (or inclusion of a copy) of a document or other item shall not be deemed adequate to disclose an exception to a representation or warranty made herein (unless the representation or warranty pertains to the existence of the document or other item itself); (c) disclosure of any item in the Disclosure Schedules shall not be deemed an admission that such item represents a material item, fact, exception of fact, event or circumstance or that occurrence or non-occurrence of any change or effect related to such item would result in a Material Adverse Change of Buyer Material Adverse Effect; (d) the table of contents and headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement; (e) whenever the words “include,” “includes” or “including” are used in this Agreement, they shall be deemed to be followed by the words “without limitation;” (f) whenever the singular is used herein, the same shall include the plural, and whenever the plural is used herein, the same shall include the singular, where appropriate; and (g) references to “\$” shall mean United States dollars.

Section 11.4 Entire Agreement; Third-Party Beneficiaries.

(a) This Agreement and the Related Transactions (including all exhibits and schedules thereto, Disclosure Schedules, the Letter of Intent executed by Buyer and Seller, dated

June 7, 2017, and the Confidentiality Agreement executed by Buyer and Seller, dated June 7, 2017) constitute the entire agreement of the Parties with respect to the subject matter contained herein and therein, and supersedes all prior agreements, understandings, representations and warranties, both written and oral, among the Parties with respect to such subject matter.

(b) Except as otherwise provided in Article 8 or Article 9 as respects Indemnified Parties, the terms and provisions of this Agreement are intended solely for the benefit of the Parties, and their respective successors and assigns, and nothing in this Agreement is intended or shall be construed to give any other Person any legal or equitable right, remedy or claim under, or in respect of, this Agreement or any provision contained herein.

**Section 11.5 Governing Law; Submission to Jurisdiction; Waiver of Jury Trial.** This Agreement shall be interpreted and construed in accordance with the Laws of the State of Wisconsin, without regard to its conflict of laws principles that would require application of the Laws of a jurisdiction other than the State of Wisconsin. Except as provided in Section 2.2(b)(ii), the Parties hereby irrevocably and unconditionally (a) submit to the exclusive jurisdiction of any State or Federal Court sitting in the State of Wisconsin (any such court, a “Wisconsin Court”), over any Action arising out of or relating to this Agreement; (b) agree that service of any process, summons, notice or document by the means specified herein shall be effective service of process for any Action brought against such Party in a Wisconsin Court; (c) waive any objection to the laying of venue of any such Action brought in a Wisconsin Court has been brought in an inconvenient forum; and (d) agree that final judgment in any such Action in a Wisconsin Court shall be conclusive and binding upon the Parties and may be enforced in any other courts to whose jurisdiction the Party against whom enforcement is sought may be subject, by suit upon such judgment. IN ADDITION TO THE FOREGOING, EACH PARTY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO A TRIAL BY JURY WITH RESPECT TO ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT, AND EACH PARTY HEREBY ACKNOWLEDGES THAT SUCH WAIVER IS MADE WITH FULL UNDERSTANDING AND KNOWLEDGE OF THE NATURE OF THE RIGHTS AND BENEFITS WAIVED HEREBY.

**Section 11.6 Assignment.** Neither this Agreement nor any of the rights, interests or obligations of any Party shall be assigned, in whole or in part, by operation of law or otherwise by such Party without the prior written consent of the other Parties, and any such assignment that is not consented to shall be null and void; provided, however, that Buyer may (a) assign any or all of its rights and interests hereunder to one or more of its Affiliates and (b) designate one or more of its Affiliates to perform its obligations hereunder (in any or all of which cases Buyer nonetheless shall remain responsible for the performance of all of its obligations hereunder). Subject to the preceding sentence, this Agreement will be binding upon, inure to the benefit of, and be enforceable by, the Parties and their respective successors and permitted assigns.

**Section 11.7 Specific Performance.** The Parties agree that irreparable damage would occur in the event any of the provisions of this Agreement were not performed in accordance with the terms hereof and that, prior to the termination of this Agreement pursuant to Section 10.1, the Parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement by the other Parties or to specific performance of the terms hereof in addition to

any other remedies at Law or in equity. For the avoidance of doubt, in the event either party enforces its right to the Liquidated Damages Amount pursuant to Section 10.3 of this Agreement, such party shall not be entitled to specific performance pursuant to this Section 11.7.

Section 11.8 Severability. Whenever possible, each provision or portion of any provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable Requirements of Law, but if any provision or portion of any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable Requirements of Law, such invalidity, illegality or unenforceability will not affect any other provision or portion of any provision in such jurisdiction, and this Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision or portion of any provision had never been contained herein.

Section 11.9 Amendment; Modification and Waiver. This Agreement may be amended, superseded, cancelled, renewed or extended, and the terms hereof may be waived, only by a written instrument signed by each of the Parties or, in the case of a waiver, by the Party waiving compliance. No delay on the part of any Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any waiver on the part of any Party of any right, power or privilege, nor any single or partial exercise of any such right, power or privilege, preclude any further exercise thereof or the exercise of any other such right, power or privilege.

Section 11.10 Counterparts. This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same instrument and shall become effective when one or more counterparts have been signed by each Party and delivered to the other Parties. Each counterpart may be delivered by facsimile transmission or e-mail (as a .pdf, .tif or similar uneditable attachment), which transmission shall be deemed delivery of an originally executed counterpart hereof.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK,  
SIGNATURE PAGE FOLLOWS]

**EXECUTION COPY**

IN WITNESS WHEREOF, the Parties have caused this Agreement to be signed by their respective officers thereunto duly authorized as of the date of this Agreement.

HANNOVER FINANCE, INC.

By: \_\_\_\_\_

Name: Patrick P. Fee

Title: President

MUTUAL OF OMAHA INSURANCE COMPANY

By: \_\_\_\_\_

Name: James T. Blackledge

Title: Chief Executive Officer

**EXECUTION COPY**

IN WITNESS WHEREOF, the Parties have caused this Agreement to be signed by their respective officers thereunto duly authorized as of the date of this Agreement.

HANNOVER FINANCE, INC.

By: \_\_\_\_\_  
Name: Patrick P. Fee  
Title: President

MUTUAL OF OMAHA INSURANCE COMPANY

By:  \_\_\_\_\_  
Name: James T. Blackledge  
Title: Chief Executive Officer

**SCHEDULE 2.2**

**EXCLUDED ASSETS**

1. All non-admitted assets of the Company to the extent of the aggregate value of such assets (if any) that is included in the amount of capital and surplus as regards policyholders as shown on the Closing SAP Balance Sheet.
2. All admitted net deferred tax assets of the Company.
3. All restricted or pledged assets of the Company, including, without limitation, all assets of the Company held in reinsurance escrow for Medmarc Casualty and/or any other ceding companies on business assumed by the Company; excluding, however, any such restricted assets on deposit with states as would be identified in Section 5(H)(1)(j) of the Notes to the Annual Statutory Statement of the Company.
4. Any other assets of the Company which are included in the amount of capital and surplus as regards policyholders as shown on the Closing SAP Balance Sheet, to the extent that the monetary value of such assets (as included in the amount of capital and surplus as regards policyholders shown on the Closing SAP Balance Sheet) cannot or will not be realized by, or otherwise available to, the Company post-Closing.