EXHIBIT O

ASSET PURCHASE AGREEMENT

The documents as indicated in the following table are being submitted under separate cover as a Confidential Supplement to the Form A.

Description		Location
Asset Purchase Agreement		Executed version - Exhibit O; form of agreement - Exhibit A to Exhibit A
A	Form of Stock Purchase Agreement	Executed version - Exhibit A
B	Form of Services Agreement	Replaced by Amendment No. 1 to Asset Purchase Agreement; see below
C	Form of Quota Share Reinsurance Agreement	Exhibit O
D	Terms of New Walnut Creek Lease	Exhibit O
E	Form of Sale Order	Exhibit O
F	Form of Bill of Sale	Exhibit O
G	Form of Assignment and Assumption Agreement	Exhibit O
H	Form of Assignment of Intellectual Property Agreement	Exhibit O
I	Form of Assignment and Assumption of Leases Agreement	Exhibit O
J	Form of Escrow Agreement	Exhibit O
K	Form of Indemnification Escrow Agreement	Exhibit O
L	Form of Releases	Exhibit O
M	Form of FIRPTA Certificate	Exhibit O
1.1(a)	Assumed Contracts	Exhibit O Confidential Supplement
1.1(b)	Business Contractor Services Agreement	Exhibit O Confidential Supplement
1.1(c)	Data Exchange Contracts	Exhibit O Confidential Supplement
1.1(d)	Excluded Seller Licensed Intellectual Property	Exhibit O Confidential Supplement
1.1(e)	Excluded Seller Owned Intellectual Property	Exhibit O
1.1(f)	Seller Required Governmental Approvals	Exhibit O
1.1(g)	Purchaser Required Governmental Approvals	Exhibit O
1.1(h)	Hardware and IT Asset Leases	Exhibit O Confidential Supplement
1.1(i)	Permitted Liens	Exhibit O Confidential Supplement

1.1(j)	Personal Property Leases	Exhibit O Confidential Supplement
1.1(k)	Seller IP Agreements	Exhibit O Confidential Supplement
1.1(l)	Seller Licensed Intellectual Property	Exhibit O Confidential Supplement
1.1(m)	Seller Owned Intellectual Property	Exhibit O Confidential Supplement
1.1(n)	Open Positions	Exhibit O Confidential Supplement
1.1(o)	Third Party Consents	Exhibit O Confidential Supplement
2.2(b)(iv)	Excluded Personal Property	Exhibit O
6.17	NMI Litigation	Exhibit O
6.18	Definition of Qualified Bidder	Exhibit O
8.1(c)	Governmental Approvals	Exhibit O
8.2(e)	Seller Governmental Approvals	Exhibit O
	Seller Disclosure Schedule	Exhibit O Confidential Supplement
	Purchaser Disclosure Schedule	Exhibit O Confidential Supplement
Amendment No. 1 to Asset Purchase Agreement		Exhibit O
B	Form of Services Agreement	Exhibit O, except Appendices A-X and Exhibits A-I to the Services Agreement, which are in the Exhibit O Confidential Supplement

EXECUTION VERSION

ASSET PURCHASE AGREEMENT

by and among

THE RECEIVER OF PMI MORTGAGE INSURANCE CO. IN REHABILITATION

on behalf of

PMI MORTGAGE INSURANCE CO.,

ARCH U.S. MI SERVICES INC.,

and

ARCH CAPITAL GROUP (US) INC.

DATED AS OF FEBRUARY 7, 2013

TABLE OF CONTENTS

Page

TABLE OF CONTENTS
(continued)

Page

TABLE OF CONTENTS
(continued)

Page

TABLE OF CONTENTS
(continued)

Page

TABLE OF CONTENTS
(continued)

Page

EXHIBITS AND SCHEDULES

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (this "Agreement") is entered into as of February 7, 2013, by and among the RECEIVER OF PMI MORTGAGE INSURANCE CO. IN REHABILITATION (the "Receiver") on behalf of PMI MORTGAGE INSURANCE CO., an Arizona stock insurance corporation ("PMI" or the "Seller"), ARCH U.S. MI SERVICES INC., a Delaware corporation (the "Purchaser"), and, solely for the purposes expressly set forth herein, ARCH CAPITAL GROUP (US) INC., a Delaware corporation (the "Purchaser Parent" and, together with the Purchaser, the "Purchaser Parties"). The Seller, the Purchaser and, solely for the purposes expressly set forth herein, the Purchaser Parent shall be referred to herein from time to time collectively as the "Parties" and individually as a "Party."

WHEREAS, on March 14, 2012, the Arizona Superior Court, Maricopa County, in Case Number CV 2011—018944 (the "Court"), entered an Order for Appointment of Receiver and Injunction (the "Receivership Order") placing PMI into rehabilitation under the receivership of the Receiver;

WHEREAS, PMI owns a 100% equity interest in PMI Mortgage Assurance Co., an Arizona corporation ("PMAC"), a mortgage insurer, licensed in all 50 states and Washington, D.C.;

WHEREAS, PMI desires to sell and the Purchaser desires to purchase the Shares and the Purchased Assets (each as hereinafter defined) upon the terms and subject to the conditions set forth in this Agreement (the sale of the Shares and the Purchased Assets and the other transactions contemplated by this Agreement are collectively referred to herein as the "Transactions");

WHEREAS, PMI also owns a 50% equity interest in each of (i) CMG Mortgage Insurance Company, a Wisconsin insurance company ("CMG MI"), and (ii) CMG Mortgage Assurance Company, a Wisconsin insurance company ("CMG MA"), which owns a 100% equity interest in CMG Mortgage Reinsurance Company, a Wisconsin insurance company ("CMG Re" and, together with CMG MI, the "CMG Companies"). The CMG Companies currently provide mortgage insurance to the credit union industry;

WHEREAS, contemporaneously with the execution of this Agreement, PMI and CMFG Life Insurance Company ("CUNA Mutual") (each as owner of 50% of the equity interests of each of CMG MI and CMG MA) and the Purchaser Parties will enter into a Stock Purchase Agreement (the "CMG Stock Purchase Agreement"), which shall be in the form and substance of Exhibit A hereto, to sell PMI's and CMFG Life Insurance Company's interests in CMG MA and CMG MI to the Purchaser;

WHEREAS, contemporaneously with the Closing of the Transactions, PMI and the Purchaser shall enter into the agreement attached as Exhibit B hereto, pursuant to which the Purchaser (or an Affiliate of the Purchaser) will agree to provide certain support services to PMI for the runoff of PMI's legacy insurance portfolio (the "Services Agreement");

WHEREAS, contemporaneously with the Closing of the Transactions, PMI and an Affiliate of the Purchaser shall enter into a quota share reinsurance agreement, which shall be in the form and substance of Exhibit C hereto, pursuant to which such Affiliate of the Purchaser, as the reinsurer, will agree to provide one hundred percent (100%) quota share indemnity reinsurance to PMI for all certificates of insurance that were issued between and including January 1, 2009 and December 31, 2011 by PMI, that are not in default as of the Closing Date and that are not subject to lender captive reinsurance arrangements (the "Quota Share Reinsurance Agreement"); and

WHEREAS, contemporaneously with the Closing of the Transactions, the Purchaser and the Seller's affiliate, PMI Plaza LLC, shall enter into a lease pursuant to which the Purchaser will lease a portion of the Walnut Creek Property, the terms of which shall be as set forth in Exhibit D hereto (the "New Walnut Creek Lease").

NOW, THEREFORE, in consideration of the premises and the mutual representations, covenants and agreements hereinafter set forth, the adequacy and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

ARTICLE I

DEFINITIONS

1.1 Certain Definitions. As used in this Agreement the following terms have the meanings set forth below:

"Action" means any civil, criminal, investigative or administrative claim, demand, action, suit, charge, citation, complaint, notice of violation, litigation, prosecution, audit, hearing, arbitration or inquiry by or before or otherwise involving any Governmental Entity whether at law, in equity or otherwise.

"Affiliate" means, with respect to any Person, any other Person who directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person and the term "controls" (including the terms "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through ownership of voting securities, by contract or otherwise.

"Assumed Contracts" means each Seller IP Agreement, each Business Contractor Services Agreement and each other Contract set forth on Schedule 1.1(a). For the avoidance of doubt, the Assumed Contracts shall not include the Real Property Leases, the Hardware and IT Asset Leases and the Personal Property Leases.

"Business" means the Seller's business of underwriting and servicing mortgage insurance as facilitated by the PMI Platform, the PMAC Business and the business contemplated by the Services Agreement.

"Business Contractors" means, as of a particular date, the individuals that provide services to the Seller and/or PMAC pursuant to a Business Contractor Services Agreement.

"Business Contractor Services Agreement" means each Contract set forth on Schedule 1.1(b).

"Break-Up Fee" means a cash amount equal to $3,100,000.

"Business Confidential Information" means all non-public information that is related to the Purchased Assets, the Assumed Liabilities or the Business.

"Business Day" means any day which is not a Saturday, Sunday or legal holiday recognized by the United States of America.

"Business Employees" means, as of a particular date, employees of the Seller as of such date.

"CMG Business" has the meaning set forth in CMG Stock Purchase Agreement.

"COBRA" means the continuation coverage requirements of the Consolidated Omnibus Budget Reconciliation Act of 1985 as set forth in Section 4980B of the Code.

"Code" means the Internal Revenue Code of 1986, as amended from time to time.

"Contract" means any written or oral agreement, contract, commitment, instrument, undertaking, lease, sublease, note, mortgage, indenture, sales or purchase order, license, sublicense, arrangement or other legally binding obligation (including each amendment, extension, exhibit, attachment, addendum, appendix, statement of work, change order and any other similar instrument or document relating thereto).

"Covered Loss" means any and all actual losses, claims, fines, damages (excluding contingent liabilities), assessments, penalties, judgments, awards, payments, costs and expenses (including interest and penalties due and payable with respect thereto and reasonable attorneys' and accountants' fees and any other reasonable out-of-pocket expenses incurred in investigating, defending or settling any Action or enforcing any right to indemnification under this Agreement), in each case that are due and payable (whether payable in cash, property or otherwise) ("Losses"), excluding (i) any consequential, incidental, special, indirect, punitive or speculative damages or lost profits, except to the extent such damages are recovered by third parties in connection with claims made by such third parties that are indemnified under this Agreement, and (ii) any Loss arising from any operational, record keeping, procedural or other similar requirement (other than payment of money damages, fines or civil monetary penalties) imposed as a result of any Action, agreed to as part of the settlement of any Action or pursuant to any applicable Laws.

"Data Exchange Contracts" means those agreements set forth on Schedule 1.1(c) with third party loan origination software vendors, Fannie Mae, Freddie Mac, and mortgage lender

customers granting access rights to establish and maintain system interfaces between mortgage origination and servicing systems and the PMI Platform.

"Employee Benefit Plan" means any "employee benefit plan" (as such term is defined in §3(3) of ERISA) and any other employee benefit plan, program or arrangement, including any bonus or other incentive plan, plan for deferred compensation, profit-sharing, options to acquire stock, stock appreciation rights, stock purchases, or other equity-based plans or arrangements, employee health, life or other welfare benefit plan, severance arrangement or policy, any employment or consulting agreement, any change in control agreement or arrangement, any Tax gross-up agreement or arrangement, any plan, arrangement, agreement, program or commitment to provide for insurance coverage (including any self-insured arrangements), disability benefits, supplemental unemployment benefits, vacation benefits, retirement benefits, leave of absence, or life or accident benefits (including any voluntary employee benefits association (as defined in §501(c)(9) of the Code) providing for the same or other benefits).

"Environmental Laws" means any applicable federal, state or local Law relating to (i) the protection, preservation or restoration of the environment, and/or (ii) the use, storage, recycling, treatment, generation, transportation, processing, handling, labeling, production, release or disposal of Pollutants. The term Environmental Law includes, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act, as amended, 42 U.S.C. §9601, et seq; the Resource Conservation and Recovery Act, as amended, 42 U.S.C. §6901, et seq; the Clean Air Act, as amended, 42 U.S.C. §7401, et seq; the Clean Water Act, as amended, 33 U.S.C. §1251, et seq; the Toxic Substances Control Act, as amended, 15 U.S.C. §2601, et seq; the Emergency Planning and Community Right to Know Act, 42 U.S.C. §11001, et seq; and the Safe Drinking Water Act, 42 U.S.C. §300f, et seq.

"Environmental Permit" means any Permit issued under any Environmental Law.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

"ERISA Affiliate" means, with respect to any person, any corporation, trade or business which, together with such person, is a member of a controlled group of corporations or a group of trades or businesses under common control within the meaning of Section 414 of the Code.

"Excluded Contracts" means all Contracts other than the Real Property Leases, the Assumed Contracts, the Hardware and IT Asset Leases and the Personal Property Leases.

"Excluded Seller Licensed Intellectual Property" means the assets set forth on Schedule 1.1(d).

"Excluded Seller Owned Intellectual Property" means the assets set forth on Schedule 1.1(e).

"Existing Walnut Creek Lease" means that certain Lease Agreement dated December 1, 2002, as amended, between PMI Plaza LLC, as landlord, and the Seller, as tenant.

"Fannie Mae" means the Federal National Mortgage Association.

"Final Order" means an order of the Court, in form and substance acceptable to the Seller and the Purchaser that has not been reversed, vacated, modified or amended, is not stayed and remains in full force and effect.

"Freddie Mac" means the Federal Home Loan Mortgage Corporation.

"GAAP" means United States generally accepted accounting principles.

"Governmental Approvals" means all authorizations, consents, Orders, Permits and approvals of, or registrations or filings with, or notices to, or waivers from, any Governmental Entity required to be obtained, made or delivered in connection with the execution, delivery or performance of this Agreement or the other Transaction Documents or the consummation of the Transactions or the transactions contemplated by the other Transaction Documents (i) by the Seller or any of its Affiliates as set forth on Schedule 1.1(f) (the "Seller Required Governmental Approvals") or (ii) by the Purchaser Parties or any of their Affiliates as set forth on Schedule 1.1(g) (the "Purchaser Required Governmental Approvals").

"Governmental Entity" means any federal, state, local, municipal, foreign or other governmental or quasi-governmental authority, including without limitation any administrative, executive, judicial, legislative, regulatory or taxing authority of any nature of any jurisdiction (including without limitation, any governmental agency, branch, department, official or entity and any court or other tribunal), any Insurance Regulator, the Federal Housing Financing Agency, Fannie Mae and Freddie Mac.

"Hardware and IT Asset Leases" means each lease for Hardware and IT Assets listed on Schedule 1.1(h).

"Hardware and IT Assets" means all servers, routers, desktop computers, laptops, fixed and mobile computer storage devices, network equipment, hardware and other electronic and information technology assets of any kind, owned or leased by the Seller, including all documentation associated with any of the foregoing.

"Indebtedness" means (i) the principal of and premium, if any, and interest in respect of any indebtedness for borrowed money, (ii) any other indebtedness that is evidenced by a note, bond, debenture or similar instrument, (iii) every capitalized lease obligation of the type or nature reflected in the Financial Statements (or that would be required to be reflected in the Financial Statements in accordance with GAAP), (iv) every obligation issued or assumed as the deferred purchase price of property or services, (v) all obligations, contingent or otherwise, relative to the face amount of all surety bonds, letters of credit or other similar instruments, whether or not drawn, and banker's acceptances issued for the account of the Seller or PMAC, as applicable, and for which the Seller or PMAC, as applicable, is obligor, (vi) all obligations under interest rate, currency or commodity derivatives or hedging transactions (valued at the termination value thereof), (vii) all obligations of a type described in clauses (i) through (vi) of any other Person, the payment of which is guaranteed, directly or indirectly, by the Seller or

PMAC, as applicable, and (viii) all indebtedness and obligations of the types described in the foregoing clauses (i) through (vii) to the extent secured by any Lien on any property or asset owned or held by the Seller or PMAC, as applicable, as of the Closing, regardless of whether the indebtedness secured thereby shall have been assumed by the Seller or PMAC, as applicable, or is nonrecourse to the credit of the Seller or PMAC, as applicable.

"Insurance Regulator" means any state insurance supervisory department or officials having jurisdiction over any part of the Business.

"Insurance Reserves" means the reserves required to be maintained by PMAC in accordance with SAP or GAAP, as applicable, including any reserves, contingency reserve, funds or provisions for losses, claims, premiums, loss and loss adjustment expenses (including reserves for incurred but not reported losses and loss adjustment expenses) and other Liabilities in respect of the insurance contracts issued by PMAC.

"Intellectual Property" means, whether arising under the Laws of the United States, any state or other political subdivision thereof, any other country or political subdivision thereof or any international treaty regimes or conventions, all (i) registered and unregistered trademarks, trade dress, service marks, logos, trade names, slogans and other indicia of origin, in each case including applications and registrations and renewals of the same, and the goodwill associated therewith and symbolized thereby; (ii) inventions and patents and patent applications thereon, including divisionals, continuations and continuations-in-part, and any renewals, reexaminations, extensions and reissues thereof and provisional applications relating thereto; (iii) trade secrets, confidential or proprietary information, inventions (to the extent not disclosed in published patent applications and whether or not patentable or reduced to practice), methods, processes, formulae, technology, algorithms, models, vendor lists, customer lists and know-how and any information meeting the definition of a trade secret under the Uniform Trade Secrets Act; (iv) works of authorship, and registered and unregistered copyrights, the registrations and applications therefor, and any renewals, extensions, restorations and reversions thereof; (v) Internet domain names and registrations thereof; (vi) Software; (vii) databases and sui generis database rights; and (viii) any other type of intellectual property or proprietary right or intangible asset of any kind, including remedies against infringements or misappropriation thereof.

"Knowledge" as used with respect to a Person (including references to such Person being aware of a particular matter) means those facts that are actually known by any officer with the title ranking not less than senior vice president of such Person, after reasonable investigation of the applicable subject matter by such officers (which investigation shall be limited to inquiry of such other officers and employees that such Person determines in his or her reasonable discretion to be necessary or appropriate with respect to the applicable subject matter) and includes any facts, matters or circumstances set forth in any written notice from any Governmental Entity or any other material written notice received by an officer with the title ranking not less than senior vice president or a member of the board of directors (or similar governing body) of that Person.

"Law" means any federal, state, local, municipal, foreign, international, multinational or other statute, law, Order, decree, constitution, rule, regulation, ordinance, principle of common law, treaty or other requirement of any Governmental Entity.

"Leased Real Property" means the real property leased by the Seller pursuant to the Real Property Leases.

"Liability" means any liability, debt, obligation, commitment, guaranty, claim, loss, damage, deficiency, fine, settlement payment, award, judgment, cost or expense of any kind, whether relating to payment, performance or otherwise, known or unknown, asserted or unasserted, accrued or unaccrued, liquidated or unliquidated, fixed, absolute or contingent.

"Lien" means any lien, pledge, security interest, mortgage, deed of trust, claim, restriction (including restriction on use), encumbrance, easement, encroachment, charge, option, deed of trust, title retention, or any license, order or charge, or any adverse claim of title, ownership or use, or agreement of any kind restricting transfer, or any other right of any Person or encumbrance of any kind or nature whatsoever.

"Material Adverse Effect" means any effect, event, circumstance, development, occurrence or change that has had a material adverse effect on (i) the financial condition, results of operations or assets of the Business, the Shares, the Purchased Assets, the Shares (as defined in the CMG Stock Purchase Agreement) and the CMG Business taken as a whole or (ii) the ability of the Seller to consummate the Transactions or perform their material obligations hereunder and under the Transaction Documents; provided that any such effect, event, circumstance, development, occurrence or change principally attributable to the following matters shall not be taken into account in determining whether a "Material Adverse Effect" has occurred: (a) conditions affecting the United States economy generally, the housing or mortgage market, the mortgage insurance industry or the mortgage servicing industry, (b) any national or international political or social conditions, including acts of war (whether or not declared), armed hostilities and terrorism, or developments or changes therein, (c) conditions resulting from natural disasters, (d) domestic or international financial, banking or securities markets (including any disruption thereof and any decline in the price of any security or any market index), (e) any change or prospective change in GAAP or SAP, or the interpretation thereof, (f) any change or prospective change in any generally applicable Law or other binding directives issued by any Governmental Entity, or the enforcement or interpretation thereof, (g) the announcement of the execution of this Agreement, or the pendency of the Transactions or the identity of either of the Purchaser Parties (including employee departures), (h) the compliance by the Seller with its covenants and agreements contained in this Agreement, (i) any action taken or omitted to be taken by the Seller at the written request or with the written consent of the Purchaser Parties, (j) any failure by the Seller to meet any internal or published projections, forecasts or revenue or earnings predictions for any period ending on or after the date of this Agreement (provided, that any effect, event, circumstance, development, occurrence or change that caused or contributed to such failure to meet projections, forecasts or predictions shall not be excluded pursuant to this clause (j); provided, further, that any effect, event, circumstance, development, occurrence or change referred to in any of clauses (a) through (f) immediately above shall be taken into account in determining whether a Material Adverse Effect has occurred or would reasonably be expected to occur to the extent that given effect, event, circumstance, development, occurrence or change has a disproportionate effect on the Business compared to similar businesses within the industries in which the Business operates); or (k) any items disclosed as of the date hereof on the Seller Disclosure Schedule.

"NPI" means "Non Public Personal Information," as defined in Title V of the Gramm-Leach-Bliley Act and its implementing regulations, regarding borrowers or co-borrowers, including any data attributes or fields that represent any part of a borrower, co-borrower or mortgage insurance applicant's name, full street address (excluding city, state and zip code), account number, social security number or any other government issued identification, as well as any data attribute which, in combination any non-NPI, would otherwise cause the non-NPI to become a prohibited disclosure under any federal or state privacy Laws.

"Order" means any law, rule, regulation, award, decision, injunction, judgment, order, decree, ruling, subpoena or verdict entered, issued, made or rendered by any court, administrative agency or other Governmental Entity or by any referee, arbitrator or mediator.

"Organizational Documents" means any certificate or articles of incorporation, formation or organization, by-laws, operating agreement, certificate of limited partnership, business certificate of partners, partnership agreement, declaration of trust or other similar documents.

"Permit" means all material licenses (including insurance licenses), franchises, permits, privileges, immunities, certificates, variances, orders, consents, approvals and other authorizations (including authorizations to write mortgage insurance as a non-admitted or unlicensed insurance carrier) issued by a Governmental Entity.

"Permitted Liens" means all (i) Liens set forth on Schedule 1.1(i) (ii) mechanics', carriers', workmen's, repairmen's or other like Liens arising or incurred in the ordinary course of business and Liens for Taxes that are not yet due and payable or that may thereafter be paid without penalty, (iii) applicable Law, including, without limitation, zoning ordinances, subdivision regulations and applicable securities Laws, (iv) Liens created by or through the Purchaser Parties, and (v) with respect to the Leased Real Property, Liens, reservations or restrictions of any kind (whether recorded, perfected, choate or inchoate, actual or contingent) that would not have a material adverse impact on the use of the Leased Real Property.

"Person" means any individual, corporation, general or limited partnership, limited liability company, joint venture, estate, trust, association, organization, labor union or other entity or any Governmental Entity.

"Personal Property" means each item or distinct group of equipment, supplies, furniture, fixtures, personalty and other tangible personal property, other than the Hardware and IT Assets, owned or leased by the Seller, but specifically excluding the Excluded Personal Property. The Seller shall retain all right title and interest to the Excluded Personal Property.

"Personal Property Leases" means each lease for Personal Property listed on Schedule 1.1(j).

"PMAC Business" means PMAC's mortgage insurance business, as conducted on the date hereof.

"PMAC Reinsurance Agreement" means any ceded reinsurance or retrocessional treaty or ceded agreement to which PMAC is a party and (a) which is in force as of the date hereof, (b) is terminated or expired as of the date hereof but under which PMAC may continue to receive benefits or have obligations or (c) is an assumption reinsurance agreement.

"PMI Obligated Employees" means (i) any Specified Business Employee who becomes a Transferred Employee and who the Seller and the Purchaser have agreed in writing on the date hereof shall be a "PMI Obligated Employee," (ii) any Replacement Employee who becomes a Transferred Employee and who, prior to Closing, held the position of any of the Specified Business Employees contemplate by the foregoing clause (i) and (iii) any individual who, after the Closing, replaces any of the Transferred Employees contemplated in the foregoing clause (i) or clause (ii).

"PMI Platform" means, collectively, the Seller Owned Intellectual Property, the Seller Licensed Intellectual Property and the Hardware and IT Assets.

"Pollutants" means pollutants, contaminants, wastes, toxic substances, petroleum and petroleum products, and any other materials regulated under Environmental Laws, including, but not limited to, radon, radioactive material, dioxins, asbestos, asbestos-containing material, urea formaldehyde foam insulation, lead and polychlorinated biphenyls.

"Pre-Closing Tax Period" means any taxable period (or the allocable portion of a Straddle Period) ending on or before the close of business on the Closing Date.

"Privacy Law" means any Law relating to the collection, processing, storage, use, disclosure, loss, access, transfer or security and safeguarding of NPI (including encryption or similar security requirements), including, without limitation, federal or state laws or regulations regarding data security breach notification, Social Security number protection, as well as the FTC Act, the Gramm-Leach-Bliley Act, the Fair Credit Reporting Act, the Fair and Accurate Credit Transaction Act and state consumer protection Laws.

"Proceeding" means any Action, claim, arbitration, audit, hearing, investigation, litigation or suit (whether civil, criminal, administrative, investigative or informal) commenced, brought, conducted or heard by or before, or otherwise involving, any court or other Governmental Entity or referee, trustee, arbitrator or mediator, whether at law, in equity or otherwise.

"Purchaser Disclosure Schedule" means the schedule delivered by the Purchaser to the Seller on or prior to the date hereof, setting forth facts, circumstances and events the disclosure of which, or the inclusion therein, is required or permitted pursuant to any or all of the Purchaser's covenants, representations and warranties contained in this Agreement.

"Purchaser Fundamental Representations" means the representations and warranties set forth in Section 5.1 (Organization and Good Standing), Section 5.2 (Authorization; Enforceability), Section 5.3 (No Conflict) and Section 5.6 (Brokers, Finders and Financial Advisors).

"Real Property Leases" means, collectively, (a) that certain Lease dated May 17, 2000, between Karlin Capital Center, LLC., a California limited liability company (the successor-in-interest to DL Capital Center, L.P., a Delaware limited partnership, which is the successor-in-interest to the original landlord, TrizecHahn TBI Sacramento I LLC), as landlord, and the Seller, as tenant, as amended by that certain Addendum No. 1 dated as of May 17, 2000, that certain Addendum No. 2 dated as of July 8, 2004, and that certain Third Amendment to Lease dated as of October 29, 2009, with respect to the property located at 11050 White Rock Road, Suite 100 and Suite 101, Rancho Cordova, California 95670; and (b) that certain Lease dated March 13, 2001, between YPI Central Expressway Properties, L.P., a Delaware limited partnership (the successor-in-interest to the original landlord, EOP-Northern Central Plaza Three Limited Partnership, a Delaware limited partnership), as landlord, and the Seller, as tenant, as amended by that certain First Amendment dated as of January 1, 2006, and that certain Second Amendment dated as of June 30, 2010, with respect to the property located at 12801 North Central Expressway, Dallas, Texas 75243.

"Replacement Employee" means a Business Employee (a) who is hired by the Seller after the date hereof and prior to the Closing Date to replace a Business Employee (the "Original Business Employee") who would have been a Specified Business Employee if such Original Business Employee had not ceased to be employed by the Seller after the date hereof, (b) whose hiring was consistent with the terms of this Agreement, and (c) who has not ceased to be a Business Employee.

"Sale Order" means an order of the Court, which shall be in the form and substance of Exhibit E hereto and incorporated by reference herein, or otherwise in form and substance acceptable to the Seller and the Purchaser in their reasonable discretion, which order (i) approves, without limitation, this Agreement and all of the terms and conditions hereof and approves and authorizes the Seller to consummate the Transactions and the other transactions contemplated by the Transaction Documents and (ii) designates the Seller's obligations (including all payments, costs and expenses of the Seller incurred or to be incurred under the Transaction Documents) as costs and expenses of the Seller incurred in connection with administration of the delinquency proceeding pending against the Seller within the meaning of A.R.S. § 20-629.A.1.

"SAP" means, as to any insurance company, statutory accounting practices prescribed and any practices permitted by the insurance regulatory authorities of the applicable jurisdiction.

"Securities Act" means the Securities Act of 1933, as amended.

"Seller Disclosure Schedule" means the schedule delivered by the Seller to the Purchaser Parties on or prior to the date hereof, setting forth facts, circumstances and events the disclosure of which, or the inclusion therein, is required or permitted pursuant to any or all of the Seller's covenants, representations and warranties contained in this Agreement.

"Seller Fundamental Representations" means the representations and warranties set forth in Section 4.1 (Organization and Good Standing), Section 4.2 (Authorization; Enforceability),

Section 4.3 (No Conflict), Section 4.5 (Share Ownership and Title to Purchased Assets) and Section 4.30 (Brokers, Finders and Financial Advisors).

"Seller IP Agreement" means any Contract concerning Intellectual Property to which the Seller or PMAC is a party or beneficiary or by which any of the Seller's or PMAC's properties or assets may be bound, including each Contract set forth on Schedule 1.1(k) and any other (a) license of Intellectual Property by the Seller or PMAC to any Person, (b) Contract between the Seller or PMAC and any Person relating to Seller Licensed Intellectual Property, (c) Contract between the Seller and any Person relating to the transfer, development, maintenance or use of Intellectual Property, or the development or transmission of any data related thereto, including, proprietary information agreements, consulting agreements, service agreements and other Contracts to which the Seller is a party (or under which the Seller has rights) relating to operating system Software, application Software, network services, telecommunications services, data processing or storage services or information security services, and which are necessary for the ownership, operation, use or maintenance of the PMI Platform, or (d) Order governing the use, validity or enforceability of Intellectual Property, but excluding the Data Exchange Contracts.

"Seller Licensed Intellectual Property" means all Intellectual Property licensed, exclusively or nonexclusively, to the Seller or PMAC, including the items set forth on Schedule 1.1(l) (as such Schedule may be amended by mutual agreement of the Seller and the Purchaser Parties between the date hereof and the Closing Date), excluding the Excluded Seller Licensed Intellectual Property.

"Seller Owned Intellectual Property" means all Intellectual Property owned by the Seller or PMAC, including the items set forth on Schedule 1.1(m) (as such Schedule may be amended by mutual agreement of the Seller and the Purchaser Parties between the date hereof and the Closing Date) and including all obsolete and unsupported versions as well as all currently-supported versions, together with all updates, patches, works-in-progress, corrections, customizations, enhancements and modifications thereto, excluding the Excluded Seller Owned Intellectual Property.

"Shares" means all of the issued and outstanding shares of common stock, $10.00 par value per share, of PMAC.

"Software" means (a) all computer and computer network software, firmware, programs, code, applications and databases in any form, including any content or other information associated or used therewith, along with all source code, object code, operating systems, specifications, data, database management code, utilities, libraries, scripts, graphical user interfaces, application program interfaces, menus, images, icons, forms, methods of processing, software engines, platforms, data formats and all other code and documentation (including programmers notes, user manuals, and training materials), whether in human readable form or otherwise, and all copies of the foregoing in any and all formats or media and (b) with respect to the foregoing items, all versions, updates, patches, corrections, customizations, enhancements and modifications thereto.

"Specified Business Contractor" means all of the Business Contractors, other than Business Contractors that the Seller and the Purchaser have agreed in writing as of the date hereof will not be Specified Business Contractors.

"Specified Business Employee" means (a) all of the Business Employees as of the date hereof (other than any Business Employee (i) that the Seller and the Purchaser have agreed in writing as of the date hereof will not be offered employment with the Purchaser or (ii) who ceases to be employed by the Seller after the date hereof), (b) all Replacement Employees hired in compliance with Section 6.5, and (c) all Business Employees hired by the Seller after the date hereof and before the Closing Date for the employment positions identified on Schedule 1.1(n).

"Tax" or "Taxes" means any and all taxes, fees, levies, duties, tariffs, imposts and governmental impositions or charges of any kind in the nature of (or similar to) taxes, payable to any federal, state, provincial, local or foreign taxing authority, including, without limitation, (i) income, franchise, profits, gross receipts, ad valorem, net worth, value added, sales, use, service, real or personal property, special assessments, unclaimed property, escheat, environmental, capital stock, license, payroll, withholding, employment, social security, workers' compensation, unemployment compensation, utility, severance, production, excise, stamp, occupation, premiums, windfall profits, transfer and gains taxes and (ii) interest, penalties, additional taxes and additions to tax imposed with respect thereto.

"Tax Returns" means any return, report or information statement with respect to Taxes (including but not limited to statements, schedules and appendices and other materials attached thereto) filed or required to be filed with the Internal Revenue Service, any other Governmental Entity or Person, domestic or foreign, including, without limitation, consolidated, combined and unitary tax returns.

"Termination Date" means the date one (1) year from the date hereof.

"Third Party Consents" means the consents or approvals of, or waivers from, third parties other than Governmental Entities, that are set forth on Schedule 1.1(o).

"Transaction Documents" means, collectively, (i) a bill of sale which shall be in the form and substance of Exhibit F hereto, (ii) an assignment and assumption agreement which shall be in the form and substance of Exhibit G hereto, (iii) an assignment of intellectual property which shall be in the form and substance of Exhibit H hereto, (iv) an assignment and assumption of lease which shall be in the form and substance of Exhibit I hereto, (v) the Escrow Agreement, (vi) the Indemnification Escrow Agreement, (vii) the Services Agreement, (viii) the CMG Stock Purchase Agreement, (ix) the New Walnut Creek Lease, (x) the Quota Share Reinsurance Agreement, (xi) that certain letter agreement between the Purchaser and the Seller, dated the date hereof, and (xii) any other Contracts delivered by any party hereto at or prior to the Closing pursuant to or in furtherance of the transactions contemplated by this Agreement (including, in each case, any and all exhibits, schedules and attachments to any such documents and any other documents executed or delivered in connection therewith) in each case, as the same may be amended, restated, supplemented or otherwise modified from time to time.

"Treasury Regulations" means the Income Tax Regulations and Temporary Regulations promulgated under the Code, as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

"Walnut Creek Property" means that certain real property located in Walnut Creek, California, currently leased by the Seller pursuant to the Existing Walnut Creek Lease.

"WARN Act" means the Worker Adjustment and Retraining Notification Act of 1988, and any other similar Law of any state, locality, or other Governmental Entity.

1.2 Index of Certain Other Definitions.

The following capitalized terms used in this Agreement have the meanings located in the corresponding Section referred to below:

Term	**Section**
Acceptable Confidentiality Agreement	Section 6.18(h)
Acquisition Proposal	Section 6.18(h)
Additional Costs	Section 6.7(b)
Adverse Governmental Requirement	Section 6.7(c)
Affiliate Transaction	Section 4.28
Agreement	Preamble
Allocation Objections Notice	Section 3.5(c)
Allocation Schedule	Section 3.5(b)
Alternative Acquisition Agreement	Section 6.18(a)
Assets	Section 6.18(h)
Assumed Liabilities	Section 2.3(a)
Audited Financial Statements	Section 4.10
Basket Amount	Section 11.4(a)
Closing	Section 3.3
Closing Date	Section 3.3
CMG Companies	Recitals
CMG MA	Recitals
CMG MI	Recitals
CMG Re	Recitals
CMG Stock Purchase Agreement	Recitals
Confidentiality Agreement	Section 13.1
Controlling Party	Section 11.7(c)
Court	Recitals
Criminal Third Party Claim	Section 11.7(d)
CUNA Board	Section 6.18(b)
CUNA Mutual	Recitals
De Minimis Threshold	Section 11.4(b)
Deposit	Section 3.2(a)
Employment Offers	Section 6.6(a)
Escrow Agent	Section 3.2(a)
Escrow Agent Fees	Section 6.10

Term	**Section**
Escrow Agreement	Section 3.2(a)
Excluded Assets	Section 2.2(b)
Excluded Liabilities	Section 2.3(b)
Excluded Personal Property	Section 2.2(b)
Financial Condition	Section 6.7(c)
Financial Statements	Section 4.10
FIRPTA Certificate	Section 9.1(a)
First Closing	Section 3.3(b)
Governmental Deposit	Section 4.26
Indemnification Escrow Agreement	Section 3.2(c)
Indemnification Escrow Amount	Section 3.2(c)
Indemnification Escrow Fund	Section 3.2(c)
Indemnified Party	Section 11.7(a)
Indemnifying Party	Section 11.7(a)
Independent Accountant	Section 3.5(d)
Insurance Contracts	Section 4.25(a)
Investments	Section 4.34(a)
Losses	Definition of “Covered Loss”
Material Contracts	Section 4.14(a)
New Walnut Creek Lease	Recitals
NMI Litigation Purchaser	Section 6.17(a)
Non-Controlling Party	Section 11.7(c)
Notice Period	Section 6.18(f)
Notices	Section 13.4
Objection	Section 3.5(d)
Original Business Employee	Definition of “Replacement Employee”
Parties	Preamble
PMI	Preamble
PMAC	Recitals
PMAC Investments	Section 6.15(a)
PMI Contractor List	Section 4.11(a)
PMI Employee List	Section 4.11(a)
PMI Health Plans	Section 6.6(c)
PMI Personnel	Section 4.18(k)
PMI Plan	Section 4.12(a)
PMI Retirement Plan	Section 4.12(e)
PMI Severance Plan	Section 6.6(g)
Post-Closing Payment	Section 3.7
Post-Closing Tax Returns	Section 6.8(b)
Potential Buyer	Section 6.18(b)
Previous Bidder	Section 6.18(h)
Producers	Section 4.25(d)
Purchase Price	Section 3.1(a)
Purchase Agreements	Section 6.18(b)
Purchased Assets	Section 2.2(a)

Term	**Section**
Purchaser	Preamble
Purchaser Confidential Information	Section 6.1(c)
Purchaser Indemnified Parties	Section 11.2
Purchaser Parent	Preamble
Purchaser Parties	Preamble
Purchaser Plans	Section 6.6(c)
Purchaser Required Governmental Approvals	Definition of "Governmental Approvals"
Purchaser's Indemnification Cap	Section 11.5(c)
Quota Share Reinsurance Agreement	Recitals
Receiver	Preamble
Receivership Order	Recitals
Releases	Section 6.16
Representatives	Section 6.1(a)
Request	Section 6.17(c)
Response Period	Section 3.5(c)
Retained Escrow Amount	Section 11.9(a)
Revised Proposal	Section 6.18(f)
Second Closing	Section 3.3(b)
Seller	Preamble
Seller Confidential Information	Section 6.1(b)
Seller Indemnified Parties	Section 11.3
Seller Representative Individual	Section 6.18(h)
Seller Required Governmental Approvals	Definition of "Governmental Approvals"
Seller's Indemnification Cap	Section 11.4(c)
Services Agreement	Recitals
Straddle Period	Section 6.8(e)
Straddle Tax Returns	Section 6.8(b)
Superior Proposal	Section 6.18(h)
Tax Allocations	Section 3.5(a)
Tax Claim	Section 6.8(c)
Third Party Claim	Section 11.7(a)
Transactions	Recitals
Transfer Taxes	Section 6.8(g)
Transferred Employees	Section 6.6(a)
Unaudited Financial Statements	Section 4.10

1.3 General Interpretation. The terms of this Agreement have been negotiated by the parties hereto and the language used in this Agreement shall be deemed to be the language chosen by the parties hereto to express their mutual intent. This Agreement shall be construed without regard to any presumption or rule requiring construction against the party causing such instrument or any portion thereof to be drafted, or in favor of the party receiving a particular benefit under this Agreement. No rule of strict construction will be applied against any Person. For all purposes of this Agreement, unless otherwise expressly provided or unless the context otherwise requires:

(a) any pronouns used in this Agreement shall include the corresponding masculine, feminine or neutral forms, and the singular form of nouns and pronouns shall include the plural, and vice versa;

(b) the words "herein", "hereto" and "hereby", and other words of similar import, refer to this Agreement as a whole and not to any particular Section or other subdivision of this Agreement;

(c) the use of the term "including" (and with correlative meaning "include" and "includes") means including without limitation;

(d) references to Sections, clauses, other subdivisions and exhibits are references to Sections, clauses, other subdivisions and exhibits of this Agreement;

(e) the captions, titles and headings used in this Agreement are for convenience of reference only, shall not be deemed part of this Agreement and shall not affect its construction or interpretation;

(f) a reference to any party to this Agreement or any other agreement or document shall include such party's successors and permitted assigns; and

(g) any reference herein to a statute, rule or regulation of any Governmental Entity (or any provision thereof) shall include such statute, rule or regulation (or provision thereof), including any successor thereto, as it may be amended from time to time.

ARTICLE II

SALE AND PURCHASE OF SHARES AND ASSETS

2.1 Sale and Purchase of the Shares. On and subject to the terms and conditions of this Agreement, at the Closing, the Seller shall sell, convey, assign, transfer and deliver to the Purchaser and the Purchaser shall purchase, acquire and accept from the Seller, the Shares, free and clear of all Liens, other than Permitted Liens.

2.2 Sale and Purchase of the Purchased Assets.

(a) Subject to the terms and conditions of this Agreement, including Section 2.2(b), at the Closing, the Seller shall sell, convey, assign, transfer and deliver, or cause to be sold, conveyed, assigned, transferred and delivered, to the Purchaser, and the Purchaser shall purchase from the Seller, free and clear of all Liens, other than Permitted Liens, all right, title and interest of the Seller in and to the following assets (collectively, the "Purchased Assets"):

(i) the Seller Owned Intellectual Property;

(ii) the Seller Licensed Intellectual Property;

(iii) the Hardware and IT Assets and all rights of and benefits accruing to the Seller under the Hardware and IT Asset Leases;

(iv) the Assumed Contracts, including all rights of and benefits accruing to the Seller under all Assumed Contracts;

(v) the Real Property Leases and all improvements to the Leased Real Property owned by the Seller, including all rights of and benefits accruing to the Seller thereunder;

(vi) the Personal Property and all rights of and benefits accruing to the Seller under the Personal Property Leases;

(vii) all books, records, policies, procedures, manuals, process documentation and portfolio analysis and other documentation, forms (including maintenance and support records and audit records), system specifications, scripts, logs, programmer notes, databases, electronic mail records, backup tapes and other materials of any kind, whether in print or electronic form, of the Seller relating to the operation and conduct of the Business or the operation, support and maintenance of the PMI Platform, but excluding those official records and privileged materials expressly contemplated by Section 2.2(b)(vi) and Section 2.2(b)(vii);

(viii) all data (except solely for NPI data contemplated by Section 2.2(b)(v), but subject to Section 6.1(h)) with respect to PMAC's and the Seller's legacy book and historical business or otherwise contained or comprising any of the other Purchased Assets.

(ix) all insurance claims, benefits and rights thereunder to the extent arising from or related to the Purchased Assets or the Assumed Liabilities; and

(x) all rights relating to deposits and prepaid expenses, claims for refunds and rights of offset in respect thereof, in each case to the extent arising from or relating to the Purchased Assets or the Assumed Liabilities.

To the extent that any Party discovers, within 120 days following the Closing Date, that there were assets, including Contracts, of the Seller that all Parties intended to fall within the definition of Purchased Assets, but that were not transferred or assigned at Closing, the Seller, using commercially reasonable efforts, shall promptly assign and transfer to the Purchaser all right, title and interest in such assets for no additional consideration.

(b) Excluded Assets. Notwithstanding anything in Section 2.2(a) to the contrary, the Purchased Assets shall exclude the Excluded Assets. "Excluded Assets" means all assets of the Seller other than the Purchased Assets, including, without limitation, the assets set forth below in this Section 2.2(b):

(i) any subsidiary of the Seller (other than PMAC);

(ii) the Seller's investment portfolio;

(iii) any policy of insurance written or issued by the Seller or any of its Affiliates (other than PMAC);

(iv) those items of personal property described on Schedule 2.2(b)(iv) (the "Excluded Personal Property");

(v) subject to Section 6.1(h), any NPI that is owned by or licensed to or otherwise in the possession of the Seller; provided, however, that the foregoing does not include any NPI owned by or licensed to PMAC, which is and shall remain the asset of PMAC subject to transfer with the ownership of PMAC;

(vi) official records of the Seller and any subsidiary of the Seller (other than PMAC), including, but not limited to, minutes of the board of directors and any committee thereof, tax filings, correspondence and filings with any Governmental Entity, financial books and records, and any legal department files that may contain privileged material and that do not relate directly to PMAC, the PMI Platform or the Purchased Assets;

(vii) any records, electronic mail records and other materials, whether in print or electronic form, to the extent the same (A) relate specifically to the marketing, offer for sale or purchase of the Purchased Assets, the CMG Companies and/or PMAC or (B) if disclosed to the Purchaser, would, in the Seller's reasonable judgment, result in the waiver by the Seller or PMAC of the privilege protecting communications between the Seller or PMAC and any of their counsel or would be contrary to any Law applicable to the Seller or PMAC;

(viii) subject to Section 6.1(g), personnel files;

(ix) the Seller's internal and external audit records;

(x) the Excluded Seller Licensed Intellectual Property;

(xi) the Excluded Seller Owned Intellectual Property; and

(xii) the Excluded Contracts and any related files and correspondence.

2.3 Assumption of Certain Liabilities.

(a) Assumed Liabilities. Upon the terms and subject to the conditions of this Agreement, at the Closing, the Purchaser shall assume and shall agree to pay, perform and discharge all of the following Liabilities of the Seller (collectively, the "Assumed Liabilities"):

(i) all Liabilities arising after the Closing under the Assumed Contracts that are validly assigned to the Purchaser, except for any Liabilities arising from or in connection with any acts, omissions or breaches thereof by the Seller on or prior to the Closing;

(ii) all Liabilities arising after Closing under the Real Property Leases that are validly assigned to the Purchaser, except for any Liabilities arising from or in connection with any acts, omissions or breaches thereof by the Seller on or prior to the Closing;

(iii) all Liabilities arising after Closing under the Hardware and IT Asset Leases and the Personal Property Leases that are validly assigned to the Purchaser, except for any Liabilities arising from or in connection with any acts, omissions or breaches thereof by the Seller on or prior to the Closing; and

(iv) all Liabilities arising from or related to the conduct of the Business or the use of the Purchased Assets after the Closing Date.

(b) Excluded Liabilities. Notwithstanding Section 2.3(a), except as contemplated by the Quota Share Reinsurance Agreement or any other Transaction Document, the Seller shall retain, and shall be responsible for paying, performing and discharging when due, and the Purchaser Parties shall not assume or be liable for, Liabilities of the Seller other than the Assumed Liabilities (collectively, the "Excluded Liabilities"), including the following:

(i) any Liability of the Seller or any Affiliate of the Seller (other than PMAC) related to any business conducted, operated or engaged in by the Seller or any Affiliate of the Seller (other than PMAC), other than the Business;

(ii) any Liability under any Assumed Contract, the Real Property Leases, the Hardware and IT Asset Leases and the Personal Property Leases that arises out of or relates to any act, omission or breach by the Seller on or prior to the Closing Date;

(iii) any Liability that arises under any Contract other than an Assumed Contract, the Real Property Leases, the Hardware and IT Asset Leases and the Personal Property Leases;

(iv) any Liability of the Seller arising under this Agreement or any of the Transaction Documents;

(v) any Liability of the Seller arising out of or relating to any act or omission of the Seller or any event occurring prior to Closing;

(vi) any Liability under any policy of insurance written or issued by the Seller or any of its Affiliates (other than PMAC), including the runoff of any policy of insurance written or issued by the Seller;

(vii) any Liability with respect to any Indebtedness of the Seller;

(viii) any Liability of the Seller or any Affiliate of the Seller (other than PMAC) arising out of or resulting from the compliance or noncompliance with any Law by the Seller or any Affiliate of the Seller (other than PMAC);

(ix) any Tax Liabilities of the Seller, any Tax Liabilities relating to the Purchased Assets for any Pre-Closing Tax Period, any Taxes of PMAC for any Pre-Closing Tax Period, Taxes of any member of any affiliated group as defined in Section 1504 of the Code (or any analogous combined, consolidated or unitary group defined under state, local or foreign income Tax law) of which PMAC (or any predecessor of the foregoing) is or was a member on or prior to the Closing Date, including pursuant to

Treasury Regulation Section 1.1502-6 (or any analogous or similar state, local, or foreign law or regulation) and Taxes of any Person imposed on PMAC as a transferee, successor or by contract;

(x) any Liabilities of the Seller arising under, in connection with, or otherwise related to (A) any PMI Plan or other employee benefit or compensation plan, policy, program, agreement or arrangement, including any employment, retention, change in control, severance or similar agreement between the Seller and any employee or former employee of the Seller, including any Liabilities arising under Title IV of ERISA with respect to any PMI Plan, (B) salaries, wages, bonuses, vacation or severance pay or other compensation, payments or benefits earned or arising with respect to current or former employees of the Seller prior to or in connection with the Closing, (C) any Transferred Employee with respect to any period or event occurring prior to the date on which he or she becomes an employee of the Purchaser or one of its Affiliates, or (D) any employment-related grievance, or any claim with respect to any personal injuries sustained in connection with the employment or retention of a Person by the Seller, including workers' compensation or disability, regardless of when such claim is made or asserted;

(xi) any legal, accounting, financial advisory or other fees and expenses incurred by the Seller in connection with the consummation of the Transactions, except as expressly provided in this Agreement or the Transaction Documents; and

(xii) all Liabilities arising out of or with respect to the Excluded Assets.

ARTICLE III

PURCHASE PRICE, CLOSING AND RELATED MATTERS

3.1 Purchase Price.

(a) Upon the terms and subject to the conditions of this Agreement, including Section 3.2(a), as aggregate consideration for the Shares and the Purchased Assets, the Purchaser will assume the Assumed Liabilities and will pay to the Seller an aggregate amount equal to $90 million, as such amount may be increased or decreased pursuant to Section 6.15(a) (the "Purchase Price").

(b) Subject to Section 3.2(a), payment of the Purchase Price and any other amounts to be paid by the Purchaser to the Seller under this Agreement shall be in U.S. dollars paid by the Purchaser by electronic wire transfer of immediately available funds to the account designated by the Seller.

3.2 Escrowed Funds.

(a) Within one (1) Business Day after the date hereof, the Purchaser shall deposit or cause to be deposited with JPMorgan Chase Bank, National Association, in its capacity as escrow agent (the "Escrow Agent"), pursuant to the terms of an escrow agreement, which shall be in the form and substance of Exhibit J hereto (the "Escrow Agreement") an

amount in cash equal to $4,250,000 (the "Deposit") by wire transfer of immediately available funds. The Deposit (together with all accrued investment income or interest thereon) shall be held by the Escrow Agent in trust and shall be delivered to the Purchaser in the event (i) the Court has not approved the Transactions, pursuant to the Sale Order on or prior to the earlier of (A) the date that is 120 days of the date of the first Court hearing to seek approval of the Transactions and the Purchaser is not otherwise in breach of Section 7.1(b) and (B) August 15, 2013 or (ii) this Agreement is terminated other than in accordance with Section 10.1(a)(ii). Notwithstanding the foregoing, if at the time the Deposit is due to be released to the Purchaser pursuant to the foregoing clause (i), and (x) the Purchaser has materially breached any provision of this Agreement, (y) the Seller has notified the Purchaser that it intends to terminate this Agreement pursuant to Section 10.1(a)(ii) if such material breach remains uncured and (z) the cure period relating to such breach contemplated by Section 10.1(a)(ii), has not yet expired, then the period contemplated by the foregoing clause (i) shall be extended until the earlier of (A) the date that is five (5) Business Days following the end of such cure period (it being understood that the Seller may have a right to terminate the Agreement during such five (5) Business Day period following the end of such cure period) and (B) the date on which the Purchaser has cured such material breach.

(b) If the Deposit is required to be released to the Purchaser pursuant to the terms hereof, it shall be released to the Purchaser in accordance with the procedures set forth in the Escrow Agreement. If the Closing occurs, and the Deposit has not been returned to the Purchaser in accordance with Section 3.2(a), the Deposit will be released to the Seller and credited against the Purchase Price. The Parties shall take such action as is necessary, including providing joint written instructions to the Escrow Agent, to cause the Deposit (together with earnings thereon) to be released to the Seller or to the Purchaser, as applicable, in accordance with the terms of this Agreement.

(c) On or prior to the Closing Date, the Purchaser shall deposit with the Escrow Agent, pursuant to the terms of an escrow agreement, which shall be in the form and substance of Exhibit K hereto (the "Indemnification Escrow Agreement"), for deposit into an escrow fund (the "Indemnification Escrow Fund") a portion of the Purchase Price equal to ten million dollars ($10,000,000) (as increased from time to time by the amount of any interest, dividends, earnings and other income on such amount, the "Indemnification Escrow Amount"), which amount shall be held by the Escrow Agent in accordance with Article XI and the Indemnification Escrow Agreement to secure indemnification obligations of the Seller under Article XI hereof.

(d) The Indemnification Escrow Amount shall be held in escrow following the Closing Date, shall be available to compensate the Purchaser Indemnified Parties with respect to indemnification obligations of the Seller as provided in Article XI and shall be released subject to and in accordance with Section 11.9 and the Indemnification Escrow Agreement.

3.3 Closing.

(a) Except as otherwise provided in the Quota Share Reinsurance Agreement and Section 3.3(b), the purchase and sale provided for in this Agreement shall take place at a closing (the "Closing") to be held at the offices of Arnold & Porter LLP located at 399 Park

Avenue, New York, New York 10022 at 10:00 a.m. (local time) on the third (3rd) Business Day following the date on which all conditions set forth in Article VIII (other than conditions to be satisfied by the delivery of documents or the payment of money at the Closing and other conditions that, by their terms are to be satisfied at Closing, but subject to the satisfaction of such conditions) have been satisfied or waived by the Party or Parties entitled to the benefit thereof in their sole discretion, or at such other time, date and place as the parties may agree (the "Closing Date").

(b) In the event that all conditions set forth in Article VIII (other than conditions to be satisfied by the delivery of documents or the payment of money at the Closing and other conditions that, by their terms are to be satisfied at Closing, but subject to the satisfaction of such conditions) have been satisfied other than the obtaining of the Governmental Approvals required for the purchase and sale of the Shares, the Parties shall enter into such amendments and agreements as may be necessary or appropriate to bifurcate the Closing into two Closings as follows: (i) a first Closing (the "First Closing") shall occur with respect to the Transactions (other than the purchase and sale of the Shares), regardless of whether the Governmental Approvals required for purchase and sale of the Shares have been obtained, and (ii) provided that the First Closing has occurred and the Governmental Approvals required for the purchase and sale of the Shares have been obtained, a second Closing (the "Second Closing") shall occur with respect to the purchase and sale of the Shares using such procedures and deliveries of Closing documentation as the Parties may agree, as reflected in the amendments and agreements referred to above. The failure of the Second Closing to occur shall have no effect on the First Closing and the First Closing shall not be unwound or otherwise rescinded as a result of such failure. For the avoidance of doubt, (i) the Purchase Price to be paid at the First Closing shall be reduced by an amount equal to $8,000,000, which amount shall be increased or decreased in accordance with Section 6.15(a) and (ii) the purchase price to be paid at the Second Closing shall be equal to $8,000,000, which amount shall be increased or decreased in accordance with Section 6.15(a) based on the date of the Second Closing.

3.4 Right of Set-Off. The Purchaser Parties shall have the right to set off from any amounts owing by a Purchaser Party to the Seller pursuant to this Agreement any amount that is due and owing from the Seller or any Affiliate of the Seller to a Purchaser Party or any Affiliate of the Purchaser Parties pursuant to this Agreement, the CMG Stock Purchase Agreement, the Services Agreement or the Quota Share Reinsurance Agreement; provided, however, that if the Seller or its applicable Affiliate disputes in good faith its obligation to pay any such amount, then the Purchaser or its Affiliate, as applicable, shall not be entitled to such right of set-off in respect of such disputed amount (or the disputed portion of any such amount) unless and until a court of competent jurisdiction determines that such amount or any portion thereof is due and owing to the Purchaser or the Purchaser's Affiliate or the Seller and the Purchaser otherwise mutually resolve the dispute; provided, further, that the Purchaser and its Affiliates shall not be entitled to such right of off-set in relation to (i) any Deferred Consideration Payments (as defined in the CMG Stock Purchase Agreement) or (ii) any indemnification claim asserted by the Purchaser Indemnified Parties hereunder or under the CMG Stock Purchase Agreement to the extent that the Purchaser Indemnified Parties are indemnified for Covered Losses that are the subject of such indemnification claim from the Indemnification Escrow Fund, within the meaning of this Agreement or the CMG Stock Purchase Agreement.

3.5 Purchase Price Allocation.

(a) The Seller and the Purchaser hereby agree to (i) allocate the Purchase Price and the Assumed Liabilities among the Shares and the Purchased Assets and (ii) allocate the portion of the Purchase Price and the Assumed Liabilities allocated to the Purchased Assets among the Purchased Assets (the "Tax Allocations") in accordance with Section 1060 of the Code and file or cause to be filed in a timely fashion any information that may be required pursuant to regulations promulgated under the Code.

(b) Within ninety (90) days after the Closing, the Seller shall prepare and deliver to the Purchaser a schedule (an "Allocation Schedule") of the Tax Allocations in a manner consistent with Section 3.5(a). The fees, costs and expenses of the Seller in connection with the preparation of the Allocation Schedule shall be borne by the Seller.

(c) The Purchaser shall have a period of forty-five (45) days after the delivery of the Allocation Schedule (the "Response Period") to present in writing to the Seller notice of any objections the Purchaser may have to the allocations set forth therein (an "Allocation Objections Notice"). The Allocation Objections Notice shall set forth in reasonable detail each disputed item or amount and the basis for the disagreement, together with supporting calculations. Any amount, determination or calculation set forth on the Allocation Schedule and not specifically disputed in a timely delivered Allocation Objections Notice shall be final, conclusive and binding on the Parties and not subject to further review. The fees, costs and expenses of the Purchaser in connection with the preparation of the Allocation Objections Notice shall be borne by the Purchaser.

(d) If the Purchaser deliver an Allocation Objections Notice within the Response Period, the Seller and the Purchaser shall negotiate in good faith to resolve each dispute raised therein (each, an "Objection"). Any such resolution shall be evidenced in a writing and executed by an authorized representative of the Seller and the Purchaser. If the Seller and the Purchaser are unable to resolve any Objections within ten (10) days after delivery of an Allocation Objections Notice, then the Purchaser and the Seller shall jointly engage KPMG LLP (the "Independent Accountant") to resolve such Objections (acting as an expert and not an arbitrator) in accordance with this Agreement as soon as practicable thereafter, but in any event within thirty (30) days after engagement of the Independent Accountant. If KPMG LLP is no longer independent or is unwilling or unable to serve in such capacity, then the Purchaser and the Seller shall select, within ten (10) days after notification that KPMG LLP is no longer independent or is unwilling or unable to serve in such capacity, a mutually acceptable, nationally recognized independent accounting firm to serve as the Independent Accountant. The Seller and the Purchaser shall cause the Independent Accountant to deliver a written report containing its calculation of the disputed Objections within thirty (30) days after engagement of the Independent Accountant. The scope of such firm's engagement (which shall not be an audit) shall be limited to the resolution of the items contained in the Allocation Objections Notice, and the recalculation, if any, of the Allocation Schedule in light of such resolution. For the avoidance of doubt, the Independent Accountant shall not make any determination with respect to any matter other than those matters specifically set forth in the Allocation Objections Notice that remain in dispute at the time of such determination. All Objections that are resolved between the Parties or are determined by the Independent Accountant shall be final, binding and conclusive

upon the Parties and shall not be subject to further review absent manifest error. The fees, costs and expenses of the Independent Accountant, if any, selected in accordance with this Section 3.5(d) shall be paid by fifty percent (50%) by the Seller and fifty percent (50%) by the Purchaser.

(e) For all Tax purposes, the Purchaser and the Seller agree to report the Transactions in a manner consistent with the final Allocation Schedule, and agree that none of them will take any position inconsistent therewith in any Tax Return unless otherwise required by a taxing authority.

3.6 Tax Withholding. The Purchaser Parties shall be entitled to deduct and withhold from the consideration otherwise payable to the Seller pursuant to this Agreement such amounts as may be required to be deducted and withheld with respect to the making of such payment under applicable Tax Law. To the extent that amounts are so withheld and paid over to the proper Governmental Entity, such withheld amounts shall be treated as having been paid to the Seller for all purposes of this Agreement.

3.7 Prorations. Except to the extent otherwise specifically provided for herein (i) all payments under or pursuant to any Assumed Contract, (ii) all items of income and expense with respect to the Leased Real Property, and (iii) all real and personal property Taxes related to the Shares and the Purchased Assets, whether or not payable after the Closing Date, shall be prorated between the Seller and the Purchaser on the basis of a 365 day year, or for contracts payable on a monthly basis on the basis of a 30 day month, and the number of days elapsed and days remaining in the applicable period through the end of the Closing Date. With respect to real and personal property Taxes, such proration shall be based on the most recent assessments of the real property and the personal property located thereon for the Tax period(s) prior to the Closing Date and the then applicable Tax rates. With respect to any products purchased (or services received) pursuant to any Assumed Contract, the Seller and the Purchaser shall use commercially reasonable efforts to arrange for vendors to bill the Seller directly, through and including the Closing Date, and the Purchaser directly after the Closing Date. To the extent that vendors bill the Seller after the Closing Date for any such products or services received after the Closing Date, the Seller shall forward such bills to the Purchaser, and the Purchaser shall pay such bills when due. To the extent that vendors bill the Purchaser after the Closing Date for any such products or services received before the Closing Date, the Purchaser shall forward such bills to the Seller, and the Seller shall pay such bills when due to the extent such bills are not otherwise included in the calculation of the Purchase Price. A final determination of all amounts prorated pursuant to this Section 3.7 shall occur within sixty (60) calendar days of the Closing Date, and any payment required by either of the Seller or the Purchaser pursuant to such determination (a "Post-Closing Payment") shall be paid to the appropriate Party within five (5) Business Days of the determination of the Post-Closing Payment.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF THE SELLER

Except as otherwise set forth in the Seller Disclosure Schedule, the Seller represents and warrants to the Purchaser as of the date hereof (or, in the case of any representation or warranty that speaks as of a specific date or time, as of such specific date or time) as follows:

4.1 Organization and Good Standing.

(a) Each of the Seller and PMAC is a stock insurance corporation duly organized, validly existing and in good standing under the laws of the State of Arizona. Each of the Seller, subject to the limitations imposed upon it under the Receivership Order, and PMAC has all requisite corporate power and authority to own, operate or lease its properties and assets and to carry on the Business as presently conducted. The Seller and PMAC is duly licensed or qualified to do business in each jurisdiction where the nature of the Business or the ownership, leasing or holding of its properties makes such qualification necessary, except where the failure to obtain such license or qualification individually or in the aggregate would not reasonably be expected to have a Material Adverse Effect.

(b) Prior to the date of this Agreement, the Seller has made available to the Purchaser Parties true and correct copies of the Organizational Documents of each of the Seller and PMAC. PMAC is not in default under or in violation of any provision of any of its Organizational Documents, except where such default or failure would not reasonably be expected to have a Material Adverse Effect.

4.2 Authorization; Enforceability. The Seller has the necessary power and authority to execute and deliver this Agreement and the Transaction Documents to which the Seller is a party and, except as described in Section 7.1(f), and subject to the receipt of the Seller Required Governmental Approvals, to consummate the Transactions and all other transactions contemplated by the Transaction Documents to which the Seller is a party. This Agreement and each of the Transaction Documents to which the Seller is a party has been duly authorized, executed and delivered by the Seller and assuming due authorization, execution and delivery by the other parties thereto and subject to Section 7.1(f), this Agreement and each of the Transaction Documents to which the Seller is a party constitutes the legal, valid and binding obligation of the Seller enforceable against it in accordance with its terms, except to the extent that enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws affecting creditors' rights generally and by principles of equity regarding the availability of remedies.

4.3 No Conflict. Subject to Section 7.1(f) and to the receipt of the Seller Required Governmental Approvals and Third Party Consents, neither the execution and delivery by the Seller of this Agreement or any of the Transaction Documents to which the Seller is a party or the consummation by the Seller of the Transactions or the transactions contemplated by such other Transaction Documents, nor compliance by the Seller with or fulfillment by the Seller of the terms, conditions and provisions hereof or thereof will result in a violation or breach of the terms, conditions or provisions of, or constitute a default, an event of default or an event creating rights of acceleration, termination or cancellation under, or result in the creation or imposition of any Lien upon the Shares or the Purchased Assets under (a) the Organizational Documents of the Seller or PMAC, (b) any Material Contract to which the Seller or PMAC is a party or by which the Seller or PMAC is bound or (c) any Law or Order to which the Seller or PMAC is a party or by which the Seller or PMAC is bound, other than, in the case of clauses (b) and (c) above, any such violations, breaches, defaults or Liens that are not material, individually or in the aggregate.

4.4 Consents and Approvals. Except as described in Section 7.1(f), and except for the Seller Required Governmental Approvals, the Third Party Consents, and compliance with any conditions contained therein, no consents, waivers or approvals of, or filings or registrations with, any Governmental Entity are necessary, and no consents, waivers or approvals of, or filings or registrations by the Seller with, any other third parties are necessary, in connection with the execution and delivery by the Seller of this Agreement or any other Transaction Document to which the Seller is a party, and the completion by the Seller of the Transactions or the performance or compliance by the Seller with any of the terms or provisions of this Agreement or any other Transaction Document. As of the date hereof, the Seller is not aware of any fact specifically pertaining to either the Seller or the Business that would prevent the Seller Required Governmental Approvals from being received in order to permit consummation of the Transactions on a timely basis.

4.5 Share Ownership and Title to Purchased Assets.

(a) The Seller is the record and beneficial owner of the Shares, free and clear of all Liens except for Permitted Liens.

(b) The stock certificates, stock powers, endorsements, assignments and other instruments to be executed and delivered by the Seller to the Purchaser at the Closing will be valid and binding obligations of the Seller, enforceable in accordance with their respective terms, and will effectively vest in the Purchaser good, valid and, subject to receipt of the Governmental Approvals and Court approval in connection with the Transactions, marketable title to the Shares as contemplated by this Agreement, free and clear of all Liens except for Permitted Liens.

(c) The Seller has good and, subject to receipt of the Third Party Consents and Court approval in connection with the Transactions, marketable title to the Purchased Assets (or, as to any leased property, a valid leasehold interest) free and clear of any Liens other than Permitted Liens. No Person other than the Seller has any interest in any of the Purchased Assets and, upon delivery to the Purchaser on the Closing Date of the instruments of transfer contemplated by Section 9.1(a), the Seller will thereby transfer to the Purchaser title to the Purchased Assets, free and clear of any Liens other than Permitted Liens; provided, that this representation and warranty shall not apply to (i) the Seller Owned Intellectual Property and the Seller Licensed Intellectual Property, which are the subject of Section 4.18 and (ii) the Real Property Leases, which are the subject of Section 4.19.

4.6 Compliance with Laws. PMAC is, and at all times since December 31, 2010 has been, in compliance in all material respects with all applicable Laws, and no event has occurred or circumstance exists that could reasonably be expected to (with or without the giving of notice or the lapse of time or both) constitute or result in, directly or indirectly, a material violation by PMAC of, or a material failure on the part of PMAC to comply with, all applicable Laws. Except as would not reasonably be expected to adversely affect in any material respect the Purchased Assets, PMAC, the CMG Companies and the conduct of the Business and the CMG Business in the same manner as conducted on the date hereof, taken as a whole, the Seller is, and at all times since December 31, 2010 has been, in compliance in all material respects with all applicable Laws. Since December 31, 2010, PMAC has not received any written notice from a Governmental Entity that alleges (a) any actual or alleged violation of or material noncompliance

with any order issued by a Governmental Entity, Law or any Permit, or (b) any actual, proposed or potential revocation, withdrawal, suspension, cancellation or termination of, or modification to any Permit. Since December 31, 2010, the Seller has not received any written notice from a Governmental Entity that alleges (a) any actual or alleged violation of or material noncompliance with any order issued by a Governmental Entity, Law or any Permit that would reasonably be expected to adversely affect in any material respect the Purchased Assets, PMAC, the CMG Companies and the conduct of the Business and the CMG Business in the same manner as conducted on the date hereof, taken as a whole, or (b) any actual or alleged violation of, or failure to comply with, all applicable Laws could reasonably be expected to adversely affect in any material respect the Purchased Assets, PMAC, the CMG Companies and the conduct of the Business and the CMG Business in the same manner as conducted on the date hereof, taken as a whole.

4.7 Agreements with Governmental Entities.

(a) PMAC is not a party to or subject to any outstanding settlement agreement, consent agreement, cease and desist order, supervisory agreement or memorandum of understanding or any other Order, or similar supervisory arrangement with, or a commitment letter or similar submission to, or extraordinary supervisory letter from, any Governmental Entity, nor has PMAC been advised in writing since December 31, 2010 by any Governmental Entity that it is considering issuing or requesting any such Order, agreement or arrangement.

(b) Other than the Receivership Order and agreements and Orders of the Court incidental to the receivership contemplated thereby, the Seller is not a party to or subject to any outstanding settlement agreement, consent agreement, cease and desist order, supervisory agreement or memorandum of understanding or any other Order, agreement, or similar supervisory arrangement with, or a commitment letter or similar submission to, or extraordinary supervisory letter from, any Governmental Entity, nor has the Seller been advised in writing since December 31, 2010 by any Governmental Entity that it is considering issuing or requesting any such Order, agreement or arrangement, in each case (i) that could reasonably be expected to preclude or impair consummation or performance by the Seller of the Transactions or the transactions contemplated by the other Transaction Documents or (ii) that, following Closing, would be binding upon PMAC, the Purchaser or any of the Purchaser's Affiliates, or would affect in any way or have any applicability to the Purchased Assets or the Assumed Liabilities.

(c) PMAC is not subject to any assessments or similar charges arising on account of or in connection with their participation, whether voluntary or involuntary, in any guarantee association or comparable entity established or governed by any state or other jurisdiction, other than any such assessments or charges for which appropriate accruals have been made or appropriate reserves have been established in accordance with SAP.

4.8 Permits. PMAC owns, holds or possesses all Permits that are necessary to entitle it to, as applicable, own or lease, operate and use the Purchased Asset and to carry on and conduct its business as conducted on the date hereof, and all such Permits are valid and in full force and effect in all material respects. Section 4.8(a) of the Seller Disclosure Schedule lists all jurisdictions in which PMAC is domiciled, licensed or authorized to write insurance business, and the Seller has made available to the Purchaser Parties true, complete and correct copies of

each such license and authorization. Except as set forth on Section 4.8(b) of the Seller Disclosure Schedule and except to the extent received after the date hereof, PMAC has not received any written notice of any violation, suspension, cancellation or non-renewal of any Permit or any litigation relating to the revocation or modification of any Permit, and to the Knowledge of the Seller, no violation, suspension, cancellation or non-renewal of any Permit or any Litigation relating to the revocation or modification of any Permit is threatened or will result from the consummation of Transactions, subject to obtaining the Seller Required Governmental Approvals.

4.9 Litigation. Except with respect to (i) insurance claims in the ordinary course of business that are not the subject of any litigation or (ii) bankruptcy or receivership proceedings and other Actions arising in the ordinary course of the Business, neither the Seller nor PMAC is a party to any, and there are no pending or, to the Seller's Knowledge, threatened Actions (a) against the Seller or PMAC relating to or involving any of the Shares, Purchased Assets or Assumed Liabilities in which the risk of Loss to the Seller would reasonably be expected to exceed $250,000, (b) challenging the validity or propriety of the Transactions or any of the Transaction Documents or the other transactions contemplated thereby, (c) under any Insurance Contract alleging extra-contractual obligations or bad faith claims against any PMAC in which the risk of Loss to PMAC would reasonably be expected to exceed $100,000 or (d) which could materially and adversely affect the ability of the Seller to perform under this Agreement or the other Transaction Documents. To the Knowledge of the Seller, none of the Business Employees are party to any Action alleging any wrongdoing on the part of such Business Employee in connection with his or her employment by or service to the Seller, the Business or PMAC and, to the Knowledge of the Seller, no such Action is threatened. Except as set forth in Section 4.9 of the Seller Disclosure Schedule, and except for bankruptcy or receivership Actions arising in the ordinary course of the Business, neither the Seller nor PMAC is a claimant in any Action involving claims by the Seller, PMAC and their Affiliates in an aggregate amount exceeding $100,000 or seeking any material equitable remedy against any third party.

4.10 Financial Statements. The Seller has heretofore delivered to the Purchaser Parties true and complete copies of (a) the audited statutory-basis balance sheets of PMAC as of December 31, 2010 and December 31, 2011 (including the notes thereto, if any), and the related statutory-basis statements of operations, changes in capital and surplus and cash flows for the fiscal years then ended, in each case together with the schedules, amendments, supplements and notes thereto and any certifications (to the extent required) filed therewith, and as such financial statements have been filed with the domiciliary Insurance Regulators of PMAC, together with the report thereon of Ernst & Young LLP (collectively, the "Audited Financial Statements"); and (b) the unaudited statutory-basis statements of assets and liabilities, surplus and other funds of (i) the Seller as of December 31, 2011, March 31, 2012, June 30, 2012 and September 30, 2012, and (ii) PMAC as of as of March 31, 2012, June 30, 2012 and September 30, 2012 and the related statutory-basis unaudited statements of income, changes in capital and surplus and cash flows for the periods then ended, and (iii) the GAAP-basis unaudited balance sheets of PMAC as of March 31, 2012, June 30, 2012 and September 30, 2012 (including the notes thereto, if any), and the related income statements (collectively, the "Unaudited Financial Statements" and together with the Audited Financial Statements, the "Financial Statements"). The Financial Statements (including the notes thereto, if any) of PMAC have been prepared from the books and records of PMAC, in accordance with GAAP and SAP, consistently applied, and present fairly, in all

material respects, the financial conditions and results of operations of PMAC as of and for the periods therein specified (except as may be indicated therein or in the notes, exhibits or schedules thereto). The Financial Statements (including the notes thereto, if any) of the Seller have been prepared from the books and records of the Seller, in accordance with GAAP and SAP and present fairly, in all material respects, the liabilities (within the meaning of GAAP and SAP) of the Seller incurred in connection with the operation of the Business as of and for the periods therein specified (except as may be indicated therein or in the notes, exhibits or schedules thereto). Except as described in the notes to the applicable Financial Statements, no permitted practices were utilized in the preparation of any of the Financial Statements. Since December 31, 2011, there has been (i) no material weakness in PMAC's internal control over financial reporting (whether or not remediated) under applicable Law or PMAC's policies and procedures as in effect from time to time and (ii) no change in PMAC's internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, PMAC's internal control over financial reporting.

4.11 Employees and Contractors; Labor Matters.

(a) Prior to the date hereof, the Seller has delivered to the Purchaser a list of all Business Employees (the "PMI Employee List"), as of a date not earlier than ten (10) days prior to the date of this Agreement, setting forth each Business Employee's (i) department/function; (ii) title or job/position; (iii) salaried or hourly status; (iv) location of employment; (v) annual base salary or base rate of pay, (vi) target bonus amount for the current fiscal year and (vii) any retention bonus amounts or similar amounts to which the Business Employee is eligible. The Seller shall provide an updated PMI Employee List to the Purchaser prior to the Closing Date. Prior to the date hereof, the Seller has delivered to the Purchaser a list of each Business Contractor (the "PMI Contractor List"), as of the last day of the calendar month ending immediately prior to the date of this Agreement, setting forth the location of provision of services and payment arrangements of the engagement under the applicable Business Contractor Services Agreement. The Seller shall provide an updated PMI Contractor List to the Purchaser prior to the Closing Date. Except in accordance with this Agreement (as though this Agreement had been in effect from and after the time at which the PMI Employee List and the PMI Contractor List were prepared), there has been no change in any of the information contained in the PMI Employee List and the PMI Contractor List.

(b) Prior to the date hereof, the Seller has delivered to the Purchaser a list of all employment, severance, independent contractor, and consulting agreements or Contracts between the Seller and any current employee, independent contractor or consultant listed on the PMI Employee List or the PMI Contractor List. The Seller has delivered or made available to the Purchaser copies of each such Contract, as amended to date.

(c) With respect to the Business Employees, the Seller is not bound by or subject to any Contract with any labor union and no labor union has requested or, to the Knowledge of the Seller, has sought to represent any of the Business Employees. There is no strike or other labor dispute involving the Business Employees pending or threatened, nor to the Knowledge of the Seller, is there any labor organization activity involving the Business Employees.

(d) With respect to the Business Employees, the Seller is and since March 14, 2012, has been, to the Knowledge of the Seller, in compliance in all material respects with all applicable Law respecting employment and employment practices, terms and conditions of employment and wages and hours, safety and health, collective bargaining, equal employment opportunity, immigration, and workers' compensation, and is not engaged in any unfair labor or unlawful employment practice. The Seller is, and at all times since December 31, 2010, has been, in compliance in all material respects with the WARN Act, and the Seller has not incurred any liability or obligation under the WARN Act which remains unsatisfied.

4.12 Employee Benefits Plans.

(a) Section 4.12(a) of the Seller Disclosure Schedule sets forth a list of each material PMI Plan. For purposes of this Agreement, "PMI Plan" means each Employee Benefit Plan sponsored, maintained or contributed to by the Seller or any of its Subsidiaries in which the Business Employees participate immediately prior to Closing. The Seller has heretofore delivered or made available to the Purchaser copies of the material PMI Plans or descriptions thereof and the most recent summary plan descriptions for such PMI Plans, if applicable.

(b) PMAC does not contribute to or have any obligation to contribute to or maintain or sponsor any Employee Benefit Plan, is not a party to any contract or arrangement which is an Employee Benefit Plan, and does not have any liability or contingent liability with respect to any Employee Benefit Plan.

(c) The Seller has made available to the Purchaser the most recent IRS determination letter or opinion letter, as applicable, for the PMI Retirement Plan and The PMI Group, Inc. Savings and Profits Sharing Plan.

(d) None of the PMI Plans is a "multiemployer plan" (as defined in Section 3(37) of ERISA) and none of the Seller nor any of its ERISA Affiliates contributes to, has contributed to, or has any liability or contingent liability with respect to a multiemployer plan.

(e) The PMI Group, Inc. Retirement Plan (the "PMI Retirement Plan") is the only pension plan (within the meaning of Section 3(2) of ERISA) that is sponsored, maintained, or contributed to by the Seller or any of its ERISA Affiliates that is subject to Title IV of ERISA or Section 412 of the Code.

(f) None of the PMI Plans obligates the Seller to pay any bonus, separation, severance, termination or similar benefit, accelerate any vesting schedule, increase any employee account balance, or alter or increase any benefits to any Business Employee, as a result of the Transactions or as a result of a change in control or ownership within the meaning of section 280G of the Code. Neither the execution of this Agreement nor the consummation of the transactions contemplated hereby shall cause any payments or benefits to any Business Employee to be either subject to an excise Tax or non-deductible Tax under sections 4999 and 280G of the Code, respectively, whether or not some other subsequent action or event would be required to cause such payment or benefit to be triggered but not taking into account any payments or benefits that may be paid or provided by the Purchaser or any of its Affiliates. The Seller has complied in all material respects with COBRA with respect to the Business

Employees, all former employees of the Seller with respect to the Business and each other COBRA qualified beneficiary with respect to such Business Employees and former employees of the Seller.

(g) With respect to the PMI Retirement Plan:

(i) the minimum funding standards of section 412 of the Code have been satisfied, no waiver of the minimum funding standards have been granted and none of the Seller or any of its ERISA Affiliates has requested a funding waiver;

(ii) no event has occurred with respect to any such plan which has resulted or could reasonably be expected to result a lien being imposed on the assets of the Seller or any of its ERISA Affiliates;

(iii) the Seller is in the process of terminating, or has terminated, such plan pursuant to a standard termination under Section 4041(b)(1) and as of the date of this Agreement such plan has been fully funded as required by Section 4041(b) of ERISA such that the plan is sufficient for all benefit liabilities, and there are no unfunded benefit liabilities with respect to such plan or its participants or beneficiaries with respect to such plan; and

(h) The Seller has no material Liability or reasonable expectation of material Liability under or with respect to any PMI Plan or any other employee benefit plan, program, policy, arrangement or payroll practice that would reasonably be expected to become a Liability of the Purchaser.

4.13 Capitalization.

(a) The entire authorized capital stock of PMAC consists of 200,000 shares of common stock, with a par value of $10.00 per share, of which 200,000 shares are issued and outstanding. The Seller owns, beneficially and of record, and has good and valid title to, the Shares. The Shares are duly authorized, validly issued, fully paid and nonassessable. There are no outstanding options, warrants, calls, subscriptions or other rights, convertible securities, agreements or commitments of any kind to which PMAC is a party obligating PMAC to issue, transfer or sell any shares of capital stock, or other equity interest in, PMAC or securities convertible into or exchangeable for such shares or equity interests, and there are no voting trusts or similar agreements to which PMAC or the Seller is a party with respect to the voting of the capital stock of PMAC.

(b) Other than investments in securities in the ordinary course of business, PMAC does not own any shares of capital stock or other equity or voting interests in (including any securities exercisable or exchangeable for or convertible into capital stock or other equity or voting interests in) any other Person. There is no outstanding Contract of any kind requiring PMAC to make an investment in or to acquire the capital stock, or other equity interest in or any other security or other interest in any Person.

(c) PMAC has no subsidiaries.

4.14 Material Contracts.

(a) Section 4.14(a) of the Seller Disclosure Schedule sets forth a list of each of the Material Contracts in effect as of the date hereof, identified by the applicable clause(s) below. The term "Material Contracts" means the following types of Contracts, excluding any Contracts comprising or evidencing Investments or Insurance Contracts:

(i) any Lease for any Hardware and IT Asset that is material to the operation of the PMI Platform or the conduct of the Business;

(ii) any Assumed Contract that relates to any Seller Owned Intellectual Property or any Seller Licensed Intellectual Property (excluding licenses for unmodified commercial off the shelf Software that is generally commercially available on nondiscriminatory pricing terms and has an initial aggregate acquisition cost of $250,000 or less and a total annual cost of $75,000 or less);

(iii) any Assumed Contract where the performance remaining thereunder involves aggregate consideration to or by the Seller in excess of (x) $75,000 per annum or (y) $250,000 in the aggregate over the remaining term of such agreement;

(iv) any Assumed Contract that (A) limits, or purports to limit, the ability of the Seller to compete in any line of business or to operate in any geographic area or during any period of time or restricts in any material respect the conduct of the businesses of the Purchaser or any Affiliates of the Purchaser or (B) to the Seller's Knowledge, limits, or purports to limit, any Person from soliciting any Person for employment;

(v) all Contracts restricting the declaration or payment of any dividends or distributions on, or in respect of, any capital stock or equity interest of PMAC;

(vi) all Contracts obligating PMAC to provide indemnification, collateral, or a guarantee;

(vii) all Contracts relating to Indebtedness of PMAC (whether incurred, assumed, guaranteed, or secured by an asset), including any preferred shares;

(viii) all Contracts relating to the acquisition or disposition of any material assets or material businesses by PMAC (whether by merger, sale or purchase of stock or assets or otherwise) to the extent actual or contingent material obligations of PMAC thereunder remain in effect, other than transactions involving Investments; and

(ix) all other Contracts to which either PMAC is a party or by which it or its assets are bound and involving payments or obligations by PMAC in excess of $25,000 individually or $125,000 in the aggregate, other than Contracts between PMAC and an Affiliate that will be terminated at or prior to Closing.

(b) Subject to the receipt of the Third Party Consents, (i) neither the Seller nor PMAC is in default in any material respect under any Material Contract, and there has not occurred any event that, with the lapse of time or the giving of notice or both, would constitute such a default in any material respect and (ii) each Material Contract is legal, valid, binding, and enforceable by the Seller or PMAC, as applicable, in accordance with its terms and in full force and effect and will continue to be legal, valid, binding, and enforceable by the Purchaser and in full force and effect on identical terms following the consummation of the Transactions, except to the extent that enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws affecting creditors' rights generally and by principles of equity regarding the availability of remedies.

(c) True and correct copies (or summaries of the material terms) of the Material Contracts have been made available to the Purchaser on or before the date hereof, and each Material Contract is in full force and effect on the date hereof and enforceable against the counterparty or counterparties to which it relates.

(d) The Seller has not received written notice of the intention of any counterparty to any Material Contract to terminate or materially alter such Material Contract, and none of the terms of any Material Contract are currently being renegotiated by the Seller.

4.15 Tax Matters. Except as would not be reasonably likely to have a Material Adverse Effect:

(a) With respect to the Purchased Assets:

(i) (A) The Seller has filed or caused to be filed, and with respect to Tax Returns due between the date of this Agreement and the Closing Date, will timely file (including any applicable extensions) all material Tax Returns required to be filed; (B) all such Tax Returns are, or in the case of such Tax Returns not yet filed, will be, true, complete and correct in all material respects; and (C) all material Taxes of the Seller due and owing have been, or in the case of Taxes the due date for payment of which is between the date of this Agreement and the Closing Date will be, paid in full based on the information available, other than Taxes that have been reserved or accrued on the Seller's balance sheet, which the Seller is contesting in good faith.

(ii) There are no Liens for Taxes, except for statutory Liens with respect to Taxes not yet due and payable with respect to any of the Purchased Assets.

(b) With respect to PMAC:

(i) PMAC has timely filed, or has caused to be timely filed on its behalf, taking into account any valid extensions of time properly secured, all material Tax Returns required to be filed by it in accordance with all applicable Laws, and all such Tax Returns are true, complete and accurate in all material respects. All material Taxes owed by PMAC have been timely paid to the appropriate Governmental Entity, other than Taxes that have been reserved or accrued on PMAC's balance sheet included among the applicable Financial Statements of PMAC, which are being contested in good faith.

(ii) PMAC has correctly withheld and remitted to the appropriate Governmental Entity all material Taxes required to have been withheld and remitted in connection with amounts paid or owing to any employee, independent contractor, creditor, stockholder or other Person.

(iii) There are no material Liens for Taxes (other than for current Taxes not yet due and payable or that may thereafter be paid without penalty or that are being contested by appropriate proceedings) on the assets of PMAC. Section 4.15(b)(iii) of the Seller Disclosure Schedule reflects all Proceedings pursuant to which any Taxes owing or purported to be owing by PMAC are being contested.

(iv) PMAC (i) has not been a member of any affiliated group filing a consolidated Tax Return (other than a group the federal consolidated parent of which was The PMI Group, Inc.) or of any affiliated, consolidated, combined, or unitary group, as defined under applicable state, local or foreign Laws (other than a group the federal consolidated parent of which was The PMI Group, Inc.) or (ii) does not have any liability for the Taxes of any Person (other than the Seller or PMAC) 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.

(v) No written claim or deficiency for any material income Taxes has been asserted against PMAC which has not been resolved and/or paid in full.

(vi) There are no pending Tax audits or examinations of any Tax Returns of PMAC and PMAC has never been audited by any Governmental Entity. PMAC has not waived, or had waived on its behalf, any statute of limitations with respect to Taxes or agreed to any extension of time with respect to a Tax assessment or deficiency, which waiver is still outstanding.

(vii) PMAC is not currently a beneficiary of any extension of time within which to file any Tax Return.

(viii) PMAC has not received written notice of any claim by a Governmental Entity in a jurisdiction where PMAC does not file Tax Returns that it is or may be subject to taxation by that Governmental Entity.

(ix) PMAC will not be required to include any item of income in, or exclude any item of deduction from, taxable income for any period or portion thereof ending after the Closing Date (i) under Code Section 481 (or any similar provision of state, local or foreign Law) as a result of change in method of accounting for a Pre-Closing Tax Period, (ii) pursuant to the provisions of any agreement entered into with any Governmental Entity or pursuant to a "closing agreement" as defined in Code Section 7121 (or any similar provision of state, local or foreign Law) executed prior to the Closing Date, or (iii) as a result of the installment method of accounting, the completed contract method of accounting or the cash method of accounting with respect to a transaction that occurred prior to the Closing Date.

(x) PMAC is not a party to any Tax sharing, allocation or indemnity agreement, arrangement or similar contract entered into outside of the ordinary course of business (other than with a group the federal consolidated parent of which was The PMI Group, Inc., as set forth in Section 4.15(b)(x) of the Seller Disclosure Schedule).

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

(xii) PMAC is not a "foreign person" within the meaning of Section 1445 of the Code.

(xiii) PMAC has not participated in any "listed transaction" as defined in Section 6707A of the Code or Treasury Regulation Section 1.6011-4 (or any predecessor provision).

(xiv) No closing agreements, private letter rulings, technical advice memoranda or similar agreement or rulings have been entered into or issued by any taxing authority with respect to PMAC.

4.16 Insurance. Section 4.16 of the Seller Disclosure Schedule sets forth a complete and correct list of each insurance policy (including policies providing property, casualty, liability and worker's compensation coverage and bond and surety arrangements and including any self-insurance arrangements) providing coverage with respect to the Purchased Assets or PMAC to which the Seller or PMAC is a party, a named insured or otherwise the beneficiary of coverage and a summary of such coverage. Neither the Seller nor PMAC is in material default of any provision of any such policy. Each such policy is in full force and effect and no notice of cancellation or transaction has been received with respect to such policy.

4.17 Books and Records. All of the books and records of the Seller with respect to the Purchased Assets, the Assumed Liabilities and PMAC have been maintained in the ordinary course of business and in accordance with (a) applicable Law and (b) the Seller's record retention policies in all material respects.

4.18 Intellectual Property. With respect to the representations and warranties contained in this Section 4.18, no representation or warranty is made as to the protectability of, freedom to exploit or absence of competing rights in any Intellectual Property outside of the United States of America.

(a) Section 4.18(a) of the Seller Disclosure Schedule contains a true and complete list of all domain names, registered trademarks and applications therefor, copyrights registrations and applications thereof, and other Intellectual Property that is the subject of an application, certificate, filing, registration or other document issued by, filed with, or recorded by, any Governmental Entity, and part of the Seller Owned Intellectual Property, including identifying the full legal name of the owner of record, applicable jurisdiction, status, application or registration number and date of application, registration or issuance, as applicable. The Seller has not applied for, and has not be issued, any patent, and there are no pending patent applications, patent disclosures or issued patents covering, any Seller Owned Intellectual

Property. Except for the Intellectual Property licensed pursuant to the Seller IP Agreements listed on Schedule 1.1(k), all of the Software and other Intellectual Property comprising the Platform is Seller Owned Intellectual Property.

(b) The Seller is the exclusive owner of all right, title and interest in and to all Seller Owned Intellectual Property, free and clear of all Liens except for Permitted Liens. The Seller has the unrestricted right to use and exploit the Seller Owned Intellectual Property, and there are no payments of any kind payable by the Seller to any Person with respect to any Seller Owned Intellectual Property. In each case where the Seller has acquired ownership of any Intellectual Property from another Person, the Seller has obtained a valid and enforceable assignment sufficient to irrevocably transfer to the Seller all of the assignor's rights in and to such Intellectual Property, and if such transfer is with respect to registered Intellectual Property (or an application thereof), such assignment has been duly recorded with the Governmental Entity from which the registration issued or before which the application or application for registration is pending.

(c) Section 4.18(c) of the Seller Disclosure Schedule contains a true and complete list of the Seller Licensed Intellectual Property (excluding licenses for unmodified commercial off the shelf Software that is generally commercially available on nondiscriminatory pricing terms and has an initial aggregate acquisition cost of $250,000 or less and a total annual cost of $75,000 or less, but including all licenses for computer software that is distributed as "free software", "open source software" or under a similar licensing or distribution model).

(d) Section 4.18(d) of the Seller Disclosure Schedule contains a true and complete list of all material Assumed Contracts that relate to any Seller Licensed Intellectual Property (excluding licenses for unmodified commercial off the shelf Software that is generally commercially available on nondiscriminatory pricing terms and has an initial aggregate acquisition cost of $250,000 or less and a total annual cost of $75,000 or less) used in the conduct of the Business. The Seller has paid all royalties that may have been due prior to the Closing Date to any Person with respect to the Seller Licensed Intellectual Property.

(e) Neither the Seller nor any of its Affiliates has transferred ownership of, or granted to any Person any license, sublicense or other permission to use, or authorized the retention of any right to use or joint ownership of, the Seller Owned Intellectual Property or Seller Licensed Intellectual Property. Neither this Agreement nor any of the Transactions will, by operation of Law or otherwise, result in: (i) the Purchaser granting to any Person any right to, or with respect to, any Intellectual Property; or (ii) the Purchaser being bound by, or subject to, any exclusivity, non-compete or other restriction on the operation or scope of its businesses, including the PMI Platform or the Business.

(f) The Seller Owned Intellectual Property set forth on Schedule 1.1(m), the Seller Licensed Intellectual Property set forth on Schedule 1.1(l), the Seller IP Agreements, and the Hardware and IT Assets Leases, together with the Hardware and IT Assets, are sufficient to, and constitute all the Intellectual Property and assets necessary in order to (i) operate, use, support and maintain the PMI Platform and the Business, as historically operated and as contemplated to be operated as of the Closing Date, (ii) provide the services to the CMG Business that are provided by the Seller to the CMG Business as provided historically and as

provided as of the Closing Date, and (iii) provide the services to the Seller contemplated by the Services Agreement in accordance with the terms therefore, excluding (i) the Data Exchange Contracts and (ii) the CMG Owned Intellectual Property, the CMG Licensed Intellectual Property and the CMG IP Agreements (each as defined in the CMG Share Purchase Agreement), it being understood that nothing in this Section 4.18(f) shall constitute a representation or warranty as to infringement, dilution, misappropriation or violation of Intellectual Property rights, such representation and warranty being provided solely pursuant to Section 4.18(g) below. The Seller owns or has the valid and enforceable right to use (pursuant to and in accordance with the terms of, and subject to payment of applicable royalties or other fees (if any) specified in, the applicable Seller IP Agreement) the Seller Licensed Intellectual Property, free and clear of any Liens except for Permitted Liens, and the Seller is using such Intellectual Property subject to and in accordance with the terms of the applicable Seller IP Agreement.

(g) No Intellectual Property of any other Person was misappropriated in the development of the Seller Owned Intellectual Property. The ownership and use of the Seller Owned Intellectual Property, and the operation of the Business and PMI Platform as operated as of the date hereof, does not infringe, dilute, misappropriate or otherwise violate, and has not infringed, misappropriated or otherwise violated, any Intellectual Property rights of any other Person, and there has been no such claim asserted or threatened in writing or otherwise against the Seller (and, to the Knowledge of the Seller, any other Person), including in the form of requests, demands, offers, inquiries or invitations to obtain a license.

(h) (i) to the Knowledge of the Seller, no other Person is engaging in, or has engaged in at any time, any activity infringing, diluting, misappropriating or violating or conflicting with any Seller Owned Intellectual Property and (ii) the Seller has not sent any communications alleging that any Person has infringed, diluted, misappropriated or violated or conflicted with, any Seller Owned Intellectual Property.

(i) There is no Proceeding pending or, to the Knowledge of the Seller, threatened (i) against the Seller concerning the ownership, validity, registrability or enforceability or use of any Seller Owned Intellectual Property (including any allegation of infringement, misappropriation, dilution, violation or conflict relating to the Seller Owned Intellectual Property), or (ii) contesting or challenging the ownership, validity, registrability or enforceability of the Seller's right to use of any Seller Owned Intellectual Property. Neither any Seller Owned Intellectual Property nor, to the Knowledge of the Seller, any Seller Licensed Intellectual Property, is subject to any outstanding Order adversely affecting the Seller's or PMAC's, as applicable, use thereof or rights thereto, or that would impair its validity or enforceability.

(j) The documentation that will be delivered to the Purchaser at or prior to Closing will accurately identify all material components of the PMI Platform (including libraries, middleware and open source Software) that are bundled with, incorporated into or linked (dynamically or statically) with or that are otherwise necessary to develop, compile or operate the Software within the PMI Platform, in each case indicating whether such component is owned by the Seller or a third party.

(k) No current or former employee, officer, consultant or independent contractor of the Seller or any of its Affiliates ("PMI Personnel") owns or retains any right, title or interest in or to the Seller Owned Intellectual Property.

(l) The Seller or PMAC, as applicable, has taken and maintains as of the Closing Date commercially reasonable actions to protect and maintain (i) all Seller Owned Intellectual Property, other than that owned by PMAC, and (ii) the security and integrity of the PMI Platform, in the case of each of clauses (i) and (ii) to protect the same against unauthorized use, modification, or access thereto, or the introduction of any viruses or other unauthorized or damaging or corrupting activities, code or elements, including activities of any employee or contractor of the Seller, hackers or other Person. The Seller has implemented reasonable backup and disaster recovery technology consistent with industry standard practices. There have been no material breaches of the Seller's security procedures or any material unauthorized incidents of access, use, disclosure, modification or destruction of information or interference with systems operations in the PMI Platform, including any such breach or incident that requires notice to any third party.

(m) The source code and documentation relating to the Seller Owned Intellectual Property have been developed and regularly maintained and updated so as to be sufficient to enable the continued use and maintenance of the Software to which they relate.

(n) To the extent that any Intellectual Property has been discovered, conceived, developed, created, reduced to practice, modified, customized or enhanced independently or jointly by an employee, independent contractor, agent or other Person for the Seller, (i) the Seller has a Contract with such Person with respect thereto, (ii) with respect to any Intellectual Property that is material to the operation of the PMI Platform, such Contract provides for customary confidentiality and non-use obligations in favor of the Seller and (iii) the Seller is the exclusive owner of all such Intellectual Property. To the Knowledge of the Seller, no employee, independent contractor or agent of the Seller is in default or breach of any employment agreement, non-disclosure agreement, assignment of invention agreement or similar agreement with the Seller or PMAC relating to the protection, ownership, development, use or transfer of any such Intellectual Property. The Purchaser acknowledges the Seller's representation that certain software components of the PMI Platform were developed by independent contractors pursuant to Contracts which expressly or impliedly permit such contractors to reuse routines or elements of such contractor's source or object code developed by such contractors in connection with engagements for other customers of such contractors. Such routines or elements that such independent contractors are permitted to reuse, however, are generic, do not include PMI confidential information or materials and not material to the PMI Platform and such independent contractors are bound by confidentiality obligations to the Seller that preclude disclosure of the use of such routines or elements in the PMI Platform.

(o) None of the Seller Owned Intellectual Property or, to the Knowledge of the Seller, the Seller Licensed Intellectual Property, contains any disabling codes or instructions (including "viruses" or "worms"). None of the Seller Owned Intellectual Property and, to the Knowledge of the Seller, none of the Seller Licensed Intellectual Property, contains any computer code (i) that contains, or is derived in any manner (in whole or in part) from, any software that is distributed under the GNU General Public License, Lesser/Library GPL, Artistic

License (*e.g.*, PERL), Mozilla Public License, Netscape Public License, Sun Community Source License (SCSL), Sun Industry Standards License (SISL) or any similar licenses or distribution models, (ii) that is licensed under any terms or conditions that impose any requirement that any software using, linked with, incorporating, distributed with, based on, derived from or accessing the software code (A) be made available or distributed in source code form, (B) be licensed for the purpose of making derivative works, (C) be licensed under terms that allow reverse engineering, reverse assembly or disassembly of any kind or (D) be redistributable at no charge, or (iii) that to the Knowledge of the Seller was developed using government funding, facilities of a university, college, other educational institution or research center or funding from third parties.

(p) The Seller has taken commercially reasonable steps to safeguard the internal and external integrity of the PMI Platform. With respect to the PMI Platform, (i) the PMI Platform, and all hardware, software and other components thereof, are in reasonably good working order (ordinary wear and tear excepted), used in accordance with applicable manufacturer requirements as set forth in applicable manufacturer documentation, and possess the performance capabilities, processing capacity, resources, characteristics and functions necessary to the conduct of the Business as conducted as of the date hereof and as contemplated to be conducted as of the Closing Date, (ii) since January 1, 2010, there have been no unauthorized intrusions or breaches of security, (iii) there has not been any material malfunction that has not been remedied or replaced in all material respects, (iv) since January 1, 2010, there has been no material unplanned downtime in excess of 8 consecutive hours with respect to any system or application that is part of the PMI Platform or material service interruption, (v) there is no existing pattern or repetition of customer complaints regarding functionality or performance, (vi) no Person currently providing services to the Seller has failed to meet any material service obligations, (vii) the Seller has an adequate disaster recovery plan in place that has been proven effective upon testing, and (viii) no individual computer server and no desktop or laptop computer within the PMI Platform will have been in operation for more than seven years and five years, respectively, as of the Closing Date.

(q) Upon the Closing, (i) the Purchaser will be the sole owner of the Seller Owned Intellectual Property, free and clear of all Liens except for Permitted Liens, without restriction and without payment of any kind to any Person, (ii) the Purchaser will have valid rights to use the Seller Licensed Intellectual Property, (iii) the Purchaser will have ownership of or the right to use, as applicable, the Seller Owned Intellectual Property, the Seller Licensed Intellectual Property, and the Hardware and IT Assets, and the right to exercise all of the Seller's rights under the Seller IP Agreements, subject to Third Party Consents and to any change in terms or conditions agreed to in accordance with Section 6.7(b), on the same terms and conditions as those under which such Intellectual Property, assets and Contracts were owned or used by the Seller immediately prior to the Closing, (iv) neither the Seller nor any Person other than the Purchaser will (A) have any ownership interest in or to any Seller Owned Intellectual Property or any right to use or sublicense the Seller Owned Intellectual Property, or (B) possess any current or contingent access or other rights to any source code that is part of the Seller Owned Intellectual Property (whether as the result of an escrow release or otherwise), and (v) the Purchaser will have all rights necessary to own, operate, use and maintain the PMI Platform and to assign and sell the Seller Owned Intellectual Property.

4.19 Real Estate Matters. With respect to the Leased Real Property, the Seller has made available to the Purchaser Parties true and correct copies of the Real Property Leases (including all amendments thereto) on or before the date hereof. Each of the Real Property Leases is in full force and effect and is a valid and binding agreement of the Seller and, to the Knowledge of the Seller, the landlord thereunder. The Seller has a good and valid leasehold interest in the Leased Real Property, free and clear of all Liens except for Permitted Liens. The Seller is not in material default under any of the Real Property Leases and no event has occurred and is continuing which, with or without notice or lapse of time, would constitute a material default by the Seller under any such Real Property Lease or, to the Knowledge of the Seller, by the landlord thereunder. During the prior three (3) years, the Seller has not received any written notice from any Governmental Entity or the landlord under any of the Real Property Leases (a) alleging a violation of any Law with respect to the Leased Real Property that has not been corrected or (b) of any pending or threatened condemnation Proceedings with respect to the Leased Real Property. There are no material pending or, to the Knowledge of the Seller, threatened Actions against the Seller relating to the Leased Real Property.

4.20 Environmental Matters. The Seller and PMAC are in compliance in all material respects with all Environmental Laws with respect to the Purchased Assets and PMAC. The Seller and PMAC possess, and are in compliance in all material respects with, all Environmental Permits necessary for the operation of the Business and in the past three (3) years, the Seller has not received any written notice concerning, and to the Knowledge of the Seller, there is no Action pending or threatened before any Governmental Entity against them (A) for alleged noncompliance with, or Liability under, any Environmental Law or (B) relating to the presence of or release into the environment of any Pollutants, in each case with respect to the Purchased Assets or PMAC; and (iv) to the Knowledge of the Seller, the Leased Real Property is not contaminated with and does not otherwise contain any Pollutants that could reasonably be expected to result in material Liability to the Seller or PMAC under Environmental Laws, other than Pollutants (A) used in the ordinary course of maintaining and cleaning the Leased Real Property in commercially reasonable amounts, (B) used as fuels, lubricants or otherwise in connection with vehicles, machinery and equipment located at the Leased Real Property in commercially reasonable amounts, or (C) used in the ordinary course of the business conducted at the Leased Real Property in commercially reasonable amounts.

4.21 Regulatory Matters.

(a) PMAC has filed all financial statements and material reports, statements, documents, registrations, renewal applications, filings or submissions required to be filed by it with any Insurance Regulator or any Governmental Entity and, to the Knowledge of the Seller, no material deficiencies have been asserted by any such Insurance Regulator or any other Governmental Entity since September 30, 2010 with respect to any such financial statements, reports, statements, documents, registrations, renewal applications, filings or submissions that have not been remedied. PMAC has not been a "commercially domiciled insurer" under the laws of any jurisdiction or is or has been otherwise treated as domiciled in a jurisdiction other than its jurisdiction of organization.

(b) There are no insurance policies issued, reinsured or assumed by PMAC that are currently in force under which PMAC may be required to allocate profit or pay dividends

to the holders thereof or that give a holder any participation or voting rights with respect to PMAC.

(c) Other than in the ordinary course of regularly scheduled financial and market conduct examinations, PMAC is not the subject of any material pending or, to the Knowledge of the Seller, threatened regulatory Proceedings.

(d) True and complete copies have been provided to the Purchaser Parties of the reports (or the most recent drafts thereof, to the extent any final reports are not available) reflecting the results of any financial examinations or market conduct examinations of PMAC conducted by any Governmental Entity since December 31, 2009.

4.22 PMAC Reinsurance Agreements.

(a) Section 4.22(a) of the Seller Disclosure Schedule sets forth a true, complete and correct list of all of the PMAC Reinsurance Agreements and any related letters of credit, reinsurance trusts or other collateral arrangements. True, complete and correct copies of all of the PMAC Reinsurance Agreements and any related letters of credit, reinsurance trusts or other collateral arrangements have been made available to the Purchaser Parties.

(b) Subject to the receipt of the Third Party Consents, (i) PMAC is not default in any material respect under any PMAC Reinsurance Agreement, and there has not occurred any event that, with the lapse of time or the giving of notice or both, would constitute such a default in any material respect and (ii) each PMAC Reinsurance Agreement is legal, valid, binding, enforceable against PMAC and in full force and effect, except to the extent that enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws affecting creditors' rights generally and by principles of equity regarding the availability of remedies. Since December 31, 2010, with respect to any PMAC Reinsurance Agreement pursuant to which PMAC has ceded any risk for which PMAC is taking credit on its most recent statutory financial statement, as of the date hereof, (i) PMAC has not received any written notice from any applicable reinsurer that any amount of reinsurance ceded by PMAC will be uncollectible or otherwise defaulted upon and (ii) PMAC is entitled under the laws of its domiciliary jurisdiction or any other applicable Law to take full credit in its statutory financial statements for all reinsurance and retrocessions ceded by it pursuant to any PMAC Reinsurance Agreement, and all such amounts have been properly recorded in its books and records of account and are properly reflected in its statutory financial statements. With respect to any PMAC Reinsurance Agreement pursuant to which PMAC has ceded any risk for which PMAC is taking credit on its most recent statutory financial statement, as of the date hereof, (i) there has been no separate written or oral agreement between PMAC and the assuming reinsurer that is intended to, and would, in fact, reduce, limit or mitigate any loss to the parties under any such PMAC Reinsurance Agreement and (ii) such PMAC Reinsurance Agreement satisfies the requisite risk transfer criteria necessary to obtain reinsurance accounting treatment under accounting standards applicable to PMAC.

4.23 Reserves. The Insurance Reserves of PMAC are recorded in the respective Financial Statements, as of their respective dates: (a) were determined in all material respects in accordance with the requirements of applicable Laws and generally accepted actuarial standards

consistently applied (except as otherwise noted therein and the notes thereto); (b) were fairly stated in all material respects in accordance with generally accepted actuarial standards consistently applied (except as otherwise noted therein and the notes thereto); and (c) were computed on the basis of methodologies consistent in all material respects with those used in computing the corresponding Insurance Reserves in the prior fiscal years, except as otherwise noted in the financial statements and notes thereto included in such Financial Statements and related actuarial opinions for PMAC for the 2011 and 2010 fiscal years, if available for such year, copies of which have been made available to the Purchaser Parties.

4.24 Actuarial Reports. Section 4.24 of the Seller Disclosure Schedule lists (and the Seller has made available to the Purchaser Parties true, complete and correct copies of) all material actuarial reports prepared by opining actuaries, independent or otherwise, from and after September 30, 2010, with respect to PMAC (including all material attachments, addenda, supplements and modifications thereto). To the Knowledge of the Seller, the factual information and data furnished by or on behalf of PMAC to its actuaries in connection with the preparation of any such actuarial reports were accurate in all material respects for the periods covered in such reports.

4.25 Rates, Forms and Marketing Materials.

(a) All insurance policy forms issued by PMAC ("Insurance Contracts") and in effect as of the date hereof (including any applications in connection therewith) and all advertising, promotional, sales and marketing materials related thereto, are, and at all times since their issuance, with respect to the policy forms, or January 1, 2010, with respect to other items, have been, in compliance with all applicable Law and, to the extent required by applicable Law, on forms and at rates approved by the Insurance Regulators or filed with and not objected to by such Insurance Regulators within the period provided by Law for objection, subject to such exceptions as would not, individually or in the aggregate, be reasonably likely to have a Material Adverse Effect.

(b) All premium rates of PMAC (including rates with respect to Insurance Contracts) that are required to be filed with or approved by any Insurance Regulator have been so filed or approved and the premiums charged conform thereto, and such premiums comply with all applicable Laws, except for any failure to be so filed or approved or to so comply as would not, individually or in the aggregate, be reasonably likely to have a Material Adverse Effect.

(c) The Insurance Contracts being issued by PMAC as of the date hereof are substantially in the forms that have been previously provided to the Purchaser Parties; and any policies or Insurance Contracts reinsured in whole or in part conform to the standards and rates required pursuant to the terms of the related PMAC Reinsurance Agreements, subject to such exceptions as would not, individually or in the aggregate, be reasonably likely to have a Material Adverse Effect.

(d) To the Knowledge of the Seller, since January 1, 2010: (i) each person performing the duties of insurance producer, agency, agent, managing general agent, wholesaler, broker or solicitor for PMAC (collectively, "Producers") that placed an Insurance Contract of

PMAC, at the time such Producer wrote, sold, produced or managed business for PMAC, was duly licensed (for the type of business written, sold, produced or managed by such Producer) in the particular jurisdiction in which such Producer wrote, sold, produced or managed such business for PMAC; (ii) all compensation paid or payable to each such Producer was paid or is payable in accordance with applicable Laws; and (iii) no such Producer violated (or with or without notice or lapse of time or both would have violated) any term or provision of any order applicable to PMAC or any aspect (including the marketing, writing, sale, production or management) of the business of PMAC.

(e) Since January 1, 2010: (i) PMAC and, to the Knowledge of the Seller, the Producers and representatives of PMAC have marketed, sold and issued the Insurance Contracts written by, and other products of, PMAC in compliance, in all material respects, with all applicable Laws in the respective jurisdictions in which such Insurance Contracts and other products have been marketed, sold or issued; (ii) all advertising, promotional and sales materials and other marketing practices used by PMAC or, to the Knowledge of the Seller, any Producers and representatives of PMAC have complied and are currently in compliance, in each case, in all material respects, with all applicable Laws; and (iii) neither the manner in which PMAC compensates any Person involved in the sale of Insurance Contracts who, to the Knowledge of the Seller, is not a licensed Producer, nor, to the Knowledge of the Seller, the conduct of any such Person, renders such Person a Producer subject to licensure as such under any applicable Laws, and the manner in which PMAC compensates each Person involved in the sale of Insurance Contracts on behalf of PMAC is in compliance in all material respects with all applicable Laws.

(f) To the Knowledge of the Seller, (i) each claims adjuster, at the time such person adjusted claims for PMAC, who was required under applicable Law to be licensed, was duly licensed in the particular jurisdiction in which such adjuster performed such claims adjusting services and (ii) no such adjuster violated (or with or without notice or lapse of time or both would have violated) any term or provision of any order applicable to PMAC or any aspect of the claims adjusting function of PMAC.

(g) All benefits claimed by any Person under any Insurance Contract issued by PMAC have in all material respects been paid (or are being duly processed or provision for payment thereof has been made) in accordance with the terms of such Insurance Contract and applicable Laws, and such payments were not materially delinquent and were paid (or will be paid) without fines or penalties, except, in each case, for any such claim for benefits for which PMAC reasonably believe or believed that there is a reasonable basis to contest payment and is taking such action. The underwriting standards and manuals in effect from January 1, 2011, through the date hereof for PMAC (exclusive of any exceptions, waivers or other customizations implemented on an individual account or policy level) have been previously disclosed to the Purchaser Parties.

4.26 Governmental Deposits. Section 4.26 of the Disclosure Schedule lists all funds maintained by PMAC with Governmental Entities under any applicable insurance law (each a "Governmental Deposit"). Section 4.26 of the Disclosure Schedule accurately sets forth the assets comprising each such Governmental Deposit, and the name of the bank and the number of the bank account in which such Governmental Deposit is maintained. Except as would not

reasonably be expected to have a Material Adverse Effect, the Governmental Deposits are being held in compliance with applicable Laws, and neither the Seller nor PMAC is in receipt of any written notice of any claim alleging such failure to comply with applicable Laws with respect thereto.

4.27 Accounts. Section 4.27 of the Disclosure Schedule sets forth an accurate and complete list and brief description of each and every bank account, safe deposit box, brokerage account, trust account, depository account or other custodial account of PMAC other than the Governmental Deposits. Other than the assets deposited in the accounts listed in Section 4.27 of the Disclosure Schedule and the Governmental Deposits, PMAC does not have any other material liquid assets or investments held or maintained with any other Person at any location.

4.28 Intercompany Accounts; Transactions with Affiliates. Section 4.28 of the Seller Disclosure Schedule lists all Contracts by which PMAC, on the one hand, and the Seller or any of its Affiliates (other than PMAC), on the other hand, are or have been a party or otherwise bound that are in effect on the date hereof or that involve continuing liabilities or obligations of PMAC (each, an "Affiliate Transaction"). With respect to each Affiliate Transaction to which PMAC is a party, PMAC has complied with all requirements of Law or Governmental Entities applicable thereto and obtained all approvals of Governmental Entities necessary in connection therewith. To the Knowledge of the Seller, no officer, director or employee of PMAC, or any family member or Affiliate of any such officer, director or employee, (A) owns, directly or indirectly, any interest in any asset or other property used in the Business, (B) serves as an officer, director or employee of any Person that is a supplier, customer or competitor of PMAC or (C) is a debtor or creditor of PMAC.

4.29 Investment Company. PMAC is not an investment company subject to registration and regulation under the Investment Company Act of 1940, as amended.

4.30 Brokers, Finders and Financial Advisors. The Seller and its respective officers, directors, employees and agents have not employed any broker, finder or financial advisor in connection with the transactions contemplated by this Agreement, or incurred any Liability or commitment for any fees or commissions to any such person in connection with the transactions contemplated by this Agreement, except for the retention of Lazard Fréres & Co. LLC and the fees payable pursuant thereto, which fees and commissions will be paid by the Seller.

4.31 Absence of Changes.

(a) Except as set forth in Section 4.31(a) of the Seller Disclosure Schedule, since September 30, 2012, no event has occurred that has had or would reasonably be expected to have a Material Adverse Effect.

(b) Except as set forth in Section 4.31(b) of the Seller Disclosure Schedule, since September 30, 2012, and through the date hereof, the Seller and PMAC have conducted the Business in the ordinary course in all material respects, and there has not been:

(i) any material damage, destruction or other casualty loss with respect to any material asset or property owned, leased or otherwise used by the Seller or PMAC in the operation of the Business;

(ii) any material change in the underwriting, reinsurance, pricing, claim processing and payment, reserving, financial or accounting methods, practices or policies by PMAC, except as required by Law or SAP;

(iii) with respect to PMAC, any loans, advances or capital contributions to, or investments in, any other Person;

(iv) any entry into or material modification of any reinsurance agreement by PMAC other than in the ordinary course of business;

(v) any sale, abandonment or other disposition of any material investments or other material assets, properties or business utilized in the conduct of Business other than in the ordinary course of business;

(vi) any increase or decrease in reserves for losses (including incurred but not reported losses) and loss adjustment expenses other than in the ordinary course of business in a manner consistent with past practice;

(vii) any settlement of any litigation claims, actions, arbitrations, disputes, audits or other proceedings relating in any way to the Business for an amount exceeding $100,000; or

(viii) any agreement, whether in writing or otherwise, to take any of the actions specified in this Section 4.31(b), except as expressly contemplated by this Agreement.

4.32 PMAC's Confidential Information. The Seller has a policy in effect requiring all current employees and all current contractors (excluding insurance agents) of the Seller to agree to adhere to the Seller's policies regarding disclosure of confidential or proprietary information relating to its business. To the Knowledge of the Seller, no current or former employee or contractor of the Seller has breached or violated any such confidentiality obligations in any material respect.

4.33 Privacy. The Seller and PMAC are in compliance in all material respects with the Seller's and PMAC's privacy and security policies, in each case, as applicable to NPI. Such policies do not, and it is the Seller's good faith belief and understanding, based upon the advice of the Seller's outside legal counsel, that applicable Privacy Laws do not, prohibit the Seller or PMAC from providing the Purchaser with, or transferring to the Purchaser all or any portion of the NPI collected, processed, stored, acquired and used in the conduct of the business of the Seller or PMAC. Since December 31, 2010, neither the Seller nor PMAC, nor, to the Knowledge of the Seller, any third-party service provider working on behalf of the Seller or PMAC, has had a breach, security incident or unauthorized access, disclosure, use or loss of NPI for which was required to notify individuals and/or to notify any Governmental Entity or to take any other action as required by applicable Laws governing NPI security. The Seller (i) has implemented and followed reasonable security programs and policies containing technical and organizational measures to protect and safeguard NPI, including ongoing review and updating of all such plans and policies, and (ii) since December 31, 2010, has required by written contract all third party providers and other third parties who have or have had access to NPI of the Seller or PMAC, or

who process NPI on their behalf, to have in written form, and to implement, similar security programs and policies. The Seller has and maintains a third party privacy and security monitoring compliance program to periodically evaluate and access the sufficiency of the security programs and policies of such third parties who have access to, or who process, NPI on behalf of the Seller or PMAC.

4.34 Investments and Assets.

(a) Section 4.34(a) of the Seller Disclosure Schedule sets forth an accurate and complete list of all securities, mortgages and other investments (collectively, "Investments") owned by PMAC as of September 30, 2012. PMAC has good and marketable title to the Investments listed in Section 4.34(a) of the Seller Disclosure Schedule except for (i) Permitted Liens, (ii) Governmental Deposits subject to certain transfer restrictions, and (iii) Investments which have been disposed of in the ordinary course of business or as contemplated by this Agreement or redeemed in accordance with their terms.

(b) As of the date hereof, the Investments owned by PMAC are of the types and within the applicable concentration limitations permitted under applicable Law;

(c) To the Knowledge of the Seller, Section 4.34(c) of the Seller Disclosure Schedule identifies any Investments which are in default, as of the date hereof, in the payment of principal or interest.

(d) PMAC is not a party to any derivative transaction that, pursuant to its terms and without any additional investment decision on the part of PMAC, could result in an additional payment by PMAC.

(e) PMAC has good title to, or valid and subsisting leasehold interests in, all personal property and any other assets reflected on the Financial Statements, other than assets that have been disposed of in the ordinary course of business. None of the assets owned or leased by PMAC is subject to any Lien except as set forth in Section 4.34(e) of the Seller Disclosure Schedule or any Permitted Liens.

4.35 Sufficiency of Assets. With the exception of (i) the Governmental Approvals and the Governmental Approvals (as defined in the CMG Stock Purchase Agreement) to be obtained on or prior to Closing, (ii) the Third Party Consents, (iii) the services to be provided to the CMG Companies pursuant to the Distribution Services Agreement (as defined in the CMG Stock Purchase Agreement) and (iv) the rights to the CMG trademark to be provided under the Non-Exclusive License Agreement (as defined in the CMG Stock Purchase Agreement), the Purchased Assets, together with the assets that the CMG Companies will possess at Closing, constitute all of the assets, tangible and intangible, necessary for the Purchaser to carry on, in all material respects, the Business and the CMG Business (as defined in the CMG Stock Purchase Agreement) following the Closing in the manner in which such businesses are presently conducted.

ARTICLE V

REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

Except as otherwise set forth in the Purchaser Disclosure Schedule, the Purchaser and, solely with respect to Section 5.7, the Purchaser Parent represent and warrant to the Seller as of the date hereof (or, in the case of any representation or warranty that speaks as of a specific date or time, as of such specific date or time) as follows:

5.1 Organization and Good Standing.

(a) The Purchaser is a corporation duly organized and validly existing and in good standing under the laws of Delaware and the Purchaser Parent is a corporation duly organized and validly existing and in good standing under the laws of Delaware. Each Purchaser Party has all requisite corporate power and authority to own, operate or lease its properties and assets and to carry on its business as presently conducted. Each Purchaser Party is duly licensed or qualified to do business in each jurisdiction where the nature of its business or the ownership, leasing or holding of its properties makes such qualification necessary, except where the failure to obtain such license or qualification would not reasonably be expected to have a material adverse effect on the Purchaser Parties' ability to consummate the Transactions or perform their obligations hereunder.

(b) Prior to the date of this Agreement, the Purchaser has made available to the Seller true and correct copies of the Organizational Documents of the Purchaser.

5.2 Authorization; Enforceability. Each Purchaser Party has full corporate power and authority to execute and deliver this Agreement and, in the case of the Purchaser, each of the Transaction Documents to which it is or will be a party and, subject to receipt of the Purchaser Required Governmental Approvals, to consummate the Transactions and all other transactions contemplated by the Transaction Documents to which the Purchaser is a party. The execution and delivery by each Purchaser Party of each of the Transaction Documents to which it is or will be a party and the consummation by the Purchaser Parties, as applicable, of the Transactions and all other transactions contemplated by the Transaction Documents has been duly authorized by all requisite corporate or other similar organizational action on the part of the Purchaser Parties. Assuming due authorization, execution and delivery by the other parties thereto, each of the Transaction Documents to which the respective Purchaser Parties are or will be a party constitutes, or upon execution and delivery thereof, will constitute, the legal, valid and binding obligation of the Purchaser Parties, as applicable, enforceable against them in accordance with their terms, except to the extent that enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws affecting creditors' rights generally and by principles of equity regarding the availability of remedies.

5.3 No Conflict. Subject to receipt of the Purchaser Required Governmental Approvals and the Third Party Consents, neither the execution and delivery by a Purchaser Party of this Agreement or any of the Transaction Documents to which a Purchaser Party is a party or the consummation by a Purchaser Party of the Transactions or the transactions contemplated by the Transaction Documents nor compliance by a Purchaser Party with or fulfillment by a

Purchaser Party of the terms, conditions and provisions hereof or thereof will, except as may result from any facts or circumstances relating to a Purchaser Party, result in a violation or breach of the terms, conditions or provisions of, or constitute a default, an event of default or an event creating rights of acceleration, termination or cancellation under, or result in the creation or imposition of any Liens upon its assets under (A) the Organizational Documents of such the Purchaser Party, (B) any material Contract to such the Purchaser Party is a party or by which such the Purchaser Party is bound or (C) any Law or Order to which such the Purchaser Party is a party or by which such the Purchaser Party is bound, other than, in the case of clauses (B) and (C) above, any such violations, breaches, defaults or Liens that, individually or in the aggregate, would not reasonably be expected to have a material adverse effect on the Purchaser's ability to consummate the Transactions or perform its obligations hereunder or under the other Transaction Documents.

5.4 Consents and Approvals. Except for the Purchaser Required Governmental Approvals and compliance with any conditions contained therein, no consents, waivers or approvals of, or filings or registrations with, any Governmental Entity are necessary, and no consents, waivers or approvals of, or filings or registrations with, any other third parties are necessary, in connection with the execution and delivery by the Purchaser Parties of this Agreement or any other Transaction Document to which either Purchaser Party is a party and the completion by the Purchaser Parties of the Transactions. As of the date hereof, the Purchaser Parties are not aware of any fact specifically pertaining to either Purchaser Party or the Business that would prevent the Purchaser Required Governmental Approvals from being received in order to permit consummation of the Transactions on a timely basis.

5.5 Litigation. The Purchaser Parties are not a party to any, and there are no pending or, to the Knowledge of the Purchaser Parties, threatened Actions against the Purchaser Parties challenging the validity or propriety of the Transactions or which could materially and adversely affect the ability of the Purchaser Parties to perform their obligations under this Agreement.

5.6 Brokers, Finders and Financial Advisors . Neither Purchaser Party nor any of their officers, directors, employees or agents has employed any broker, finder or financial advisor in connection with the transactions contemplated by this Agreement, or incurred any liability or commitment for any fees or commissions to any such person in connection therewith.

5.7 Access to Funds. The Purchaser Parent, as of the date hereof, has access to funds possessed by its Affiliates with no restriction on the Purchaser Parent to access such funds, and the Purchaser will, as of the Closing, have funds sufficient funds to pay the Purchase Price on the Closing Date and the Purchaser Parties' expenses of the Transactions.

5.8 Securities Act. The Purchaser is not acquiring the Shares with a view to, or for sale in connection with, any distribution thereof in violation of the Securities Act. The Purchaser acknowledges that the Shares are not registered under the Securities Act or any applicable state securities law, and that the Shares may not be transferred, sold or otherwise disposed of except pursuant to the registration provisions of the Securities Act or pursuant to an applicable exemption therefrom and pursuant to state securities laws and regulations as applicable.

5.9 No Other Representations or Warranties.

(a) The Purchaser acknowledges that (i) it and its Representatives have been permitted access to the books and records, facilities, equipment, Contracts and other properties and assets of the Seller related to the Business and the PMI Platform, and that it and its Representatives have had an opportunity to meet with officers and employees of the Seller and (ii) except for the representations and warranties expressly set forth in Article IV, the Purchaser has not relied on any representation or warranty from the Seller or any other Person in determining to enter into this Agreement and neither the Seller nor any other Person has made any representation or warranty, express or implied, as to the Business, the Shares, the Purchased Assets or the accuracy or completeness of any information regarding any of the foregoing that the Seller or any other Person furnished or made available to the Purchaser and its Representatives (including any projections, estimates, budgets, offering memoranda, management presentations or due diligence materials). Without limiting the generality of the foregoing, except as expressly set forth in the representations and warranties in Article IV, there are no express or implied warranties, including warranties of merchantability or fitness for a particular purpose.

(b) THE SELLER AND THE PURCHASER AGREE THAT, EXCEPT AS EXPRESSLY PROVIDED OTHERWISE IN THIS AGREEMENT AND THE OTHER DOCUMENTS EXECUTED BY THE SELLER AT CLOSING WITH RESPECT TO THE LEASED REAL PROPERTY, THE LEASED REAL PROPERTY SHALL BE TRANSFERRED TO THE PURCHASER AND THE PURCHASER SHALL ACCEPT POSSESSION OF THE LEASED REAL PROPERTY ON THE CLOSING DATE "AS IS," "WHERE IS," AND "WITH ALL FAULTS."

ARTICLE VI

COVENANTS

6.1 Access to Properties and Records; Confidentiality.

(a) From and after the date of this Agreement and continuing until the earlier of the termination of this Agreement in accordance with its terms or the Closing Date, the Seller shall permit, and shall cause PMAC to permit, the Purchaser Parties and their attorneys, accountants, employees, officers, agents and other authorized representatives (collectively, "Representatives") reasonable access upon reasonable notice to the Walnut Creek Property and the Leased Real Property (subject to the provisions of the Real Property Leases), and the Business Employees and Business Contractors (to the extent permitted by the vendor party to such Business Contractor's applicable Business Contractor Services Agreement), and shall disclose and make available to the Purchaser Parties during normal business hours all of its books, papers and records, in each case to the extent they relate to the Business or the Shares, including, but not limited to, all books of account (including the general ledger), tax records, Organizational Documents, bylaws, material contracts and agreements, filings with any regulatory authority, litigation files, plans affecting employees, and any other business activities or prospects in which the Purchaser Parties may have a reasonable interest; provided, however, that the Seller and PMAC shall not be required to provide access to or disclose information

where such access or disclosure, in the Seller's reasonable judgment, would interfere with the normal conduct of the Seller's or PMAC's business, or would result in the waiver by the Seller or PMAC of the privilege protecting communications between the Seller or PMAC and any of their counsel, or would be contrary to any Law applicable to the Seller or PMAC. The Seller shall provide the Purchaser with such historical financial information regarding the Business as the Purchaser Parties may reasonably request. The Purchaser and its Representatives shall use commercially reasonable efforts to minimize any interference with the Seller's and PMAC's regular business operations during any such access to the Seller's or PMAC's property, books and records.

(b) Prior to Closing, the Purchaser agrees that the use by it and its Representatives of any information obtained pursuant to this Section 6.1 shall be subject to the Confidentiality Agreement; provided, however, that the Purchaser's obligations pursuant to the Confidentiality Agreement shall be deemed modified or waived, as applicable, to the extent and solely to the extent that such obligations are inconsistent with the Purchaser Parties' rights or obligations under this Agreement. Notwithstanding the foregoing and anything to the contrary in the Confidentiality Agreement, in the event that this Agreement is terminated, the Purchaser Parties' obligation of confidentiality under the Confidentiality Agreement shall survive for three (3) years following the date hereof. From and after the Closing, the Purchaser shall not, and shall cause each of its Affiliates and such Affiliates' officers, directors, employees and professional advisers not to, disclose to any other Person any Seller Confidential Information; provided, that the Purchaser and such Affiliates may disclose Seller Confidential Information (i) to the extent required by law, in any report, statement, testimony or other submission to any Governmental Entity or (ii) in order to comply with any applicable Law, or in response to any summons, subpoena or other legal process or formal or informal investigative demand issued to the Purchaser or its Affiliates in the course of any litigation, investigation or administrative proceeding; provided, further, that, if the Purchaser or any of its Affiliates become legally compelled by deposition, interrogatory, request for documents, subpoena, civil investigative demand or similar judicial or administrative process to disclose any such Seller Confidential Information, the Purchaser shall, to the extent reasonably practicable, provide the Seller with prompt prior written notice of such requirement and reasonably cooperate with the Seller, at the Seller's expense, to obtain a protective order or similar remedy to cause such Seller Confidential Information not to be disclosed, including interposing all available objections thereto. In the event that such protective order or other similar remedy is not obtained, the Purchaser and its Affiliates shall furnish only that portion of Business Confidential Information that has been legally compelled. For purposes of this Section 6.1(b), "Seller Confidential Information" means all non-public information of the Seller and its Affiliates obtained by the Purchaser in connection with the consideration and negotiation of the Transaction Documents that does not comprise the Purchased Assets or constitute Business Confidential Information (within the meaning hereof and within the meaning of the CMG Stock Purchase Agreement).

(c) From and after the date hereof, the Seller shall not, and shall cause each of its Affiliates and such Affiliates' officers, directors, employees and professional advisers not to, disclose to any other Person any Purchaser Confidential Information; provided, that the Seller and such Affiliates may disclose Purchaser Confidential Information (i) to the extent required by law, in any report, statement, testimony or other submission to any Governmental Entity or (ii) in order to comply with any applicable Law, or in response to any summons, subpoena or other

legal process or formal or informal investigative demand issued to the Seller or its Affiliates in the course of any litigation, investigation or administrative proceeding; provided, further, that, if the Seller or any of its Affiliates become legally compelled by deposition, interrogatory, request for documents, subpoena, civil investigative demand or similar judicial or administrative process to disclose any such Purchaser Confidential Information, the Seller shall, to the extent reasonably practicable, provide the Purchaser with prompt prior written notice of such requirement and reasonably cooperate with the Purchaser, at the Purchaser's expense, to obtain a protective order or similar remedy to cause such Purchaser Confidential Information not to be disclosed, including interposing all available objections thereto. In the event that such protective order or other similar remedy is not obtained, the Seller and its Affiliates shall furnish only that portion of the Purchaser Confidential Information that has been legally compelled. For purposes of this Section 6.1(c), from and after the date hereof, "Purchaser Confidential Information" means any and all non-public information and materials of the Purchaser or any of its Affiliates, including any such information and materials obtained by the Seller or its Representatives in connection with Purchaser's and its Affiliates' consideration, negotiation and performance of the Transaction Documents, information and materials relating to the Purchaser's or its Affiliates strategic, business and other plans for the Business or the CMG Business, or their non-public communications with, discussions with, and submissions to Governmental Entities. From and after the Closing, "Purchaser Confidential Information" shall also include Business Confidential Information.

(d) The Seller shall retain all books, records, documentation, manuals, files and information relating to the Business, Shares, Purchased Assets or Assumed Liabilities during the period prior to the Closing Date.

(e) The Seller and the Purchaser shall each designate a person to act as the representative for such Party or Parties for purposes of coordinating with the other Party or Parties in connection with activities and conduct necessary or appropriate to effect the closing of the Transactions and to transition the PMAC Business and the PMI Platform from the Seller to the Purchaser. The Seller initially designates Truitte Todd as its representative. The Purchaser initially designates David Gansberg as its representative. The representatives shall meet or otherwise communicate with each other on a regular basis.

(f) The Purchaser agrees that following the Closing Date, subject to Section 6.1(c), the Seller and its Representatives shall have reasonable access, during normal business hours, to the books, records, documentation, policies, procedures, manuals, files and other information or data of the Purchaser to the extent they relate to PMAC, the Business, the Shares, the Purchased Assets or the Assumed Liabilities during the period prior to the Closing Date (and shall permit such Persons to examine and copy such books, records, documentation, policies, procedures, manuals, files and other information or data to the extent reasonably requested by such Persons), and shall cause their respective officers and employees to furnish (to the Seller or any of its Affiliates, or any regulator of the Seller or any of its Affiliates) all information reasonably requested by the Seller, and otherwise reasonably cooperate with (including, without limitation, by requiring such employees to make themselves reasonably available for trial, depositions, interviews and other litigation-related endeavors) the Seller or any of its Affiliates with respect to the Business, the Shares, the Purchased Assets or the Assumed Liabilities, in connection with regulatory compliance, pending or threatened third party litigation, financial

reporting and tax matters (including financial and tax audits and tax contests) and other similar business purposes; provided, however, that the Seller shall reimburse the Purchaser Parties and their respective employees for reasonable and documented out-of-pocket costs and expenses incurred by them in providing such assistance and cooperation, but only to the extent that such costs and expenses are not reimbursed pursuant to the Services Agreement. For a period required under the longer of the Purchaser's record retention policy or seven (7) years from the Closing Date, the Purchaser shall not destroy or dispose of or permit the destruction or disposition of any such books, records, documentation, manuals, files and other information or data without first offering, in writing, at least sixty (60) days prior to such destruction or disposition to surrender them to the Seller. Notwithstanding anything to the contrary in this Section 6.1(f), the Purchaser and its Affiliates shall not be required to provide access to or disclose information where such access or disclosure would result in the waiver by the Purchaser of the privilege protecting communications between the Purchaser or any of its Affiliates and any of its counsel, or would be contrary to any Law applicable to the Purchaser and its Affiliates.

(g) The Seller agrees that following the Closing Date, the Purchaser and its Representatives shall have reasonable access, during normal business hours, to the books, records, documentation, policies, procedures, manuals, files and other information or data of the Seller to the extent they relate to PMAC, the Business, the Shares, the Purchased Assets, the Assumed Liabilities, the Transferred Employees or the Specified Business Contractors during the period prior to the Closing Date (and shall permit such Persons to examine and copy such books, records, documentation, policies, procedures, manuals, files and other information or data of the Seller to the extent reasonably requested by such Persons), and the Seller shall cause its officers and employees to furnish (to the Purchaser or any of its Affiliates, or any regulator of the Purchaser or any of its Affiliates) all information reasonably requested by the Purchaser, and otherwise reasonably cooperate with (including, without limitation, causing employees to assist the Purchaser or any of its Affiliates by requiring such employees to make themselves reasonably available for trial, depositions, interviews and other litigation-related endeavors) the Purchaser with respect to the Business, the Shares, the Purchased Assets, the Assumed Liabilities, the Transferred Employees or the Specified Business Contractors, in connection with regulatory compliance, pending or threatened third party litigation, financial reporting and tax matters (including financial and tax audits and tax contests) and other similar business purposes; provided, however, that the Purchaser shall reimburse the Seller and its employees for reasonable and documented out-of-pocket costs and expenses incurred by them in providing such assistance and cooperation, but only to the extent that such costs and expenses are not reimbursed pursuant to the Services Agreement. For a period required under the longer of the Seller's record retention policy or seven (7) years from the Closing Date, the Seller shall not destroy or dispose of or permit the destruction or disposition of any such books, records, documentation, manuals, files and other information or data without first offering, in writing, at least sixty (60) days prior to such destruction or disposition to surrender them to the Purchaser Parties. Notwithstanding anything to the contrary in this Section 6.1(g), the Seller and its Affiliates shall not be required to provide access to or disclose information where such access or disclosure would result in the waiver by the Seller of the privilege protecting communications between the Seller and any of its counsel, or would be contrary to any Law applicable to the Seller and its Affiliates.

(h) The Parties acknowledge that the Purchased Assets contain NPI and agree that the Seller will not endeavor to remove such NPI that is contained in the Purchased Assets. In

addition, the Seller agrees to permit the Purchaser and its Representatives reasonable access to any NPI retained by the Seller. The Purchaser shall have the right to use any and all NPI contained in the Purchased Assets, or to which the Seller provides it and its Representatives access following Closing, for any legitimate business purpose, provided that the Purchaser and its Representatives comply with all applicable Privacy Laws in connection with such use.

6.2 Supplements to Disclosure Schedules. Prior to the Closing, the Seller shall supplement or amend the Seller Disclosure Schedule in the event that it discovers any matter that was required to be set forth or described on such schedule, but was omitted therefrom, or determines that there is otherwise any inaccuracy in such schedule. The Seller shall promptly notify the Purchaser Parties in writing of the supplement or amendment of such schedule. No such supplement or amendment of the Seller Disclosure Schedule shall cure any breach of this Agreement or limit or affect any right the Purchaser may have hereunder by virtue of such breach. Notwithstanding anything herein to the contrary, for all purposes of this Agreement, including Article VIII and Article XI, the failure of the Seller to perform its obligations under, and to comply with, this Section 6.2 shall be deemed a breach of a representation or warranty and not a failure to perform or comply with a covenant or agreement.

6.3 Notification.

(a) In the event that the Seller or either Purchaser Party determines in good faith that a condition to any Party's obligation to complete the Transactions cannot be fulfilled, such Party will promptly notify the other Parties. In addition, if a Party has the right to waive such condition, but determines it will not waive such condition, such Party shall promptly notify the other Parties.

(b) The Seller shall promptly inform the Purchaser Parties upon receiving notice of any legal, administrative, arbitration or other proceedings, demands, notices, audits or investigations (by any federal, state or local commission, agency or board) relating to the alleged liability of the Seller under any labor or employment Law with respect to the Specified Business Employees or Specified Business Contractors.

6.4 Conduct of Business Prior to Closing. From and after the date hereof until the earlier of the termination of this Agreement in accordance with its terms or the Closing Date, except (i) as contemplated by this Agreement, (ii) as required by Law or by a Final Order, or (iii) to the extent the Purchaser Parties provide prior written consent to do otherwise, which consent shall not be unreasonably withheld, and subject to any applicable orders of the Court, the Seller shall use its commercially reasonable efforts to:

(a) maintain the corporate existence of PMAC and conduct the Business in the ordinary course, consistent with past practices;

(b) maintain the general character of the Business;

(c) maintain proper business and accounting records relative to the Business;

(d) maintain commercially reasonable procedures for protection of the PMI Platform, including at least the security, confidentiality and other measures in place as of the date hereof; and

(e) keep available the services of the Business Employees.

6.5 Forbearances of the Seller. Without limiting the covenants set forth in Section 6.4, until the earlier of the termination of this Agreement in accordance with its terms or the Closing Date, except (i) as contemplated by this Agreement, (ii) as required by Law or by a Final Order, (iii) as otherwise set forth on Section 6.5 of the Seller Disclosure Schedule or (iv) to the extent the Purchaser Parties provide prior written consent to do otherwise, which consent shall not be unreasonably withheld or delayed, the Seller will not, and will not permit PMAC to:

(a) amend the Organizational Documents of PMAC;

(b) except for redemptions or repurchases by PMAC in return for capital contributions deemed necessary by PMAC to comply with applicable minimum capital requirements imposed by Law or any Governmental Entity, issue, sell, grant, pledge, purchase, redeem, or otherwise encumber, or agree or commit to issue, sell, grant, pledge, purchase, redeem, or otherwise encumber any Shares or any other equity securities of PMAC or grant, issue, create, sell, pledge, purchase, redeem, or otherwise encumber or agree to grant, issue, sell, pledge, purchase, redeem, or otherwise encumber any options, warrants or rights to purchase any of the Shares or securities of any kind convertible into or exchangeable for the Shares or any other equity securities of PMAC;

(c) make, declare, pay or set aside for payment any dividend on or in respect of, or declare or make any distribution on any shares of the capital stock of PMAC;

(d) directly or indirectly adjust, split, combine, reclassify, purchase or otherwise acquire any shares of the stock of PMAC;

(e) with respect to PMAC, acquire any Person or all or substantially all of the assets of a Person;

(f) fail to maintain liability, casualty, property, loss, and other insurance coverage that is substantially similar, with respect to terms, amounts and risk coverage, to that which is maintained on the date hereof;

(g) enter into any Contract that will be an Assumed Contract not terminable within sixty (60) days and involving payments or obligations by the Seller in excess of $100,000 individually or $1,000,000 in the aggregate, unless such Contract replaces, in the ordinary course of business, a Contract that is expected to expire or terminate by its terms prior to Closing; provided, however, that no such replaced Contract shall result in annual costs to the Seller or PMAC in excess of one hundred twenty percent (120%) of the costs for the final year of the Contract being replaced;

(h) amend in any material respect, waive any material right under or terminate any Assumed Contract, other than to extend any such Contract, in the ordinary course

of business, that is expected to expire or terminate by its terms prior to Closing, provided, however, that no such extended Contract shall result in annual costs to the Seller or PMAC in excess of one hundred twenty percent (120%) of the costs for the final year of the Contract prior to such Contract's expected termination of expiration; provided, further, that the expiration of any such Contract by its terms prior to Closing shall be deemed not to be a termination of such Contract under this clause;

(i) hire (i) any Replacement Employee having an annual base salary or total annual compensation in excess of $150,000, or (ii) any Replacement Employee having an annual base salary or total annual compensation between $75,000 and $150,000 if the aggregate annual compensation for all Replacement Employees hired after the date hereof would exceed $1,000,000;

(j) agree to accept, under the terms of a Business Contractor Services Agreement, the services of any Specified Business Contractor who is not a Specified Business Contractor as of the date hereof, unless such Specified Business Contractor provides services that (i) replace the services of (A) a Specified Business Contractor who ceases after the date hereof to provide services to the Seller pursuant to the terms of a Business Contractor Services Agreement, (B) a Specified Business Employee who is on a leave of absence from employment with the Seller, or (C) a Business Employee who would have been a Specified Business Employee if such Business Employee had not ceased to be employed by the Seller after the date hereof, or (ii) are described in Schedule 1.1(n);

(k) grant or award any increase in any item of recurring or periodic cash compensation of any Specified Business Employee except for (i) increases in the ordinary course of business consistent with past practice, or (ii) pursuant to binding written agreements existing on the date hereof and set forth in Section 6.5(k) of the Seller Disclosure Schedule, in each case with respect to compensation that will otherwise be assumed by the Purchaser or an Affiliate of the Purchaser;

(l) except as required under existing Contracts or a PMI Plan, grant any severance or termination pay or rights to, or enter into any employment or severance agreement with, any Specified Business Employee, except as required by applicable Laws, increase or accelerate the vesting or payment of any benefits payable under any existing PMI Plan, severance or termination pay policies or employment or similar agreements with any Specified Business Employee or establish, adopt, enter into or, except as required by Law, terminate or materially amend any PMI Plan in which any Specified Business Employee participates, in each case, if such action would result in any Liability to the Purchaser or any of its Affiliates;

(m) take any action (other than as necessary or proper to implement this Agreement) that would give rise to a right of payment to any Specified Business Employee under any employment agreement or would accelerate a right to payment to any Specified Business Employee under any employee compensation or benefit plan (other than in connection with the hiring or promotion of a Replacement Employee on terms substantially consistent with the terms of the employment agreement with the Original Business Employee or in connection with the termination of an employee in the ordinary course of business consistent with the Seller's

policies and procedures), in each case, if such action would result in any Liability to the Purchaser or any of its Affiliates;

(n) sell, transfer, assign or otherwise dispose of any of the Purchased Assets, other than (i) Purchased Assets that have theretofore been replaced with comparable Purchased Assets used for the same purposes or performing the same function in the Business or (ii) Purchased Assets not required for the conduct of the Business that have an aggregate value (together with all Purchased Assets sold, assigned and disposed of in accordance with this clause (ii)) not exceeding $150,000;

(o) other than in the ordinary course of business in connection with the Insurance Contracts, waive or forgive any claim or right of the Seller relating to the Shares or the Purchased Assets in one transaction or a series of related transactions having a value in excess of $250,000, individually or in the aggregate;

(p) with respect to Taxes attributable to PMAC, other than to amend the Tax sharing agreement referenced in Section 4.15(b)(x) of the Seller Disclosure Schedule, make or change any election in respect of such Taxes, adopt or change any accounting method in respect of such Taxes, enter into any closing agreement, settle any claim or assessment in respect of such Taxes, or consent to any extension or waiver of the limitation period applicable to any claim or assessment in respect of such Taxes, except as required by Law or GAAP;

(q) implement or adopt any change in the accounting principles, practices or methods of PMAC, other than as may be required by GAAP or SAP;

(r) acquire assets that are Purchased Assets other than (i) Purchased Assets necessary to replace Purchased Assets that become obsolete or otherwise require replacement in the ordinary course of business in accordance with the Seller's capital expenditure plans as of the date hereof or (ii) Purchased Assets acquired in the ordinary course of business but not in accordance with the Seller's capital expenditure plans as of the date hereof, which have a total cost (together with all Purchased Assets acquired in accordance with this clause (ii)) not exceeding $250,000;

(s) incur or create any Indebtedness of PMAC or create or incur any other obligation that could reasonably be expected to result in a Lien on the Purchased Assets or the Shares, other than Permitted Liens, or otherwise permit or allow any of the Purchased Assets or the Shares to become subject to any Lien, other than Permitted Liens;

(t) incur or commit to incur any Liability (individually or in the aggregate with all other Liabilities incurred after the date hereof) in excess of $150,000 that would be an Assumed Liability, other than Indebtedness (which is addressed in clause (s) above) or with respect to any Contract that will be an Assumed Contract (which is addressed in clause (g) above);

(u) institute, settle or compromise any Proceeding or Action in excess of $250,000 that relates to or affects, or could reasonably be expected to related to or adversely affect the Purchased Assets, the Assumed Liabilities or PMAC; or

(v) enter into any Contract, or otherwise agree or commit, to do any of the foregoing or seek any order of the Court approving any of foregoing.

6.6 Employee Matters.

(a) Within 45 days after receipt of Court approval pursuant to the Sale Order and such Sale Order being a Final Order, the Purchaser or its Affiliates shall offer employment, effective as of immediately following the Closing Date, to each Specified Business Employee at a base salary or base hourly wage that is not less than the base salary or base hourly wage that such Specified Business Employee was receiving immediately prior to the Closing Date and on other terms and conditions (including participation in retirement and welfare plans and programs) that are comparable in the aggregate, to similarly situated employees of the Purchaser Parent and its Affiliates and that provide such Specified Business Employee with the opportunity to participate in incentive compensation plans that take into account the performance of the individual and the business unit in a manner consistent with incentive compensation plans for other business units of the Purchaser Parent and its Affiliates to the extent that similarly situated employees of the Purchaser Parent and its Affiliates are provided the opportunity to participate in such incentive compensation plans (the "Employment Offers"). Each Specified Business Employee who accepts the Purchaser's offer of employment and works for the Purchaser on or after the Closing Date is herein referred to as a "Transferred Employee." Until the first anniversary of the Closing Date, each Transferred Employee, while employed by the Purchaser and/or its Affiliates, shall be employed on terms and conditions not less favorable, in the aggregate, to such Transferred Employee than provided for by his or her Employment Offer.

(b) Following receipt of Court approval pursuant to the Sale Order and such Sale Order being a Final Order, the Seller shall cooperate with the Purchaser and its Affiliate(s) so as to allow the Purchaser or such Affiliate(s), if so requested by the Purchaser, to (i) have reasonable access to the Specified Business Employees to facilitate making the Employment Offers and (ii) conduct for such employees prior to the Closing Date an open enrollment period for enrollment elections under the Purchaser Plans (as defined below), with any such access to be at times reasonably agreed to by the Purchaser and the Seller.

(c) For the applicable plan year that includes the Closing Date, subject to the Purchaser (or its agent(s)) being provided with the applicable information with respect to the Transferred Employees in a form such that it is administratively feasible to take into account under the Purchaser's plans (which the Seller and the Purchaser will reasonably cooperate to accomplish), the Transferred Employees shall not be required to satisfy any deductible or out-of-pocket maximum requirements under the benefit plans, programs and policies maintained by the Purchaser Parent or its Affiliates (the "Purchaser Plans") that provide medical (including prescription drug), dental and vision benefits (collectively, the "Purchaser Health Plans") to the extent such requirements were satisfied for the portion of the current plan year under the PMI Plans that provide medical, dental and vision benefits (the "PMI Health Plans") that coincides with the current plan year of the Purchaser Health Plans. Any waiting periods, pre-existing condition exclusions and requirements to show evidence of good health contained in the Purchaser Health Plans shall be waived with respect to the Transferred Employees (except to the extent that any such waiting period, pre-existing condition exclusion, or requirement of showing evidence of good health applied under the applicable the PMI Health Plans in which the Business

Employee participates or is otherwise eligible to participate as of immediately prior to the Closing Date).

(d) The Purchaser Parent shall cause the Purchaser Plans that cover the Transferred Employees after the Closing Date to credit service with the Seller and its Affiliates and any formerly affiliated predecessor employers to the extent credited by the Seller and its Affiliates as service with the Purchaser to the extent such Transferred Employee received credit under a comparable PMI Plan prior to the Closing Date and as specified in writing to the Purchaser prior to the date of this Agreement for purposes of (i) accruing annual vacation time and paid time off, (ii) calculating severance benefits under the Purchaser's severance plan(s), and (iii) eligibility and vesting (but not for benefit accrual purposes under any defined benefit pension plan or for purposes of determining continued exercisability, vesting and other rights upon retirement under any of the Purchaser Parent's or its Affiliates' cash or share-based incentive compensation plans) under the Purchaser Plans.

(e) Within ten (10) days after the Closing Date, the Seller shall make a cash payment to the Transferred Employees with respect to any accrued but unused vacation credited to the respective Transferred Employees as of the Closing Date. Purchaser agrees to cause each Transferred Employee to accrue five (5) days of vacation on the first full day of employment of such Transferred Employee with the Purchaser, and each Transferred Employee shall thereafter begin accruing additional vacation days in excess of such five (5) days beginning on the date that such Transferred Employee would have otherwise started accruing such additional vacation days as determined pursuant to such vacation policy or plan without regard to the terms of this Section 6.6(e). Except as expressly provided in this Section 6.6(e) with regard to the initial accrual of five (5) days of vacation on the first day of employment, each Transferred Employee's accrual and use of vacation shall be subject to the terms of the Purchaser's vacation plan and any applicable policies of Purchaser.

(f) The Purchaser and its Affiliates shall have sole liability and obligation for all Liabilities relating to or arising from the Purchaser's and its Affiliates' employment of the Transferred Employees and procurement of services from the Specified Business Contractors following the Closing Date.

(g) If the Purchaser or its Affiliate terminates the employment of any PMI Obligated Employee without "Cause" (determined using the definition of "Cause" set forth in the PMI Mortgage Insurance Co. Severance Plan, as amended and restated effective January 15, 2013 (the "PMI Severance Plan")), prior to the fifth anniversary of the Closing Date, such PMI Obligated Employee shall be entitled to severance benefits from the Purchaser that are not less than the severance benefits that would have been paid or provided under the PMI Severance Plan in the event of a termination of employment which would have otherwise entitled the PMI Obligated Employee to severance benefits under the PMI Severance Plan, subject to the applicable terms and conditions of the applicable severance plan maintained by the Purchaser or its Affiliates, (which shall not impose material conditions on the PMI Obligated Employees' receipt of severance benefits beyond those provided for in the PMI Severance Plan). The Seller shall reimburse the Purchaser or its applicable Affiliate for all payments of severance benefits to PMI Obligated Employees in accordance with the foregoing provisions of this Section 6.6(g), subject to an aggregate reimbursement cap of $500,000. For the sake of clarity, for purposes of

this Section 6.6(g) and Section 6.6(h), the payments of severance benefits to be reimbursed by the Seller consist of all amounts required to be paid as severance under the PMI Severance Plan, including cash severance benefits paid by the Purchaser or its Affiliates, the dollar amount of the payment or subsidy provided by the Purchaser or its Affiliates for COBRA premium payments, and the dollar amount paid by the Purchaser or its Affiliates for career transition or outplacement services.

(h) If the Purchaser or its Affiliate terminates the employment of any Transferred Employee other than a PMI Obligated Employee (each such employee, being a "Section 6.6(h) Employee") without "Cause" (determined using the definition of "Cause" set forth in the PMI Severance Plan) prior to the first anniversary of the Closing Date, such Section 6.6(h) Employee shall be entitled to severance benefits from the Purchaser that are not less than the severance benefits that would have been paid or provided under the PMI Severance Plan in the event of a termination of employment which would have otherwise entitled the Section 6.6(h) Employee to severance benefits under the PMI Severance Plan, subject to the applicable terms and conditions of the applicable severance plan maintained by the Purchaser or its Affiliates (which shall not impose material conditions on the Section 6.6(h) Employees' receipt of severance benefits beyond those provided for in the PMI Severance Plan). With respect to Section 6.6(h) Employees whose employment with the Purchaser and its Affiliates is terminated prior to the one year anniversary of the Closing Date due to elimination of the position in which the Section 6.6(h) Employee was employed immediately following the Closing Date, the Seller shall reimburse the Purchaser or its applicable Affiliate for 100% of the severance benefits paid to such Section 6.6(h) Employees in accordance with the foregoing provisions of this Section 6.6(h), and with respect to Section 6.6(h) Employees whose employment with the Purchaser and its Affiliates is terminated prior to the one year anniversary of the Closing Date other than due to elimination of the position in which the Section 6.6(h) Employee was employed immediately following the Closing Date, the Seller shall reimburse the Purchaser or its applicable Affiliate for 80% of the severance benefits paid to such Section 6.6(h) Employee; provided, however, that the aggregate maximum reimbursement to be provided by the Seller pursuant to this Section 6.6(h) shall be $2.5 million.

(i) The Purchaser and its Affiliates shall be solely responsible for any obligations or liabilities arising under the WARN Act with respect to or as a result, in whole or in part, of the actions or omissions of the Purchaser or any of its Affiliates on or after the Closing Date. Prior to the Closing Date, the Seller will provide to the Purchaser a list of employees and former employees of the Seller who have incurred an "employment loss" (within the meaning of the WARN Act) (by date and location) during the 90-day period preceding the Closing Date.

(j) The Purchaser and the Seller agree to utilize, or cause their respective Affiliates to utilize, the standard procedure set forth in Revenue Procedure 2004-53, 2004-2 C.B. 320 with respect to wage reporting.

(k) No provision of this Section 6.6 shall create any third-party beneficiary rights in any Business Employee (including any beneficiary or dependent thereof) or any Business Employee nor is it intended to amend or alter any benefit plan of the Seller or any of its Affiliates or any benefit plan of the Purchaser or any of its Affiliates.

(l) The Seller agrees that, during the three-year period following the Closing Date, it shall not, and shall ensure that its Affiliates do not, directly or indirectly, solicit for employment or hire any Transferred Employee; provided that this Section 6.6 shall not prohibit the Seller or its Affiliates from conducting a general solicitation for open employment positions or hiring any Transferred Employee who was terminated by the Purchaser or any of its Affiliates after the Closing Date.

(m) Prior to the Closing Date, the Seller shall take, or cause to be taken, such actions as may be required so that, as of the Closing Date, the Business Contractor Services Agreements apply only to Business Contractors who are Specified Business Contractors.

6.7 Efforts and Actions to Cause the Closing to Occur; Consents.

(a) Reasonable Best Efforts. Subject to the terms and conditions of this Agreement, including clauses (ii) through (iv) of Section 6.7(c), the Seller and the Purchaser shall use their respective reasonable best efforts to take, or cause to be taken, all actions, and to do or cause to be done and cooperate with each other in order to do all things, necessary, proper or advisable to cause the conditions to the Closing to be satisfied, to consummate the Closing and to effectuate the transactions contemplated by this Agreement and the Transaction Documents, including (i) the preparation and filing of all forms, registrations, notices and other documentation required to be filed to consummate the Closing and to effectuate the Transactions and the taking of such actions as are necessary to obtain as promptly as practicable any consent, permit, approval, waiver, authorization, license or sublicense of any third party that is necessary, proper or advisable to consummate the transactions contemplated by this Agreement and the Transaction Documents, including any Governmental Approval or Third Party Consent, provided that, except as contemplated by Section 6.7(b)(ii) and for costs of the Purchaser's own personnel, counsel and other advisors, the Purchaser shall not be obligated to incur any cost or expense, or make any payment or deliver anything of value to any third party in connection with obtaining a Third Party Consent or any other non-governmental permit, consent, approval, waiver, authorization, license or sublicense, (ii) seeking to prevent the initiation of, and defend, any Action challenging this Agreement or the consummation of the Closing, and (iii) seeking the lifting or rescission of any Order adversely affecting the ability of the Parties to consummate the Closing.

(b) Consents and Approvals of Third Parties.

(i) General. In furtherance and not in limitation of Section 6.7(a) but subject to the remaining provisions of this Section 6.7(b)(i) and Section 6.7(b)(ii), the Seller shall use its reasonable best efforts, and cause its Affiliates to use reasonable best efforts, and the Purchaser shall use its reasonable best efforts to cooperate with the Seller or such Affiliate, to negotiate and obtain the Third Party Consents and such other consents, permits, approvals, waivers, authorizations, licenses and sublicenses (including modifications to or extensions, renewals or replacements of or substitutes for existing licenses or sublicenses, on equivalent terms) from any Person (other than, for purposes of this Section 6.7(b), Governmental Entities) as are necessary to permit (A) the sale, transfer, assignment and conveyance to the Purchaser of the Shares and the Purchased Assets (including each of the Assumed Contracts), (B) the Purchaser to

access and use, on and after the Closing Date, the PMI Platform and all of the other Intellectual Property and data that is used in or necessary for the conduct of the Business on and after the Closing Date, (C) the Purchaser and its applicable Affiliates to perform the obligations of the Purchaser and/or its respective Affiliates under, and for the Seller to receive the services under, the Services Agreement, and (D) the Purchaser to provide such services to the CMG Companies, using the PMI Platform, as are currently provided by the Seller to the CMG Companies and are proposed to be provided to the CMG Companies following Closing, as described in the Purchaser's business plan for the CMG Companies, as set forth in the Purchaser's (or its Affiliate's) relevant applications for Governmental Approvals in connection with the transactions contemplated by this Agreement and the CMG Stock Purchase Agreement. In connection with this Section 6.7(b) or otherwise, neither the Seller nor any of its Affiliates shall consent to any material modification of any Assumed Contract or otherwise obligate the Purchaser or any of its Affiliates to take or omit to take any action after the Closing that is not contemplated by the terms of such Assumed Contract as of the date hereof, in any material respect, including any increased fees, expenses or costs, without the prior written consent of the Purchaser, which consent shall not be unreasonably withheld. Notwithstanding the foregoing, the Seller shall discuss with the Purchaser in good faith any modifications to any such Assumed Contract that the Purchaser proposes be sought. If any such consent, permit, approval, waiver, authorization, license or sublicense is not obtained prior to the Closing or does not remain in full force and effect at the Closing, the Seller will, and will cause its Affiliates to, to the extent necessary, use its reasonable best efforts, and the Purchaser shall use its reasonable best efforts to cooperate with the Seller or such Affiliate, to obtain such consent, permit, approval, waiver, authorization, license or sublicense as promptly as reasonably practicable after the Closing and shall (x) provide or cause to be provided to the Purchaser the benefits of any Contract or asset pending receipt of such consent, permit, approval, waiver, authorization, license or sublicense and (y) cooperate in any reasonable and lawful arrangement that is acceptable to the Purchaser (including subcontracting, sublicensing or subleasing or the acquisition of a commercially reasonable substitute Contract for the Contract that has not been assigned or the sublicensing or subleasing of the Seller's rights or its Affiliate's rights in the applicable asset), under which the Purchaser would obtain the benefit and assume the obligations in respect thereof from and after the Closing Date in accordance with this Agreement, and under which the Seller would enforce for the benefit of the Purchaser any and all rights of the Purchaser against a third party thereto that the Purchaser directs in writing be enforced.

(ii) Costs. Except for Additional Costs, the Seller shall bear the costs of all such consents, permits, approvals, waivers, authorizations, licenses, and sublicenses contemplated by Section 6.7(b)(i). "Additional Costs" means any (i) costs attributable to new hardware or software functionality or features (e.g., software modules not used in or necessary for the conduct of the Business) that the Purchaser specifically requests the Seller in writing to obtain and (ii) increased maintenance or other similar ongoing costs initiated and required by the applicable third party, which increased costs shall be subject to the Purchaser's consent, as contemplated by Section 6.7(b)(i). Subject to the Services Agreement, the Purchaser shall bear all Additional Costs. Each Party will bear

and be responsible for the costs of its own personnel, counsel and other advisors associated with satisfying their respective obligations under this Section 6.7(b).

(iii) Judicial Recourse. In the event that the Party responsible for soliciting any third party consent, approval, waiver, authorization, license or sublicense contemplated by this Section 6.7(b) is, after using commercially reasonable efforts, unable to obtain the same on terms acceptable to the Party bearing the economic cost thereof, the Parties shall discuss in good faith the possibility of seeking an appropriate Order from the Court to effect the equitable assignment or transfer of the relevant Contract or Purchased Asset to the Purchaser.

(c) Governmental Approvals.

(i) In furtherance and not in limitation of Section 6.7(a), the Seller and the Purchaser shall cooperate with each other and shall use their respective reasonable best efforts to promptly prepare and file all necessary documentation to obtain the Governmental Approvals. The Seller and the Purchaser will furnish each other and each other's counsel with all reasonable information concerning themselves, their respective Affiliates, directors, officers, stockholders or equityholders and such other matters as may be necessary or advisable in connection with any application, petition or other statement made by or on behalf of the Seller or the Purchaser to Fannie Mae, Freddie Mac or any Insurance Regulator or other Governmental Entity in connection with the Transactions or the transactions contemplated by the Transaction Documents, including, but not limited to, the Seller making available to the Purchaser any and all policies, procedures and documentation that may be useful to the Purchaser in developing its policies, procedures and business practices for submission to Fannie Mae and Freddie Mac. The Seller shall prepare and submit the necessary documentation to obtain the Seller Required Governmental Approvals and the Purchaser shall prepare and submit the necessary documentation to obtain the Purchaser Required Governmental Approvals. Each Party acknowledges that time is of the essence in connection with the preparation and filing of the documentation referred to above. The Seller and the Purchaser shall each have the right to review and approve in advance all characterizations of the information relating to it and its Affiliates which appear in any filing made in connection with the Transaction with any Governmental Entity and, to the extent practicable, the Seller and the Purchaser shall provide to each other the non-confidential portions of any application for approval being made in connection with the Transactions with any Governmental Entity reasonably prior to the time such filing is made such that such other Party's reasonable comments may be considered in good faith by the filing Party prior to making such filing. In addition, the Seller, on the one hand, and the Purchaser, on the other, shall each furnish to the other a copy of each publicly available portion of such filing made in connection with the Transactions with any Governmental Entity promptly after its filing. The Seller and the Purchaser agree to (x) keep each other reasonably informed of any communication received from, or given to, any Governmental Entity regarding any Governmental Approval, and (y) consult with each other in advance of any meeting or conference with, any Governmental Entity in respect of any Governmental Approval and, to the extent not prohibited by

such applicable Governmental Entity, give the other Party the opportunity to attend and participate in such meetings and conferences.

(ii) Subject to the remaining provisions of this Section 6.7(c) and Section 7.6(c) of the CMG Stock Purchase Agreement, the Purchaser, (A) confirms that it has reviewed the published and publicly available requirements of Fannie Mae, Freddie Mac and, as applicable, other Governmental Entities with respect to obtaining the applicable Governmental Approvals and has consulted with legal and other advisors in connection with same and (B) agrees to use its reasonable best efforts to accept and comply, and cause its Affiliates to use their reasonable best efforts to accept and comply, with any condition or requirement (other than any conditions or requirements that relate to raising, contributing, committing, or maintaining capital or funding, maintaining capital ratios or are otherwise financial in nature, which conditions and requirements are addressed exclusively in clause (iii) of this Section 6.7(c)) imposed or sought to be imposed by any Governmental Entity on, to, or as part of, its approval of the Transactions or the transactions contemplated by the other Transaction Documents, provided that such condition or requirement is generally consistent with the conditions and requirements imposed on other participants in the mortgage insurance industry during the past five (5) years by such Governmental Entity; provided, however, that the Purchaser shall not be obligated to agree to or comply with any such condition or requirement to the extent such condition or requirement has or is reasonably expected to have a material adverse effect on (1) the Purchaser and its Affiliates, including the Purchaser Parent, taken as a whole, (2) the CMG Companies, PMAC, the PMI Business, and the CMG Business, taken as a whole or (3) the financial benefits reasonably expected to be derived from the Transactions by the Purchaser and its Affiliates.

(iii) The Purchaser acknowledges that Fannie Mae, Freddie Mac and/or other Governmental Entities may require that the Purchaser commit to contribute capital, or make capital available, to the CMG Companies and/or PMAC at or following Closing, or impose other conditions relating to maintaining capital ratios or that are otherwise financial in nature, as a condition on, to or as part of their approval of the Transactions, the transactions contemplated by the other Transaction Documents, or the expansion of the CMG business plan to include issuing insurance policies to non-credit union customers. Any such requirement or condition, as described in the immediately preceding sentence, is referred to as a "Financial Condition." The Purchaser shall (A) acting reasonably and in good faith, consider and discuss with the applicable Governmental Entities any such proposed Financial Conditions and (B) accept and comply with any Financial Condition sought to be imposed, following any discussions between the Purchaser and the applicable Governmental Entities, provided that such Financial Condition, when considered together with all other Financial Conditions sought to be imposed, is reasonably appropriate (taking into account CMG MI's business as of the Closing and the business plan for the CMG Companies included in the applicable application or submission to the relevant Governmental Entit(ies) in connection with obtaining the Purchaser Required Governmental Approvals, which business plan shall be prepared by the Purchaser in good faith) to support CMG MI's maintenance of risk-to-capital ratios following Closing that are generally consistent

with risk-to-capital ratios maintained by other active U.S. mortgage insurers who are in compliance with state minimum statutory or regulatory capital requirements (without reference to any waiver of such requirements issued by their domiciliary state's department of insurance), considered collectively, unless such acceptance or compliance with such Financial Condition and all other Financial Conditions sought to be imposed by Governmental Entities upon the Purchaser, its Affiliates, PMAC or the CMG Companies, taken together, has adversely affected in any material respect, or is reasonably expected to adversely affect in any material respect, (1) the Purchaser and its Affiliates, including the Purchaser Parent, taken as a whole, (2) the CMG Companies, PMAC, the PMI Business, and the CMG Business, taken as a whole or (3) the financial benefits reasonably expected to be derived from the Transactions by the Purchaser and its Affiliates.

(iv) Any condition or requirement of any Governmental Entity imposed or sought to be imposed upon the Purchaser, any Affiliate of the Purchaser, PMAC or any CMG Company as a condition on, to, or as part of its approval of the Transactions, the transactions contemplated by the other Transaction Documents, or the expansion of the CMG business plan to include issuing insurance policies to non-credit union customers that is inconsistent with, exceeds, or is outside the scope of the requirements and conditions which the Purchaser has agreed to accept or comply with or to use efforts to accept or comply with, pursuant to clause (ii) and clause (iii) of this Section 6.7(c) is referred to herein as an "Adverse Governmental Requirement." Anything to the contrary notwithstanding, the Purchaser shall have sole and absolute discretion regarding whether or not to accept or comply with any Adverse Governmental Requirement; provided, however, that in the event the Purchaser determines not to accept or comply with an Adverse Governmental Requirement, the Purchaser shall (A) provide to the Seller a copy of such Adverse Governmental Requirement (if the Purchaser was advised of such Adverse Governmental Requirement in writing) within five (5) Business Days after such determination by the Purchaser, (B) provide the Seller with ten (10) Business Days' prior written notice of its intention to advise the applicable Governmental Entity that the Purchaser will not accept or comply with such Adverse Governmental Requirement and (C) reasonably cooperate with the Seller during such period to determine if there are any mutually acceptable measures that may be taken to mitigate or eliminate the impact of such Adverse Governmental Requirement and otherwise satisfy the conditions to Closing hereunder.

6.8 Tax Matters.

(a) The Seller shall prepare or cause to be prepared and timely file or cause to be timely filed after the date of this Agreement (A) any Tax Returns the due date of which is on or prior to the Closing Date and (B) any Tax Returns of PMAC for all periods ending on or prior to the Closing Date, and shall pay, or cause to be paid, all Taxes due with respect to such Tax Returns. To the extent reasonably requested by the Seller, the Purchaser Parties shall cooperate with the Seller in the preparation and timely filing of all such Tax Returns, which shall be prepared in a manner consistent with past practice unless otherwise required by applicable Laws. The Seller shall submit such Tax Returns, or in the case of a consolidated or combined Tax Return, the portion of any such consolidated or combined Tax Return that relates to PMAC, to

the Purchaser Parties at least twenty (20) days prior to the due date for the filing of such Tax Returns or consolidated or combined Tax Returns (taking into account any extensions) for its review and timely comment, and the Seller shall reflect reasonable comments from the Purchaser Parties to the extent such comments are consistent with the standard set forth in the previous sentence, provided that such comments do not increase the Seller's Tax Liabilities with respect to any Pre-Closing Tax Period.

(b) The Purchaser Parties shall prepare or cause to be prepared and timely file or cause to be timely filed after the date of this Agreement (A) any Tax Returns of PMAC for all Straddle Periods (as defined below) and (B) any non-income Tax Returns of PMAC for all periods ending on or prior to the Closing Date, the due date (including extensions of time to file) of which is after the Closing Date (collectively, the "Post-Closing Tax Returns"). All such Post-Closing Tax Returns shall be prepared in a manner consistent with the past practice unless otherwise required by applicable Laws. In the event there are any non-income Tax Returns in respect of a Straddle Period ("Straddle Tax Returns"), the Purchaser Parties shall submit each such Straddle Tax Returns to the Seller at least twenty (20) days, or, in the case of non-income Tax Straddle Tax Returns, at least three (3) days prior to the due date for the filing of such Straddle Tax Returns (taking into account any extensions), and the Seller shall have the right to review and timely comment on such Straddle Tax Returns; the Purchaser Parties shall reflect reasonable comments from the Seller on such Straddle Tax Returns to the extent such comments are consistent with the standard set forth in the previous sentence.

(c) In the case of any claim with respect to Taxes (any such claim a "Tax Claim") associated with PMAC after the Closing Date that relates solely to Taxes for which the Purchaser Parties intends to seek indemnification pursuant to Article XI, the Seller shall control the conduct of such Tax Claim at their own expense; provided, however, that (i) the Purchaser Parties and its counsel shall have the right to fully participate in any Tax Claim at the Purchaser Parties' own expense, and (ii) the Seller shall not discharge, settle or otherwise dispose of any such Tax Claim without the prior written consent of the Purchaser Parties, not to be unreasonably withheld, conditioned or delayed; provided, further, that if the Seller fails to assume control of the conduct of any such Tax Claim within ninety (90) days following the receipt by the Seller of notice of such Tax Claim, the Purchaser Parties shall have the right to assume control of such Tax Claim and shall be able to discharge, settle or otherwise dispose of any such Tax Claim; provided, further that the Seller shall in any event control the conduct of any such Tax Claim that relates to Taxes imposed on the Seller (or that may affect Taxes of the Seller or a member of the combined or consolidated group that includes the Seller) or that relates to a combined or consolidated Tax Return that includes the Seller or that relates to a consolidated or combined Tax Return that includes PMAC on or prior to the Closing Date.

(d) After the Closing Date, except as provided in (c) above, the Purchaser Parties shall control and shall have the right to discharge, settle or otherwise dispose of all other Tax Claims with respect to PMAC.

(e) For purposes of this Agreement, in the case of any taxable period that begins before, but ends after, the Closing Date (a "Straddle Period"), the amount of Taxes attributable to the Pre-Closing Tax Period shall be calculated as follows: the amount of any Taxes that are based upon or measured by income, receipts, profits or wages, that are imposed in

connection with the sale or other transfer of property or services, or that are required to be withheld and collected, the amount of such Taxes that are attributable to the Pre-Closing Tax Period shall be determined on the basis of a closing of the books as of the end of the day before the Closing Date, and the amount of other Taxes of the Seller attributable to the Pre-Closing Tax Period shall equal the amount of such Tax for the entire taxable period multiplied by a fraction, the numerator of which is the number of days in the taxable period through and including the day before the Closing Date, and the denominator of which is the total number of days in the taxable period.

(f) Each of the Purchaser Parties and the Seller shall promptly notify the other Parties in writing of the commencement of any Tax Claim of which such Party or any of its respective Affiliates has been informed in writing by any Governmental Entity relating to Tax Returns of PMAC for any Pre-Closing Tax Period or of any such Tax Claim that could reasonably be expected to result in an indemnification obligation under this Agreement. Such written notice shall describe the asserted Tax Claim in reasonable detail and shall include copies of any notices and other documents received from any Governmental Entity in respect thereof; provided, however, that the failure of the notified Party to give the other Party notice as provided herein shall not relieve such other party of its obligations under this Section 6.8, except to the extent that such other Party is actually and materially prejudiced thereby.

(g) All stamp, recordation, transfer, excise, documentary, sales, use, registration and other such taxes and fees (including any penalties and interest) incurred in connection with this Agreement and the Transactions (collectively, the "Transfer Taxes") shall be paid 50% by the Purchaser and 50% by the Seller. The Purchaser shall properly file on a timely basis all necessary Tax Returns and other documentation with respect to any Transfer Tax and provide to the Seller evidence of timely filing and payment of all Transfer Taxes. The Parties shall cooperate in good faith to minimize, to the fullest extent possible under applicable Law, the amount of any such Transfer Taxes.

(h) The Purchaser and the Seller will each provide the other parties with such cooperation as may reasonably be requested in connection with the preparation of any Tax Return relating to PMAC, or the audit or other examination by any Governmental Entity or judicial or administrative Proceeding relating to Liability for Taxes of PMAC.

(i) Neither the Purchaser Parties, nor any of its Affiliates, nor PMAC shall make an election with respect to PMAC under Code Section 338.

(j) The Seller shall be entitled to any credits and refunds (including interest received thereon) in respect of a Pre-Closing Tax Period. If the Purchaser shall become aware that PMAC is entitled to claim a refund from a Governmental Entity in respect of a Pre-Closing Tax Period, the Purchaser shall promptly notify the Seller of the availability of such refund or credit claim and, unless in the Purchaser's reasonable judgment making such claim would be materially adverse to PMAC or its of their Affiliates, shall make a timely claim to such Governmental Entity for such refund. If PMAC receives a refund (including pursuant to a claim for refund made pursuant to the preceding sentence), in respect of a Pre-Closing Tax Period, PMAC shall, and the Purchaser shall cause PMAC to, within fifteen (15) days of the date such

receipt, pay the amount of such refund to the Seller, including any interest paid by the relevant Governmental Entity with respect to such refund.

(k) Prior to the Closing Date, the Seller shall cause the withdrawal of PMAC from any tax-sharing, allocation and indemnification agreements and arrangements to which PMAC is currently a party, to the effect that, after the Closing Date, PMAC shall not have any rights or obligations under any such agreements or arrangements. Such agreements shall have no further effect for any taxable year or period (whether a past, present or future year or period), and no additional payments shall be made thereunder on or after the Closing Date with respect to any period

(l) Seller shall comply with the requirements of all applicable state, city and/or local jurisdictions with respect to laws relating to bulk sales of assets or sales of assets outside the ordinary course of business which generally indicate that the tax affairs of the Seller as they relate to the conduct of the Business and the ownership and use of the Purchased Assets are in order, and that all Tax Liabilities relating to the operation of the Business and the ownership and use of the Purchased Assets are current, and shall provide to the Purchaser prior to Closing (i) evidence that all required filings have been made and (ii) a certificate or other similar confirmation from the relevant taxing Governmental Authorities that there is no Tax Liability to which the Purchaser may be subject under such Laws.

6.9 Further Assistance and Assurances. The Seller shall, at any time and from time to time (including, for the avoidance of doubt, following the Closing), promptly, upon the reasonable request of the Purchaser Parties, execute, acknowledge, deliver or perform all such further acts, deeds, assignments, transfers, conveyances and assurances as are reasonably necessary to effectuate the purposes of this Agreement or as may be required for the better vesting or conferring to the Purchaser of title in and to the Shares and the Purchased Assets and to effect the Transactions and the other transactions contemplated by Transaction Documents. The Purchaser Parties shall, at any time and from time to time (including, for the avoidance of doubt, following the Closing), promptly, upon the reasonable request of the Seller, execute, acknowledge, deliver or perform all such further acts, deeds, assumption agreements, transfers and assurances as are reasonably necessary to effectuate the purposes of this Agreement or as may be required for the full assumption and transfer to the Purchaser of the Assumed Liabilities and to effect the Transactions. Each Party agrees that if it receives any payment or amount after the Closing Date to which another Party is entitled, the recipient shall promptly transfer such payment or amount to the Party so entitled.

6.10 Escrow Agreements. Any fees due and payable to the Escrow Agent under the Escrow Agreement or the Indemnification Escrow Agreement (the "Escrow Agent Fees") shall be paid in full on or prior to the Closing Date; it being agreed that the Purchaser shall be responsible for fifty percent (50%) of the Escrow Agent Fees and that the Seller shall be responsible for the other fifty percent (50%) of the Escrow Agent Fees.

6.11 New Walnut Creek Lease. At or prior to the Closing, the Purchaser and the Seller's affiliate, PMI Plaza LLC, shall enter into the New Walnut Creek Lease. The Seller shall cause such Seller Affiliate to enter into the New Walnut Creek Lease at the Closing.

6.12 Services Agreement. At or prior to the Closing, the Purchaser and the Seller shall enter into the Services Agreement.

6.13 Quota Share Reinsurance Agreement. At or prior to the Closing, the Seller and an Affiliate of the Purchaser shall enter into the Quota Share Reinsurance Agreement.

6.14 Financial Statements. The Seller shall provide to the Purchaser Parties a copy of the statutory basis audited statements of financial condition of PMAC as of December 31, 2012 (including the notes thereto, if any), and the related statutory-basis audited statements of operations, changes in capital and surplus and cash flows for the fiscal year then ended as submitted to the Arizona Department of Insurance within thirty (30) calendar days of such submission.

6.15 PMAC Balance Sheet.

(a) Prior to the Closing, the Seller shall cause PMAC to sell, distribute or otherwise liquidate all of the securities, mortgages and other investments owned by PMAC ("PMAC Investments") such that there will be no PMAC Investments remaining on PMAC's balance sheet at the Closing. At the Closing, PMAC's cash or cash equivalents shall equal or exceed $7,000,000. To the extent that PMAC has cash or cash equivalents as of Closing exceeding $7,000,000, in the aggregate, the Purchase Price shall be increased by the amount of such excess. To the extent that PMAC has cash or cash equivalents as of Closing less than $7,000,000, in the aggregate, the Purchase Price shall be decreased by the amount of such shortfall.

(b) The Seller shall take such actions as are necessary to ensure that, as of the Closing, the balance sheet of PMAC will not show any liabilities (within the meaning of GAAP and SAP) other than liabilities (within the meaning of GAAP and SAP) relating to Insurance Contracts. Without limiting the foregoing, prior to Closing, the Seller shall cause all amounts owing to PMAC's auditors and all amounts owing to PMAC's Affiliates to be fully paid and discharged.

6.16 Termination of Affiliate Transactions.

(a) At or prior to the Closing, the Seller shall terminate all Affiliate Transactions (except as set forth on Section 6.16 of the Seller Disclosure Schedule) and the Seller and PMAC shall execute a termination and release agreement, which shall be in the form and substance of Exhibit L hereto (the "Releases"). Without limiting the foregoing, on or prior to the Closing, the Seller shall cause the withdrawal of PMAC from the Tax sharing agreement referenced in Section 4.15(b)(x) of the Seller Disclosure Schedule, to the effect that, after the Closing Date, PMAC shall not have any rights or obligations under such agreement.

(b) The Seller and the Purchaser shall enter into an agreement providing for the commutation of the Excess Share Primary Mortgage Reinsurance Agreement dated as of March 31, 1995, as amended, between CMG MI and PMI Insurance Co. (formerly known as PMI Reinsurance Co. and Residential Guaranty Co.), such commutation to become effective on the first Business Day after the Closing Date.

6.17 NMI Litigation. With respect to the litigation set forth on Schedule 6.17 (the "NMI Litigation"):

(a) The Purchaser shall have the option, to be exercised in the sole and absolute discretion of the Purchaser at any time after the date of this Agreement and up to the earlier of August 1, 2013 or the Closing Date, to have the NMI Litigation transferred and assigned by the Seller to the Purchaser, or an Affiliate of the Purchaser designated for the purpose (whichever is chosen, the "NMI Litigation Purchaser"), as set forth in Section 6.17(c).

(b) At the Closing, the Purchaser shall make a payment to the Seller in the amount of all out-of-pocket costs, fees and expenses incurred with respect to the prosecution of the NMI Litigation after the date of this Agreement and up to either (i) July 31, 2013, if the Purchaser has given written notice to the Seller on or before August 1, 2013, that it has decided (pursuant to Section 6.17(a)) not to have the NMI Litigation transferred and assigned to it at the Closing, or (ii) the Closing Date, and paid or intended to be paid by the Seller; provided, that commencing on the date of this Agreement and continuing through Closing Date, the Seller shall (A) consult on a regular basis with the NMI Litigation Purchaser concerning matters of litigation management and strategy, including without limitation, concerning strategic decisions and the selection or removal of legal counsel, experts, or any other professional advisors or consultants; (B) not settle all or any portion of the claims in the NMI Litigation without the prior written approval of the Purchaser (which right of approval is contingent on the Purchaser having given written notice to the Seller that it has decided (pursuant to Section 6.17(a)) to have the NMI Litigation transferred and assigned to it at Closing); and (C) use reasonable best efforts to ensure that any injunctive or other equitable relief secured by the Seller in the NMI Litigation will inure to the benefit of the purchaser of the assets that are the subject matter of the NMI Litigation.

(c) At the Closing, if the Purchaser has decided (pursuant to Section 6.17(a)) to have the NMI Litigation transferred and assigned to it at Closing:

(i) The NMI Litigation Purchaser shall be the successor in interest to all rights and claims pursued by the Seller in the NMI Litigation and available to the Seller arising out of or relating to the facts alleged in the then-operative complaint in the NMI Litigation.

(ii) If the NMI Litigation has been resolved (by settlement or otherwise) fully and finally prior to the Closing Date, the Seller shall (A) pay to the NMI Litigation Purchaser all proceeds received by the Seller, and shall make provision for payment to the NMI Litigation Purchaser of all proceeds yet to be received by the Seller, in connection with the resolution or settlement of the NMI Litigation (which proceeds shall be distributed pursuant to Section 6.17(d)); (B) cooperate in the filing of any papers or proceedings required to ensure that any injunctive or other equitable relief secured by the Seller in the NMI Litigation will inure to the benefit of the NMI Litigation Purchaser; and (C) otherwise take all commercially reasonable steps to cause the NMI Litigation Purchaser to receive all benefits with respect to and flowing from such resolution or settlement.

(iii) If the NMI Litigation has not been resolved fully and finally prior to the Closing Date, then effective as of the Closing, the Seller shall transfer and assign to the NMI Litigation Purchaser all causes of action, lawsuits, judgments, claims, refunds, choses in action, rights of recovery, remedies, rights of set-off, rights of recoupment, demands and any other rights or claims of any nature (including, without limitation, the right to seek and obtain injunctive or other equitable relief, compensatory and punitive damages, compensation for unjust enrichment, and other remedies intended to redress both ongoing and prior infringements, misappropriations, damages and/or all other harms), being pursued by the Seller in the NMI Litigation and that are available to the Seller arising out of or relating to the facts alleged in the then-operative complaint in the NMI Litigation. In connection with this transfer and assignment:

(A) Within thirty (30) days after the Closing Date, the NMI Litigation Purchaser shall have its attorney file appropriate pleadings and other documents and instruments with the court or other appropriate body within requesting that (1) the Seller be removed as a party plaintiff in the NMI Litigation and the NMI Litigation Purchaser be substituted therefor, as the real party-in-interest, and (2) any order that has been issued in the NMI Litigation granting preliminary relief to the Seller be modified as required to ensure that such relief will inure to the benefit of the NMI Litigation Purchaser (the "Request"). The Seller shall cooperate with these efforts, and shall prepare and execute such pleadings, documents, instruments or authorizations, and do all such other acts, as may be necessary to effectuate the Request. If the NMI Litigation Purchaser is unable, as a matter of applicable Law, or due to the actions or inactions of third parties unrelated to the NMI Litigation Purchaser and over whom the NMI Litigation Purchaser has no control, to cause the Seller to be replaced by the NMI Litigation Purchaser in the NMI Litigation, then the NMI Litigation Purchaser shall provide to the Seller, within sixty (60) days after the denial of the Request, notice to such effect.

(B) Commencing on the Closing Date, and regardless of whether the Seller continues to be a party in the NMI Litigation, the NMI Litigation Purchaser shall (1) have the right, in its sole and absolute discretion, to make all litigation management and strategic decisions relating to the NMI Litigation, to cease funding the NMI Litigation, to discontinue the NMI Litigation, and/or to make any settlement proposal or any settlement on any claim as it, in its sole and absolute discretion, may determine; (2) be responsible for payment of all costs, fees and expenses thereafter incurred with respect to the NMI Litigation by the NMI Litigation Purchaser; and (3) to the extent that the Seller is required to expend any resources in connection with the NMI Litigation on or after the Closing Date, reimburse the Seller for such expenditures (except with respect to any counterclaim that may be asserted against the Seller in the NMI Litigation and that is not based on the conduct or actions of the NMI Litigation Purchaser) within thirty (30) days after the NMI Litigation Purchaser's receipt from the Seller of an invoice for and proof of the Seller's payment of such expenditures.

(C) Commencing on the Closing Date and continuing until the grant of the Request, or, if the Request is denied, continuing until the full and final resolution (by settlement or otherwise) of the NMI Litigation, the Seller shall prosecute the NMI Litigation at the absolute direction and under the absolute control of the NMI Litigation Purchaser, which direction and control the NMI Litigation Purchaser shall exercise in its sole and absolute discretion; provided, that nothing herein shall be construed as requiring the Seller to prosecute the NMI Litigation in a manner that is inconsistent with ethical standards or the Seller's obligations to the Court or under applicable Law.

(D) Commencing on the Closing Date and regardless of whether the Seller continues to be a party in the NMI Litigation, the Seller shall cooperate fully with the NMI Litigation Purchaser in the prosecution of the NMI Litigation, including without limitation by making available to the NMI Litigation Purchaser all information relating to the NMI Litigation reasonably requested by the NMI Litigation Purchaser, consulting with the NMI Litigation Purchaser regarding the NMI Litigation at any time reasonably requested by the NMI Litigation Purchaser, filing any papers or proceedings reasonably required to ensure that any relief secured in the NMI Litigation will inure to the benefit of the NMI Litigation Purchaser, and executing such pleadings, documents, instruments or authorizations, and doing all such other acts, as the NMI Litigation Purchaser reasonably shall require.

(E) Commencing on the Closing Date, the Seller shall pay to the NMI Litigation Purchaser all proceeds received or to be received by the Seller, if any, in connection with the resolution (by settlement or otherwise) of the NMI Litigation, as such proceeds are received (which proceeds shall be distributed pursuant to Section 6.17(d)).

(d) The proceeds received by the NMI Litigation Purchaser, if any, in connection with the resolution (by settlement or otherwise) of the NMI Litigation, including without limitation proceeds paid to the NMI Litigation Purchaser by the Seller under Section 6.17(c)(ii)(A) or Section 6.17(c)(iii)(E), shall be applied by the NMI Litigation Purchaser as follows: first, to reimburse itself for all amounts paid under Section 6.17(b); second, should there be any balance remaining, to reimburse itself for all amounts paid under Section 6.17(c)(iii)(B); and third, should there be any balance remaining, to pay to the Seller an amount representing the repayment of salaries in amounts disclosed to the Purchaser in writing on or before the signing of this Agreement. Any balance remaining of the proceeds shall belong exclusively to the NMI Litigation Purchaser.

(e) Except with respect to any counterclaim based on the conduct or actions of the NMI Litigation Purchaser, the NMI Litigation Purchaser shall have no responsibility for payment of any costs, fees and expenses relating to, and no liability with respect to, any counterclaim that may be asserted against the Seller in the NMI Litigation.

6.18 No Solicitation.

(a) Subject to Section 6.18(b) and Section 6.18(f):

(i) the Seller shall, and shall cause its Representatives to, immediately cease any discussions or negotiations with any Persons that may be ongoing as of the date of this Agreement with respect to an Acquisition Proposal and any discussions that could reasonably be expected to lead to an Acquisition Proposal;

(ii) the Seller shall not, and shall not authorize or permit any of its Representatives to, directly or indirectly, (A) solicit, initiate or knowingly take any action to facilitate or encourage the submission of any Acquisition Proposal or the making of any proposal that could reasonably be expected to lead to an Acquisition Proposal, (B) enter into or participate in any discussions or negotiations with, or furnish any confidential information relating to the Seller, PMAC or the CMG Companies or afford access to the business, properties, assets, books or records of any of the Seller, PMAC or the CMG Companies to, any third party for the purpose of knowingly facilitating an Acquisition Proposal or any proposal that could reasonably be expected to lead to an Acquisition Proposal, (C) or approve, endorse or enter into any agreement in principle, letter of intent, term sheet, purchase agreement, merger agreement, acquisition agreement, option agreement or other similar instrument relating to an Acquisition Proposal or any proposal or offer that is intended to lead to an Acquisition Proposal or requires the Seller to terminate this Agreement (an "Alternative Acquisition Agreement"); and

(iii) following the date on which the Seller receives approval from the Court pursuant to a Sale Order, the Seller shall promptly request in writing that each Previous Bidder and its Representatives return to the Seller or destroy all confidential information and materials furnished to such Previous Bidders.

(b) Notwithstanding Section 6.18(a), if, on or prior to date on which PMI receives Court approval pursuant to the Sale Order, the Seller or any of its Representatives has received a written Acquisition Proposal from an unaffiliated third party that meets the criteria of a qualified bidder as set forth on Schedule 6.18 hereto (a "Potential Buyer"), which was not initiated or solicited in breach of this Section 6.18, then the Seller, directly or indirectly through its Representatives, may furnish to such Potential Buyer or its Representatives non-public information relating to the Seller, PMAC and the CMG Companies pursuant to an Acceptable Confidentiality Agreement; provided, that the Seller shall contemporaneously make available to the Purchaser any material non-public information relating to the Seller, PMAC and the CMG Companies that is made available to such Potential Buyer, which was not previously made available to the Purchaser; provided, however, that prior to taking any action described above in this Section 6.18(b), (i) the Receiver and the CUNA Mutual board of directors (the "CUNA Board") shall each determine in good faith, after consultation with outside legal counsel, that the failure to take such action would be reasonably likely to violate their respective fiduciary duties under applicable Law, (ii) in the event the Potential Buyer is a Previous Bidder, each of the Receiver and the CUNA Board shall also determine in good faith, based on the information then available and after consultation with their financial advisor and outside legal counsel, that such Acquisition Proposal constitutes a Superior Proposal and (iii) the Seller shall have notified the Purchaser of its intention to take such action. The Seller shall provide any commercially

sensitive non-public information to such Potential Buyer in connection with the actions contemplated by this Section 6.18(b) in a manner consistent with the Seller's past practice in dealing with the disclosure of such information during the process leading to this Agreement. The Seller shall require any Person submitting an unsolicited Acquisition Proposal to provide a copy of this Agreement and the CMG Stock Purchase Agreement (together, the "Purchase Agreements") marked to show any proposed changes to the terms of the Purchase Agreements that such Person would require to be included in the definitive agreements under which such proposal is to be consummated.

(c) Following the execution of an Acceptable Confidentiality Agreement, the Seller shall not engage in any discussions or negotiations, or execute an Alternative Acquisition Agreement, with a Potential Buyer if a Superior Proposal is received after the earlier of (i) the date that is three (3) weeks from the date such Acceptable Confidentiality Agreement is fully executed and (ii) the date that is one (1) week prior to the Seller's hearing with the Court to seek approval of the Transactions.

(d) In the event (i) each of the Receiver and the CUNA Board determine in good faith, based on the information then available and after consultation with its independent financial advisor and outside legal counsel, that an Acquisition Proposal from a Potential Buyer, whether or not a Previous Bidder, constitutes a Superior Proposal and (ii) each of the Receiver and the CUNA Board determine in good faith, after consultation with its financial advisor and outside legal counsel, that failure to do so would be reasonably likely to violate its fiduciary obligations under applicable Law, the Seller, directly or indirectly through its Representatives, may enter into or participate in discussions or negotiations with such Potential Buyer and its Representatives and may enter into an Alternative Acquisition Agreement with such Potential Buyer subject to compliance with Section 6.18(f).

(e) The Seller shall notify the Purchaser orally and in writing promptly (and, in any event, within 48 hours) after any Seller Representative Individual (i) receives any Acquisition Proposal or any offer or proposal that would be an Acquisition Proposal but for the Seller's determination that such offer or proposal does not constitute a bona fide economic proposal, (ii) receives any request for discussions regarding an Acquisition Proposal or any inquiry that specifically references or unambiguously implies the reasonable prospect of an Acquisition Proposal, or (iii) provides a confidentiality agreement or non-disclosure agreement or non-public information relating to the Assets to a Potential Buyer, which notice shall identify the Person or Potential Buyer making such Acquisition Proposal, request or inquiry, the nature of such inquiry or request, or, in the case of an Acquisition Proposal, the material terms and conditions of such Acquisition Proposal (including, if applicable, copies of any written requests, proposals or offers, including proposed agreements). The Seller shall keep the Purchaser reasonably informed on a prompt basis of any material developments, discussions or negotiations regarding any Acquisition Proposal (including any amendments thereto and any change in the Seller's intentions as previously notified) and shall provide copies of all correspondence and other written materials sent or provided to such Seller Representative Individual relating to any such material developments, discussions or negotiations. For purposes of this Section 6.18(e), a Seller Representative Individual shall not be deemed to have received any such offer, proposal, request or inquiry, unless such offer, proposal, request or inquiry was specifically directed to such Seller Representative Individual or such Seller Representative Individual otherwise

receives, or gains actual knowledge of, such offer, proposal, request or inquiry, in which case, such Seller Representative Individual shall be deemed to have received such offer, proposal, request or inquiry at the time such Seller Representative Individual receives, or gains actual knowledge of, such offer, proposal, request or inquiry.

(f) The Seller shall not terminate this Agreement pursuant to Section 10.1(d) to enter into an Alternative Acquisition Agreement with respect to any Acquisition Proposal, unless (i) each of the Receiver and the CUNA Board have determined in good faith, after consultation with its financial advisor and outside legal counsel, that such Acquisition Proposal constitutes a Superior Proposal, (ii) each of the Receiver and the CUNA Board have determined in good faith, after consultation with its financial advisor and outside legal counsel, that failure to do so would be reasonably likely to violate its fiduciary obligations under applicable Law, (iii) the Seller shall have complied with its obligations under this Section 6.18 with respect to such Superior Proposal and (iv) the Seller promptly notifies the Purchaser in writing, at least five (5) Business Days before taking such action (the "Notice Period"), of the Seller's determination that such Acquisition Proposal constitutes a Superior Proposal and of its intention to take such action. The requirements of Section 6.18(e) shall apply during the pendency of the Notice Period. During the Notice Period, the Seller shall, and shall cause its Representatives to, negotiate with the Purchaser in good faith to make such adjustments to the terms of this Agreement and/or the CMG Stock Purchase Agreement and the other Transaction Documents (within the meaning hereof and within the meaning of the CMG Stock Purchase Agreement) as may make such Acquisition Proposal cease to constitute a Superior Proposal, if the Purchaser, in its sole direction proposes any such adjustments. If, after the commencement of the Notice Period, there is any material revision to the terms of such Acquisition Proposal, including any revision in price, the Notice Period shall be extended, if applicable, to ensure that at least three (3) Business Days remain in the Notice Period subsequent to the time the Seller notifies the Purchaser of any such material revision (it being agreed that, subject to the remaining provisions hereof, multiple extensions are possible). If the Purchaser proposes any adjustment to the terms of this Agreement and/or the CMG Stock Purchase Agreement and the other Transaction Documents (within the meaning hereof and within the meaning of the CMG Stock Purchase Agreement) (a "Revised Proposal"), the Seller shall not be permitted to enter into an Alternative Acquisition Agreement with respect to such Acquisition Proposal unless, after taking into account such Revised Proposal, (x) each of the Receiver and the CUNA Board have determined in good faith, after consultation with its financial advisor and outside legal counsel, that such Acquisition Proposal continues to constitute a Superior Proposal, (y) each of the Receiver and the CUNA Board have determined in good faith, after consultation with its financial advisor and outside legal counsel, that failure to do so would be reasonably likely to violate its fiduciary obligations under applicable Law and (z) the Seller shall have complied with its obligations under this Section 6.18 during the Notice Period (as extended, if applicable). Notwithstanding the foregoing, in the event that the Notice Period has been extended at least twice and the Purchaser submits one or more Revised Proposals during the Notice Period, as so extended, that result in such Acquisition Proposal ceasing to constitute a Superior Proposal and the Potential Buyer makes a further revision to such Acquisition Proposal that results in such Acquisition Proposal constituting a Superior Proposal, as determined by the Seller in accordance with the foregoing clauses (x) and (y), then (1) the Notice Period shall be extended for an additional period of not less than five (5) Business Days following the Seller's notice to the Purchaser of such further revised Acquisition Proposal, (2) each of the Purchaser and such Potential Buyer shall be given the opportunity to

submit, prior to the end of such extended Notice Period, a "best and final" proposal, incorporating any modifications to the Purchaser's most recent proposal and such Acquisition Proposal, as applicable, that the Purchaser or such Potential Buyer elects to make in its sole discretion and (3) the Seller shall select between such "best and final" proposals, it being understood that the Seller shall not enter into an Acquisition Agreement with respect to such Potential Buyer's revised Acquisition Proposal unless the requirements of the foregoing clauses (x) through (z) have been satisfied in respect thereof.

(g) The Seller agrees that in the event any of its Representatives takes any action which, if taken by the Seller, would constitute a breach of this Section 6.18, then the Seller shall be deemed to be in breach of this Section 6.18.

(h) As used in this Agreement:

(i) "Acceptable Confidentiality Agreement" means a confidentiality agreement that contains provisions that are no less favorable in the aggregate to the Seller than those contained in the Confidentiality Agreement.

(ii) "Acquisition Proposal" means any bona fide economic proposal or offer received by the Seller or any of its Representatives from any unaffiliated third party that involves the acquisition of all of the Purchased Assets, other than a de minimis portion thereof, PMAC and the CMG Companies (collectively, the "Assets"). In determining whether a proposal or offer is a bona fide proposal or offer, the Seller shall take into consideration, among other items, (i) the financial capabilities of such unaffiliated third party and the terms and likelihood of receipt of any required third party financing, (ii) the likelihood of the consummation of the transactions to be consummated in connection with such proposal or offer, including the conditions contemplated by such proposal or offer, the additional due diligence required by such third party, if any, and the likelihood of such third party receiving all required Governmental Approvals and other required consents for such proposed transactions in a timely manner and (iii) the aggregate consideration to be paid by such unaffiliated third party to the Seller in connection with such proposal or offer.

(iii) "Previous Bidder" means a Potential Buyer that at any time since March 14, 2012, (i) signed a confidentiality agreement in contemplation of its possible submission of a proposal for the Seller, any or all of the Seller's assets or any or all of the CMG Companies, regardless of whether a proposal was actually submitted, (ii) was provided a confidentiality agreement with an opportunity to gain access to non-public information relating to any or all of the Seller, PMAC or the CMG Companies and did not sign such confidentiality agreement, (iii) was given access to non-public information regarding any or all of the Seller, PMAC or the CMG Companies in connection with such Potential Buyer's consideration of a proposal for the Seller any or all of the Seller's assets or any or all of the CMG Companies, (iv) was otherwise offered the opportunity to sign a confidentiality agreement and advised the Seller's financial advisors that they declined the opportunity to do so, or (v) submitted a proposal for any or all of the Seller's assets or any or all of the CMG Companies.

(iv) "Seller Representative Individual" means (i) any director or officer of a Seller with the title ranking not less than senior vice president, (ii) Joseph M. Hennelly, Jr. of Hennelly & Steadman, PLC, (iii) any partner or officer of Lazard Fréres & Co. LLC, (iv) any partner or officer of any other financial advisors engaged by the Receiver to assist with the Transactions, and (v) the Special Deputy Receiver of PMI; provided, that, with respect to clauses (iii) and (iv), such partner or officer is involved in the representation of a Seller for the purposes of the Transactions.

(v) "Superior Proposal" means an unsolicited, bona fide, written Acquisition Proposal received from a Potential Buyer that (A) the Receiver concludes in good faith to be more favorable from a financial point of view than the Transactions and the transactions contemplated by the Transaction Documents (within the meaning hereof and within the meaning of the CMG Stock Purchase Agreement), considered in their entirety, including the Break-Up Fee contemplated herein and in the CMG Stock Purchase Agreement that would be payable if such Superior Proposal were pursued, and (B) the CUNA Board concludes in good faith to be more favorable from a financial point of view than the transactions contemplated by the Transaction Documents (within the meaning of the CMG Stock Purchase Agreement), considered in their entirety, including the Break-Up Fee contemplated in the CMG Stock Purchase Agreement that would be payable if such Superior Proposal were pursued, and that in each case contains terms that are no less favorable to the Seller and CUNA Mutual than those set forth in this Agreement and the CMG Stock Purchase Agreement, (i) after receiving the advice of its financial advisors, (ii) after taking into account the likelihood of consummation of such transaction on the terms set forth therein, giving due consideration to all of the conditions contemplated therein and the likelihood of receipt of all required Governmental Approvals and other third party consents (iii) after taking into account all legal (with the advice of outside counsel), financial (including the financing terms of any such proposal and the conditions to any required third party financing), regulatory and other aspects of such proposal (including any expense reimbursement provisions and conditions to closing) and any other relevant factors permitted under applicable Law, (iv) after considering the ability of the Potential Buyer to perform its obligations under any services or other agreements to be performed after consummation of such Acquisition Proposal and (v) after taking into account any revisions to the terms of this Agreement and the CMG Stock Purchase Agreement proposed by the Potential Buyer, as contemplated by Section 6.18(b).

6.19 Purchaser Acknowledgments. Notwithstanding anything to the contrary contained herein, neither the Seller nor any of its Affiliates makes any representation or warranty with respect to, and nothing contained in this Agreement, the Transaction Documents or any other agreement, document or instrument to be delivered in connection with the transactions contemplated hereby or thereby is intended or shall be construed to be a representation or warranty (express or implied) of the Seller or any of its Affiliates, for any purpose of this Agreement, the Transaction Documents or any other agreement, document or instrument to be delivered in connection with the transactions contemplated hereby or thereby, with respect to: (i) the adequacy or sufficiency of any of the Insurance Reserves with respect to the Business, (ii) other than as set forth in Section 4.23, whether or not such Insurance Reserves were determined in accordance with any actuarial, statutory or other standard, (iii) the future profitability of the

Business or (iv) the effect of the adequacy or sufficiency of such Insurance Reserves on any "line item" or asset, liability or equity amount. Furthermore, each of the Purchaser Parties acknowledges and agrees that no fact, condition, development or issue relating to the adequacy or sufficiency of the Insurance Reserves may be used, directly or indirectly, to demonstrate or support the breach of any representation, warranty, covenant or agreement contained in this Agreement, the Transaction Document or any other agreement, document or instrument to be delivered in connection with the transactions contemplated hereby and thereby.

6.20 Consultation. The Seller agrees to consult with the Purchaser in connection with the implementation of the strategic plans for and the ongoing operations of the PMI Platform and/or PMAC, including, without limitation, disclosing to and discussing with the Purchaser any material deviation from such plans prior to implementation of such deviation. The Seller agrees to consider in good faith the Purchaser's views regarding the proposed plans and any material deviation from such plans.

6.21 Data Exchange Contracts. The Seller shall use reasonable best efforts to obtain such third party consents and to cause such actions as may be required to permit PMAC to enjoy the benefits that PMAC currently enjoys under the Data Exchange Contracts, including use of the Seller's mortgage insurer ID number.

ARTICLE VII

COURT MATTERS

7.1 Court Matters.

(a) Following the execution of this Agreement, the Seller shall file a petition, including any supporting declarations, affidavits and other documents or information seeking entry by the Court of the Sale Order.

(b) The Purchaser agrees to promptly take, and to cause the Purchaser Parent to promptly take, such actions as are reasonably requested by the Seller to assist in obtaining entry of the Sale Order and any other order of the Court reasonably necessary to consummate the transactions contemplated by this Agreement, including furnishing declarations, affidavits or other documents or information for filing with the Court and providing necessary assurances of performance by the Purchaser Parties under this Agreement; provided, however, in no event shall the Purchaser Parties or any other Party be required to agree to any amendment of this Agreement.

(c) The Seller shall provide the Purchaser with copies of all motions, applications, pleadings, notices, proposed orders and other court filings relating to the Shares, the Purchased Assets, this Agreement or the transactions contemplated therein, at least two (2) business days prior to the filing thereof, unless the exigencies of time prevent the period from being that long, with the Court so as to allow the Purchaser to provide reasonable comments for incorporation into same.

(d) In the event the Sale Order is appealed, the Purchaser Parties and the Seller shall cooperate and work diligently and in good faith to defend such appeal at each such Party's own cost and expense.

(e) The Seller further covenants and agrees that, after the entry of the Sale Order, the terms of any rehabilitation, liquidation or other plan or other petition it submits to the Court, or any other court for confirmation or sanction, shall not conflict with, supersede, abrogate, nullify or restrict the terms of this Agreement or the Sale Order, or in any way prevent or interfere with the consummation or performance of the transactions contemplated by this Agreement.

(f) The Parties acknowledge that (i) the Closing contemplated hereunder and the Closing contemplated under the CMG Stock Purchase Agreement cannot be consummated without the approval of the Court pursuant to the Sale Order and that (ii) the Seller will not be permitted to pay the Break-Up Fee to the Purchaser if and when payable hereunder, unless the Court has theretofore approved such payment pursuant to the Sale Order. Without limiting any other provision of this Agreement, the Seller shall use its reasonable best efforts to obtain approval of the Court to pay the Break-Up Fee to the Purchaser upon the termination of this Agreement pursuant to Section 10.1(d) or Section 10.1(e).

ARTICLE VIII

CLOSING CONDITIONS

8.1 Conditions to Each Party's Obligations under this Agreement. The respective obligations of each Party under this Agreement shall be subject to the fulfillment at or prior to the Closing Date of the following conditions, none of which may be waived:

(a) Injunctions. None of the Parties shall be subject to any order, decree or injunction of a court or agency of competent jurisdiction, and no statute, rule or regulation shall have been enacted, entered, promulgated, interpreted, applied or enforced by any Governmental Entity or Insurance Regulator, that enjoins or prohibits the consummation of the Transactions and none of the foregoing shall be pending.

(b) Court Approval. The Court shall have entered the Sale Order and such order shall be a Final Order that is in form and substance reasonably acceptable to the Seller and the Purchaser.

(c) Governmental Approvals. All Governmental Approvals specified on Schedule 8.1(c) shall have been obtained and shall remain in full force and effect and all waiting periods relating thereto shall have expired.

8.2 Conditions to the Obligations of the Purchaser Parties under this Agreement. The obligations of the Purchaser Parties under this Agreement shall be further subject to the satisfaction of the conditions set forth in this Section 8.2 (which may be waived by the Purchaser, in its sole discretion, in whole or in part) at or prior to the Closing Date.

(a) Representations and Warranties. Each of the representations and warranties of the Seller set forth in this Agreement shall be true and correct (in each case without giving effect to any qualifications as to materiality, Material Adverse Effect or similar qualifications) in all respects as of the date of this Agreement and as of the Closing Date with the same effect as though all such representations and warranties had been made as of the Closing Date (except to the extent such representations and warranties speak as of an earlier date, in which case they shall be true and correct as though made on and as of such specified date), except where any failure of such representations and warranties to be true and correct (in each case without giving effect to any qualifications as to materiality, Material Adverse Effect or similar qualifications), individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect; provided, however, that, notwithstanding the foregoing, each of the Seller Fundamental Representations shall be true and correct in all respects as of the date of this Agreement and as of the Closing Date with the same effect as though all such representations and warranties had been made as of the Closing Date. The Seller shall have delivered to the Purchaser a certificate to the effect of the foregoing, dated as of the Closing Date, in form and substance reasonably acceptable to the Purchaser, signed by an officer of the Seller.

(b) Agreements and Covenants. The Seller shall have performed in all material respects all obligations and complied in all material respects with all agreements or covenants to be performed or complied with by it pursuant to this Agreement, other than Section 6.2, at or prior to the Closing Date, and the Purchaser shall have received a certificate to such effect, dated as of the Closing Date, in form and substance reasonably acceptable to the Purchaser, signed by an officer of the Seller.

(c) No Material Adverse Effect. From the date of this Agreement to the Closing, there shall not have occurred a Material Adverse Effect or any event, circumstance, development, occurrence or change that would reasonably be expected to have a Material Adverse Effect.

(d) CMG Stock Purchase Agreement. The closing of the transactions contemplated by the CMG Stock Purchase Agreement shall have occurred.

(e) Governmental Approvals. All of the Governmental Approvals specified on Schedule 8.2(e) shall have been obtained. None of the Governmental Approvals shall include, require or involve an Adverse Governmental Requirement.

(f) Third Party Consents. Each of those certain Third Party Consents that the Purchaser and the Seller have agreed are required to be obtained as a condition precedent to Closing shall have been obtained and written evidence of such Third Party Consents shall have been provided to the Purchaser.

(g) Employees. At least seventy percent (70%) of all Specified Business Employees shall have accepted offers of employment with the Purchaser.

8.3 Conditions to the Obligations of the Seller under this Agreement. The obligations of the Seller under this Agreement shall be further subject to the satisfaction of the conditions set

forth in this Section 8.3 (which may be waived by the Seller, in its sole discretion, in whole or in part) at or prior to the Closing Date.

(a) Representations and Warranties. Each of the representations and warranties of the Purchaser set forth in this Agreement shall be true and correct (in each case without giving effect to any qualifications as to materiality, material adverse effect or similar qualifications) in all respects as of the date of this Agreement and as of the Closing Date with the same effect as though all such representations and warranties had been made as of the Closing Date (except to the extent such representations and warranties speak as of an earlier date, in which case they shall be true and correct as though made on and as of such specified date), except where any failure of such representations and warranties to be true and correct (in each case without giving effect to any qualifications as to materiality, material adverse effect or similar qualifications), individually or in the aggregate, would not reasonably be expected to have a material adverse effect on the Purchaser Parties' ability to consummate the Transactions or perform their obligations hereunder; provided, however, that, notwithstanding the foregoing, each of the Purchaser Fundamental Representations shall be true and correct in all respects as of the date of this Agreement and as of the Closing Date with the same effect as though all such representations and warranties had been made as of the Closing Date. The Purchaser shall have delivered to the Seller a certificate to the effect of the foregoing, dated as of the Closing Date, in form and substance reasonably acceptable to the Seller, signed by an officer of the Purchaser.

(b) Agreements and Covenants. The Purchaser shall have performed in all material respects all obligations and complied in all material respects with all agreements or covenants to be performed or complied with by it pursuant to this Agreement at or prior to the Closing Date, and the Seller shall have received a certificate to such effect, dated as of the Closing Date, in form and substance reasonably acceptable to the Seller, signed by an officer of the Purchaser.

(c) No Bankruptcy or Receivership. Neither of the Purchaser Parties nor any other Person shall have filed any petition or commenced any Proceeding with respect to the Purchaser Parties under any provision or chapter of the United States Bankruptcy Code or any other similar federal or state law relating to insolvency, bankruptcy, rehabilitation, liquidation or reorganization, the Purchaser Parties shall have not have made a general assignment for the benefit of their respective creditors and no Order for relief shall have been entered against either of the Purchaser Parties under any state law relating to insolvency, bankruptcy, rehabilitation, liquidation or reorganization of a Purchaser Party. The Purchaser Parties shall not be subject to any Order appointing a custodian, trustee or receiver for either of the Purchaser Parties or all or any material portion of its assets or authorizing the taking of possession of the assets of either of the Purchaser Parties.

(d) CMG Stock Purchase Agreement. The closing of the transactions contemplated by the CMG Stock Purchase Agreement shall have occurred.

ARTICLE IX

CLOSING DELIVERIES AND RELATED ITEMS

9.1 Closing Deliveries.

(a) Deliveries by the Seller. At or prior to the Closing, the Seller shall deliver, or cause to be delivered, to the Purchaser:

(i) a receipt for payment of the Purchase Price;

(ii) a certificate executed by an officer of the Seller, as to the Seller's compliance with the conditions set forth in Section 8.2(a) and Section 8.2(a);

(iii) stock certificates representing all of the Shares, accompanied by stock powers duly executed in blank or duly executed instruments of transfer;

(iv) all Transaction Documents to which the Seller or an Affiliate of the Seller is a party, dated as of the Closing Date and duly executed by such Seller;

(v) evidence of the release of all Liens, other than Permitted Liens, on the Shares and the Purchased Assets;

(vi) an assignment and assumption of leases in the form of and substance of Exhibit I hereto with respect to the Real Property Leases;

(vii) a termination or modification of the Existing Walnut Creek Lease such that it no longer affects the premises to be leased to the Purchaser under the New Walnut Creek Lease;

(viii) a certificate of non-foreign status as described in Section 1.1445-2(b)(2) of the Treasury Regulations, which shall be in the form and substance of Exhibit M hereto (a "FIRPTA Certificate");

(ix) except as otherwise specified by the Purchaser, resignations from each officer and director of PMAC, in form and substance reasonably acceptable to the Purchaser; and

(x) such other agreements, certificates, instruments and documents as the Purchaser may reasonably request in order to fully consummate the transactions contemplated by and carry out the purposes and intent of this Agreement.

(b) Deliveries by the Purchaser. At or prior to the Closing, the Purchaser shall deliver to the Seller:

(i) the Purchase Price by wire transfer to the account designated by the Seller;

(ii) evidence of the funding of the Indemnification Escrow Amount;

(iii) a certificate executed by an officer of each of the Purchaser Parties, as to the Purchaser Parties' compliance with the conditions set forth in Section 8.3(a) and Section 8.3(b);

(iv) all Transaction Documents between the Purchaser or any Affiliate of the Purchaser and the Seller or any Affiliate of the Seller, dated as of the Closing Date and duly executed by such Purchaser; and

(v) such other agreements, certificates, instruments and documents as the Seller may reasonably request in order to fully consummate the transactions contemplated by and carry out the purposes and intent of this Agreement.

ARTICLE X

TERMINATION

10.1 Termination Events. This Agreement may be terminated, by written notice given at any time prior to the Closing Date:

(a) subject to the final paragraph of this Section 10.1, (i) by the Purchaser if a material breach of any provision of this Agreement has been committed by the Seller or if any representation or warranty of the Seller herein is breached (and such breach has not been waived by the Purchaser in writing) and such breach or inaccuracy would reasonably be expected to result in the conditions to Closing set forth in Section 8.2(a) not being satisfied or (ii) by the Seller if a material breach of any provision of this Agreement has been committed by either of the Purchaser Parties or if any representation or warranty of the Purchaser Parties herein is breached (and such breach has not been waived by the Seller in writing) such breach or inaccuracy would reasonably be expected to result in the conditions to Closing set forth in Section 8.1(a) not being satisfied or; provided, that if such breach is capable of being cured a Party may not terminate this Agreement under this Section 10.1(a) until a period of sixty (60) days has expired from the date of notice of such breach without such breach having been cured;

(b) by mutual consent of the Purchaser Parties and the Seller;

(c) subject to the final paragraph of this Section 10.1, by the Purchaser Parties or the Seller if the Closing has not occurred on or before the Termination Date;

(d) by the Seller, if the Seller and CUNA Mutual have received a Superior Proposal and in accordance with Section 6.18 of this Agreement have entered into an Alternative Acquisition Agreement with respect to such Superior Proposal; or

(e) by the Purchaser if either the Seller or any CMG Company has entered into an Alternative Acquisition Agreement.

Notwithstanding anything in this Section 10.1 to the contrary, no Party may terminate this Agreement pursuant to paragraphs (a) or (c) above if its failure to perform any of its obligations or covenants, or the inaccuracy of any of its representations or warranties, under this

Agreement has been the principal cause of, or has resulted in, the event or condition purportedly giving rise to a right to terminate this Agreement under such paragraph.

10.2 Effect of Termination.

(a) Except as otherwise set forth herein, if this Agreement is terminated pursuant to Section 10.1, all further obligations of the Parties under this Agreement shall terminate without liability of any party (or any stockholder, member, partner, director, manager, officer, employee, agent, consultant or representative of such party) to the other parties to this Agreement, except that (i) the obligations in Section 6.1(b), Section 10.2, Article XI, and Article XIII will survive such termination and (ii) nothing herein shall relieve any Party from Liability for its fraud or intentional breach of its covenants or agreements contained in this Agreement. For this purpose, "intentional" means an action or omission that the breaching Party takes or omits to take with the intent of breaching of this Agreement.

(b) Upon termination of this Agreement in accordance with Section 10.1(a)(ii), the Deposit will be released to the Seller.

(c) Upon termination of this Agreement pursuant to Section 10.1(d) or Section 10.1(e), (i) the Seller shall pay the Purchaser the Break-Up Fee within five (5) Business Days following such termination by wire transfer of immediately available funds to an account designated by the Purchaser and (ii) receipt of the Break-Up Fee shall be the sole and exclusive remedy of the Purchaser Parties for such termination.

ARTICLE XI

INDEMNIFICATION; REMEDIES

11.1 Survival of Representations, Warranties and Covenants.

(a) The representations and warranties of the Parties contained in this Agreement shall survive for eighteen (18) months after the Closing Date, except that (i) each Seller Fundamental Representation and each Purchaser Fundamental Representation shall survive for five (5) years after the Closing Date and (ii) the representations and warranties set forth in Section 4.15 (Tax Matters) shall survive the Closing and continue until thirty (30) calendar days after the expiration of the applicable statute of limitations. Neither the Purchaser nor the Seller shall have any obligation to indemnify any Seller Indemnified Party or Purchaser Indemnified Party, as the case may be, with respect to any claim for breach of any representation or warranty first asserted in accordance with this Article XI after the expiration of the survival period specified therefor in this Section 11.1(a).

(b) The Parties' covenants and agreements hereunder shall survive Closing in accordance with their terms, subject to this Section 11.1(b). Neither the Purchaser nor the Seller shall have any obligation to indemnify any Seller Indemnified Party or Purchaser Indemnified Party, as the case may be, with respect to any claim for breach of any covenant or agreement contained in Article VI of this Agreement that is to be performed prior to the Closing unless such

claim is first asserted in accordance with this Article XI within ninety (90) days following the Closing.

(c) No Seller Indemnified Party or Purchaser Indemnified Party shall be entitled to be indemnified or held harmless pursuant to this Article XI unless such party delivers written notice of its claim for indemnification to the Party from whom indemnification is sought on or prior to the expiration of the applicable survival period set forth above. Any claims for indemnification asserted in writing prior to the end of the applicable periods set forth above shall survive until the final resolution thereof.

11.2 Indemnification by the Seller. Subject to the limitations set forth in this Article XI, from and after the Closing, the Seller shall indemnify, defend and hold harmless the Purchaser Parties, their Affiliates and their respective officers, directors, employees and agents (collectively, the "Purchaser Indemnified Parties") from and against any Covered Losses incurred by such Purchaser Indemnified Party as a result of or arising out of:

(a) any breach or inaccuracy of any representation or warranty of the Seller contained in Article IV of this Agreement or in the certificates provided by the Seller pursuant to Section 8.2(a) and Section 8.2(b) or any breach of Section 6.2;

(b) any failure by the Seller to comply with any covenant or agreement in this Agreement, other than in Section 6.2, which is to be performed by the Seller before the Closing;

(c) any failure by the Seller to comply with any covenant or agreement in this Agreement which is to be performed by the Seller after the Closing; or

(d) any (i) assertion by any PMI Personnel of ownership or other rights in or to any of the Seller Owned Intellectual Property, other than as expressly contemplated by the final sentence of Section 4.18(n), (ii) failure of the Seller to transfer sole ownership of any Seller Owned Intellectual Property, free and clear of all Liens except for Permitted Liens and the rights expressly contemplated in Section 4.18(q) of the Seller Disclosure Schedule, or (iii) inability of the Purchaser to prove ownership of any Seller Owned Intellectual Property or components thereof created by any PMI Personnel due to the absence of executed agreements between the Seller and such PMI Personnel transferring or agreeing to transfer ownership in their contributions to such Seller Owned Intellectual Property.

11.3 Indemnification by the Purchaser . Subject to the limitations set forth in this Article XI, from and after the Closing the Purchaser shall indemnify, defend and hold harmless the Seller, its Affiliates and their respective officers, directors, employees and agents (collectively, the "Seller Indemnified Parties") from and against any Covered Losses incurred by such Seller Indemnified Party as a result of or arising out of:

(a) any breach or inaccuracy of any representation or warranty of the Purchaser contained in Article V of this Agreement or in the certificates provided by the Purchaser pursuant to Section 8.3(a) and Section 8.3(b);

(b) any failure by the Purchaser to comply with any covenant or agreement in this Agreement which is to be performed by the Purchaser before the Closing; or

(c) any failure by the Purchaser to comply with any covenant or agreement in this Agreement which is to be performed by the Purchaser after the Closing.

11.4 Limitations on Indemnification Obligations of the Seller. Notwithstanding any other provision of this Agreement:

(a) the Seller shall not be liable under Section 11.2(a) or Section 11.2(d) until the aggregate amount of Covered Losses under such sections for which notice was timely received in accordance with Section 11.1 exceeds one million dollars ($1,000,000) (the "Basket Amount"), at which time the Seller shall be liable for all such Covered Losses (including all Covered Losses included within such Basket Amount) in accordance with the provisions hereof, except that claims related to any breach of or inaccuracy in (i) the Seller Fundamental Representations, (ii) the representations and warranties set forth in Section 4.15 (Tax Matters) shall not be subject to any such limits;

(b) the Seller shall not be liable under Section 11.2(a) or Section 11.2(d) for any Covered Loss under such section (including any series of related Covered Losses) unless such Covered Loss (including any series of related Covered Losses) equals or exceeds $25,000 (the "De Minimis Threshold"), nor shall any Covered Loss under such section that does not meet the De Minimis Threshold be considered in determining whether the Basket Amount has been met; provided, however, that any claims based upon a breach of or inaccuracy in the Seller Fundamental Representations or the representations and warranties set forth in Section 4.15 (Tax Matters) shall not be subject to the De Minimis Threshold;

(c) subject to the terms hereof, other than with respect to claims related to any breach of or inaccuracy in (i) the Seller Fundamental Representations, (ii) the representations and warranties set forth in Section 4.15 (Tax Matters), (iii) the covenants and agreements set forth in Section 6.8 (Tax Matters) or (iv) the covenants and agreements set forth in Article VII (Court Matters), the aggregate liability of the Seller for Covered Losses arising pursuant to Section 11.2(a), Section 11.2(b) or Section 11.2(d) is, and shall be, limited to an aggregate amount (the "Seller's Indemnification Cap") equal to ten million dollars ($10,000,000) and, except with respect to claims related to breaches or inaccuracies in the provisions contemplated in clauses (i) through (iv) above, the Purchaser Parties, on behalf of themselves, their Affiliates and all Purchaser Indemnified Parties, agree (A) not to seek indemnification for the portion of any Covered Losses arising pursuant to Section 11.2(a), Section 11.2(b) or Section 11.2(d) that exceeds the Seller's Indemnification Cap for any and all such Covered Losses sustained or incurred by any and all Purchaser Indemnified Parties, (B) that all claims for such Covered Losses are payable solely from the Indemnification Escrow Fund and (C) that, after the exhaustion of the Indemnification Escrow Amount, all claims against the Seller with respect to such Covered Losses shall be extinguished and shall not thereafter revive and no Purchaser Indemnified Party shall have any further claim thereafter against the Seller for any shortfall;

(d) with respect to claims related to any breach of or inaccuracy in (i) the Seller Fundamental Representations, (ii) the representations and warranties set forth in Section 4.15 (Tax Matters), (iii) the covenants and agreements set forth in Section 6.8 (Tax Matters) and (iv) the covenants and agreements set forth in Article VII (Court Matters), the Purchaser Parties, on behalf of themselves, their Affiliates and all Purchaser Indemnified Parties, agree to first seek

indemnification for such Covered Losses from the Indemnification Escrow Fund and following exhaustion of the Indemnification Escrow Amount, directly from the Seller.

(e) notwithstanding any provision of this Agreement to the contrary, any Covered Losses arising from fraud, intentional misrepresentation based on the representations and warranties set forth in Article IV or willful and malicious breaches of this Agreement by the Seller shall not be subject to this Section 11.4 or any other limitation set forth in this Agreement; and

(f) in determining whether a representation, warranty, covenant or agreement has been breached for purposes of the Seller's obligations to indemnify the Purchaser Indemnified Parties under Section 11.2(a) and determining the amount of any Covered Losses, "materiality", "Material Adverse Effect" and other similar materiality qualifiers contained in any such representation, warranty, covenant or agreement shall be disregarded; provided, however, that the foregoing shall not apply to the following provisions: the second sentence of Section 4.6 (Compliance with Laws), Section 4.10 (Financial Statements), the first sentence of Section 4.11(d) (Employee and Contractors; Labor Matters), Section 4.31(a) (Absence of Changes) and Section 4.35 (Sufficiency of Assets); provided, further, that the lack of materiality shall not impact the use of dollar thresholds in any representation herein nor shall such disregarding of materiality impact the definition or use of the phrase "Material Contract" in Section 4.14 (Material Contracts) or any other representation herein. The right to indemnification, payment of Covered Losses or any other remedy based on the breach of any representations, warranties, covenants or agreements will not be affected by any investigation conducted with respect to the accuracy or inaccuracy of or compliance with, any such representation, warranty, covenants or agreement; provided, however, that, other than in relation to Covered Losses contemplated by Section 11.2(d), a Purchaser Indemnified Party may not seek indemnification with respect to matters set forth on the Seller Disclosure Schedule. Notwithstanding the foregoing, the express waiver of any condition based upon the accuracy of any representation or warranty set forth in Section 8.2 or the performance of or compliance with any covenant will not affect the right of Purchaser Indemnified Parties to indemnification, payment of Covered Losses or other remedy based upon such waiver.

11.5 Limitations on Indemnification Obligations of the Purchaser . Notwithstanding any other provision of this Agreement:

(a) the Purchaser shall not be liable under Section 11.3(a) until the aggregate amount of Covered Losses under Section 11.3(a) for which notice was timely received in accordance with Section 11.1 exceeds the Basket Amount, at which time the Purchaser shall be liable for such Covered Losses (including all Covered Losses included within such Basket Amount) in accordance with the provisions hereof, except that claims related to any breach of or inaccuracy in the Purchaser Fundamental Representations shall not be subject to any such limits;

(b) the Purchaser shall not be liable under Section 11.3(a) for any Covered Loss (including any series of related Covered Losses) unless such Covered Loss (including any series of related Covered Losses) equals or exceeds the De Minimis Threshold, nor shall any Covered Loss that does not meet the De Minimis Threshold be considered in determining whether the Basket Amount has been met; provided, however, that claims related to any breach

of or inaccuracy in the Purchaser Fundamental Representations shall not be subject to the De Minimis Threshold;

(c) subject to the terms hereof, other than with respect to claims related to any breach of or inaccuracy in the Purchaser Fundamental Representations, the aggregate liability of the Purchaser Parties for Covered Losses arising pursuant to Section 11.3(a) or Section 11.3(b) is, and shall be, limited to an aggregate amount equal to ten million dollars ($10,000,000) (the "Purchaser's Indemnification Cap") and the Seller, on behalf of itself, its Affiliates and all Seller Indemnified Parties, agrees not to seek indemnification for any Covered Losses arising pursuant to Section 11.3(a) or Section 11.3(b) in excess of the Purchaser's Indemnification Cap;

(d) notwithstanding any provision of this Agreement to the contrary, any Covered Losses arising from fraud, intentional misrepresentation based on the representations and warranties set forth in Article V or willful and malicious breaches of this Agreement by the Purchaser Parties shall not be subject to this Section 11.5 or any other limitation set forth in this Agreement; and

(e) in determining whether a representation or warranty has been breached for purposes of the Purchaser's obligations to indemnify the Seller Indemnified Parties under Section 11.3(a) and determining the amount of any Covered Losses, "materiality", "Material Adverse Effect" and other similar materiality qualifiers contained in any such representation or warranty shall be disregarded. The right to indemnification, payment of Covered Losses or any other remedy based on the breach of any representations, warranties, covenants or agreements will not be affected by any investigation conducted with respect to the accuracy or inaccuracy of or compliance with, any such representation, warranty, covenant or agreement; provided, however, that a Seller Indemnified Party may not seek indemnification with respect to matters set forth on the Purchaser Disclosure Schedule. Notwithstanding the foregoing, the express waiver of any condition based upon the accuracy of any representation or warranty set forth in Section 8.3 or the performance of or compliance with any covenant will not affect the right of Seller Indemnified Parties to indemnification, payment of Covered Losses or other remedy based upon such waiver.

11.6 Notice of Non-Third Party Claims. As promptly as is reasonably practicable after becoming aware of a claim for indemnification under this Agreement that does not involve a Third Party Claim, the indemnified party shall give written notice to the indemnifying party of such claim, which notice shall specify the provision of this Agreement pursuant to which indemnity is sought, the facts alleged to constitute the basis for such claim (taking into account the information then available to the indemnified party), the representations, warranties, covenants or agreements alleged to have been breached (if applicable) and the amount (if then determinable) that the indemnified party seeks hereunder from the indemnifying party. Subject to Section 11.1, the failure of an indemnified party to promptly notify the indemnifying party will not affect the indemnification provided hereunder except to the extent that the indemnifying party's defense or other rights available to it is actually prejudiced as a result of such failure, and then only to the extent of such prejudice.

11.7 Notice of Third Party Claims; Assumption of Defense.

(a) If a claim or Action by a Person who is not a Party or an Affiliate of a Party (a "Third Party Claim") is made or brought against any Seller Indemnified Party or Purchaser Indemnified Party (an "Indemnified Party") and such Indemnified Party intends to seek indemnification under this Article XI with respect to such claim or Action, such Indemnified Party shall give notice as promptly as is reasonably practicable, and in no event later than ten (10) Business Days, after receiving notice thereof, to the Party obligated to provide such indemnification under this Article XI (the "Indemnifying Party"). Such notice shall specify the provision of this Agreement pursuant to which indemnity is sought, the facts alleged to constitute the basis for such claim, the identity of the Persons bringing such claim or Action, the representations, warranties, covenants or agreements or provision of Law or Contract alleged to have been breached, as applicable, and the amount (or, to the extent not then determinable, the Indemnified Party's good faith estimate thereof) that the Indemnified Party intends to seek from the Indemnifying Party hereunder. Subject to Section 11.1, the failure to promptly give such notification will not affect the indemnification provided hereunder except to the extent the Indemnifying Party's defense or other rights available to it is actually prejudiced as a result of such failure, and then only to the extent of such prejudice.

(b) The Indemnifying Party shall have the sole power, at its option, to assume the conduct and control of the settlement or defense of any Third Party Claim for which indemnification may be sought, at its own expense through counsel of its own choosing (which counsel shall be reasonably acceptable to the Indemnified Party), by giving written notice thereof to the Indemnified Party; provided, that the Indemnifying Party must notify the Indemnified Party of its election to assume such conduct and control within thirty (30) days following the Indemnifying Party's receipt of notice of such Third Party Claim; provided further, that the Indemnifying Party shall thereafter consult with the Indemnified Party upon the Indemnified Party's reasonable request for such consultation from time to time with respect to such Third Party Claim. If the Indemnifying Party assumes the conduct and control of such settlement or defense, the Indemnified Party shall cooperate with the Indemnifying Party in connection therewith, and the Indemnified Party shall have the right (but not the obligation) to participate in (but not control) such settlement or defense and to employ counsel, at its own cost and expense, separate from the counsel employed by the Indemnifying Party; provided, however, that, if the Indemnified Party shall have reasonably concluded joint representation presents a material conflict of interest because of the availability of different or additional defenses to such Indemnified Party or other facts and the conflict of interest cannot be resolved to the reasonable satisfaction of the Indemnified Party by the consent of the Indemnifying Party and the Indemnified Party to the joint representation, then such Indemnified Party shall have the right to select separate counsel, reasonably satisfactory to the Indemnifying Party, to participate in the defense of such action on its behalf, and the reasonable fees and expenses of the Indemnified Party's counsel shall be at the expense of the Indemnifying Party. The assumption of the conduct and control of such settlement or defense shall not be deemed to be an admission or assumption of liability by the Indemnifying Party. So long as the Indemnifying Party is using its commercially reasonable efforts to contest any such Third Party Claim in good faith, the Indemnified Party shall not pay or settle any such claim. If the Indemnifying Party elects not to assume the conduct and control of the settlement or defense of such Third Party Claim, then, subject to Section 11.7(c) below, the Indemnified Party shall have the right to pay or settle such claim.

(c) Notwithstanding anything in this Agreement to the contrary, whether or not the Indemnifying Party shall have assumed the conduct or control of the defense or settlement of a Third Party Claim, no Indemnified Party shall admit any liability with respect to, or settle, compromise or discharge, any Third Party Claim without the prior written consent of the Indemnifying Party (which shall not be unreasonably withheld, conditioned or delayed). If the Indemnifying Party does not notify the Indemnified Party within the time period contemplated by Section 11.7(b) that it elects to assume the conduct or control of the defense or settlement thereof, the Indemnified Party shall have the right to contest, settle or compromise the claim and shall not thereby waive any right to indemnity therefor pursuant to this Agreement. The Party who assumes the defense of any Third Party Claim pursuant to Section 11.7(b), Section 11.7(c) or Section 11.7(d) is referred to herein as the "Controlling Party" and the other party with respect to any such Third Party Claim is referred to herein as the "Non-Controlling Party".

(d) Anything to the contrary herein notwithstanding, if a Third Party Claim is a criminal claim (a "Criminal Third Party Claim"), the subject of such Criminal Third Party Claim may elect to assume the defense of such claim. If a Seller Indemnified Party and a Purchaser Indemnified Party are each subjects of such Criminal Third Party Claim, each such Party may elect to defend the claims against it, no Party shall be deemed to be the Controlling Party and no Party shall have the right to make any settlement, compromise or offer to settle or compromise such Criminal Third Party Claim as it relates to the other Party.

(e) Other than with respect to Criminal Third Party Claims, any Non-Controlling Party may become the Controlling Party with respect to any Third Party Claim either (i) if the other Party fails to assume the conduct and control of the defense such Third Party within the time period contemplated by Section 11.7(b) or fails to conduct such defense in a commercially reasonable manner, which failure remains uncured ten (10) Business Days following notice by the Non-Controlling Party thereof, or (ii) by releasing the initial Controlling Party from any and all indemnification obligations under this Article XI with respect to such Third Party Claim; provided, however, that if a Third Party Claim alleges wrongdoing by the Controlling Party or its Affiliates or involves other reputational matters relating to the Controlling Party or its Affiliates, the Non-Controlling Party may only become the Controlling Party with the consent of the initial Controlling Party, which consent shall not be unreasonably withheld.

(f) The Parties shall reasonably cooperate in the defense or prosecution of any Third Party Claim in respect of which indemnity may be sought hereunder and each Party (or a duly authorized representative of such Party) shall (and shall cause its Affiliates to) furnish such records, information and testimony, and attend such conferences, discovery proceedings, hearings, trials and appeals, as may be reasonably requested in connection therewith.

(g) The Seller agrees that it is the intent of the Parties that no Purchaser Indemnified Party shall incur any Loss or Liability for, in respect, or as a result of, any Excluded Liability, which Excluded Liabilities the Parties expressly intend shall be the sole responsibility of the Seller. Accordingly, in the event that any Third Party Claim is made, brought or threatened against a Purchaser Indemnified Party, the Seller shall defend such Purchaser Indemnified Party against such Third Party Claim in accordance with the provisions of Sections 11.7 and 11.8

hereof and shall reimburse the Purchaser Indemnified Parties for all costs and expenses (including reasonable attorneys' fees) incurred by the Purchaser Indemnified Parties in connection with any such defense, in a timely manner as such costs and expenses are incurred.

11.8 Settlement or Compromise. The Controlling Party with respect to any Third Party Claim shall have the right to make any settlement, compromise, judgment or offer to settle or compromise such Third Party Claim with the prior written consent of the Non-Controlling Party (which shall not be unreasonably withheld), binding upon such Non-Controlling Party in the same manner as if a final judgment or decree had been entered by a court of competent jurisdiction in the amount of such settlement or compromise; provided, however, that such written consent of the Non-Controlling Party shall not be required in the event (i) such settlement, compromise, judgment or offer to settle or compromise such Third Party Claim does not (A) involve any finding or admission of any violation of Law or admission of any wrongdoing by the Non-Controlling Party or (B) materially encumber any of the assets of any Non-Controlling Party or adversely affect in any material respect the post-Closing operation of the business of the Non-Controlling Party or its Affiliates in any manner, and (ii) the Controlling Party shall (A) pay or cause to be paid all amounts required to be paid by it under this Article XI arising out of such settlement or judgment upon the effectiveness of such settlement or judgment, and (B) obtain, as a condition of any settlement, compromise, judgment or offer to settle or compromise, or other resolution, an appropriate release of each Non-Controlling Party from any and all corresponding liabilities in respect of such Third Party Claim or the applicable portion thereof.

11.9 Distribution of the Escrow Amount.

(a) The Parties shall cause the Escrow Agent, including by providing jointly written instructions to the Escrow Agent, to distribute the amounts remaining in the Indemnification Escrow Fund from time to time in accordance with the following, subject to Section 11.9(b) and the terms of the Indemnification Escrow Agreement: (i) in the event of an indemnification claim by a Purchaser Indemnified Party that is uncontested and due and payable, or has been ordered by a court of competent jurisdiction to be paid, to the Purchaser Indemnified Party pursuant to this Article XI, an amount required to satisfy such claim (or the balance contained in the Indemnification Escrow Fund (if less)) shall be released to such Purchaser Indemnified Party; (ii) fifty percent (50%) of such amounts remaining in the Indemnification Escrow Fund as of the date that is the later of (i) the one-year anniversary of the Closing Date and (ii) three (3) months following the date on which the Purchaser Indemnified Party receives a final report of the independent auditors of PMAC in respect of the first audit of PMAC completed following the Closing Date shall be released to the Seller; and (iii) all amounts remaining in the Indemnification Escrow Fund as of the date that is eighteen (18) months following the Closing Date shall be released to the Seller; provided, however, that the amount to be released to the Seller pursuant to each of clause (ii) and (iii) shall be reduced by an amount that would be necessary, as determined by the Purchaser Indemnified Parties' claim notices or as otherwise reasonably agreed by the Parties in good faith, to satisfy any and all then pending and unsatisfied or unresolved claims specified in any notice of claim delivered to the Escrow Agent prior to such time (such amounts, in the aggregate, the "Retained Escrow Amount").

(b) In any event, the Retained Escrow Amount shall be retained in the Indemnification Escrow Fund until the claims related thereto have been fully resolved and are no longer subject to appeal. As soon as all such claims have been resolved and related amounts, if any, paid out of the Retained Escrow Amount, the Escrow Agent shall as soon as practicable distribute any remaining Retained Escrow Amount not required to satisfy such claims to the Seller.

11.10 No Duplication; Exclusive Remedy.

(a) Any Liability for indemnification hereunder and under any other Transaction Document shall be determined without duplication of recovery by reason of the same Loss.

(b) Prior to the Closing, other than in the case of fraud by the Seller, the sole and exclusive remedy of the Purchaser Parties for any breach or inaccuracy of any representation or warranty contained in this Agreement or any certificate or instrument delivered hereunder shall be the refusal to close the transactions contemplated hereunder in accordance with Section 8.2(a) and the termination of this Agreement in accordance with Article X.

(c) Subject to the final sentence of this Section 11.10(c), except in the case of fraud, or where a Party seeks to obtain specific performance pursuant to Section 13.7, from and after the Closing, the sole and exclusive remedy of the Seller, the Seller Indemnified Parties, the Purchaser Parties and the Purchaser Indemnified Parties in connection with this Agreement and the transactions contemplated hereby, whether under this Agreement or arising under common law or any other Law, shall be as provided in this Article XI and, as applicable, Section 3.4. In furtherance of the foregoing, each of the Purchaser, on behalf of itself, the Purchaser Parent, on behalf of itself, and each other Purchaser Indemnified Party, and the Seller, on behalf of itself and each other Seller Indemnified Party, hereby waives, from and after the Closing, to the fullest extent permitted under applicable Law, any and all rights, claims and causes of action (other than claims of, or causes of action arising from, fraud) it may have against the Seller or any of its Affiliates or Representatives and the Purchaser, the Purchaser Parent or any of their Affiliates or Representatives, as the case may be, arising under or based upon this Agreement or any certificate delivered in connection herewith, whether under this contract or arising under common law or any other Law except pursuant to the indemnification provisions set forth in this Article XI and the set-off right contemplated in Section 3.4. Nothing in this Section 11.10 shall operate to interfere with or impede the operation of the provisions of any Transaction Document or the rights of either Party to seek equitable remedies to enforce any covenant of a Party to be performed after the Closing.

11.11 Net Losses; Subrogation; Mitigation; No Set Off.

(a) Notwithstanding anything contained herein to the contrary, the amount of any Covered Losses incurred or suffered by an Indemnified Party shall be calculated after giving effect to (i) any insurance proceeds received by the Indemnified Party (or any of its Affiliates) with respect to such Losses, (ii) any recoveries actually obtained by the Indemnified Party (or any of its Affiliates) from any other third party in respect of such Covered Loss and (iii) any Tax benefits actually received with respect to Covered Losses in the year such Covered Losses arose.

If any such proceeds or recoveries are received by an Indemnified Party (or any of its Affiliates) with respect to any Covered Losses after an Indemnifying Party has made a payment to the Indemnified Party with respect thereto, the Indemnified Party (or such Affiliate) shall pay to the Indemnifying Party the amount of such proceeds or recoveries (up to the amount of the Indemnifying Party's payment). No Indemnified Party will be entitled to recover from an Indemnifying Party more than once in respect of the same Covered Losses.

(b) In the event any payment is made in respect of Covered Losses, the Indemnifying Party who made such payment will be subrogated to the extent of such payment to any related rights of recovery of the Indemnified Party receiving such payment against any third party. Such Indemnified Party (and its Affiliates) and Indemnifying Party shall execute upon request all instruments reasonably necessary to evidence or further perfect such subrogation rights. If any Indemnified Party recovers, under insurance policies or from other collateral sources, any amount in respect of a matter for which the Indemnifying Party made a payment pursuant to Section 11.2 or Section 11.3, as applicable, such Indemnified Party shall promptly pay over to the Indemnifying Party the amount so recovered (after deducting therefrom the amount of the expenses incurred by such Indemnified Party in procuring such recovery), but not in excess of the sum of (i) any amount previously so paid by the Indemnifying Party to or on behalf of such Indemnified Party in respect of such matter and (ii) any amount expended by the Indemnifying Party in pursuing or defending any claim arising out of such matter.

(c) Except as set forth in Section 3.4, neither the Purchaser Parties nor the Seller shall have any right to set off any indemnification claim pursuant to this Article XI against any payment due pursuant to Article III or any Transaction Document.

(d) To the extent reasonably requested by the Seller, the Purchaser shall cause the applicable Purchaser Indemnified Party to use commercially reasonable efforts to mitigate any Covered Losses for which any Purchaser Indemnified Party seeks indemnification pursuant to this Agreement, which mitigation may include pursuing recoveries against third parties or insurance proceeds, in each case, to the extent commercially reasonable and reasonably requested by the Seller. The Seller shall reimburse the Purchaser Indemnified Parties for all costs and expenses incurred by any of them in complying with this Section 11.11(d); provided, however, that the Purchaser may not seek reimbursement for any increased insurance premiums unless the Purchaser previously disclosed to the Seller the potential and the reasonably anticipated magnitude of such increase prior to taking the requested mitigation. Upon receipt of such notification, the Seller may rescind its mitigation request. Anything to the contrary notwithstanding, in no event shall any breach or purported breach by the Purchaser of this Section 11.11(d) obviate, reduce or limit the Seller's obligation to indemnify, defend and hold harmless the Purchaser Indemnified Parties for any Covered Loss incurred by any Purchaser Indemnified Party, subject to and in accordance with the terms and conditions of this Agreement. The Seller's sole recourse for any breach by the Purchaser of this Section 11.11(d) shall be to assert a claim for indemnification in accordance with this Agreement for any Covered Losses suffered by the Seller as a result thereof.

11.12 Treatment of Indemnity Payments. For Tax purposes, any payment pursuant to this Article XI shall be treated as an adjustment to the Purchase Price.

ARTICLE XII

PURCHASER PARENT GUARANTY

12.1 Guaranty. The Purchaser Parent hereby absolutely, irrevocably and (except as set forth in this Agreement) unconditionally guarantees to the Seller, the due and punctual payment and performance of each of the Purchaser's and its successors' and permitted assigns' obligations under this Agreement, including without limitation the payment of all amounts due from the Purchaser under Article XI of this Agreement, as and when due and payable, and the Purchaser Parent shall immediately pay and perform all such obligations upon written demand made at any time by the Seller from and after the date such amounts are due and payable by the Purchaser but remain unpaid. The foregoing obligation of the Purchaser Parent constitutes a continuing guaranty of payment and not of collection and is and shall be absolute and unconditional under any and all circumstances except as set forth in this Agreement, including without limitation circumstances which might otherwise constitute a legal or equitable discharge of a surety or guarantor. Except as set forth in this Agreement, the obligation of the Purchaser Parent hereunder shall not be discharged, impaired, delayed or otherwise affected by the failure of the Seller to assert any claim or demand against the Purchaser Parent or to enforce or pursue any remedy hereunder. The Purchaser Parent agrees that its guarantee under this Section 12.1 shall continue to be effective or be reinstated, as the case may be, if at any time any payment, or any part thereof, of any amounts by or on behalf of the Purchaser under this Agreement is rescinded or must otherwise be restored upon the insolvency, bankruptcy or reorganization of the Purchaser or otherwise. The Purchaser Parent agrees to pay all expenses of the Seller (including the reasonable fees and expenses of its counsel) for the enforcement of the rights of the Seller against the Purchaser Parent under this Section 12.1, except to the extent that a court of competent jurisdiction determines such enforcement to have been invalid.

ARTICLE XIII

MISCELLANEOUS

13.1 Confidentiality. Except as specifically set forth herein, until Closing, the Seller and the Purchaser Parties each agree to be bound by the terms of the confidentiality agreement dated July 23, 2012, as amended by the NDA Addendum, dated September 20, 2012 (the "Confidentiality Agreement"), previously executed by the Purchaser Parent and the Seller, which Confidentiality Agreement is hereby incorporated herein by reference. The Seller and the Purchaser Parties agree that, in the event this Agreement is terminated, such Confidentiality Agreement shall continue in accordance with its terms, notwithstanding the termination of this Agreement. In the event the Closing occurs, the Parties' respective obligations with respect to confidential information shall be as set forth in Section 6.1. The Seller acknowledges that the Purchaser Parties are each a third party beneficiary of any and all confidentiality agreements entered into by the Seller since March 14, 2012, similar to the confidentiality agreement between the Purchaser Parties and the Seller.

13.2 Expenses. Except as otherwise provided herein, each of the Parties will bear its own costs and expenses (including legal fees and expenses) incurred in connection with this Agreement and the transactions contemplated hereby.

13.3 Public Announcements. The Seller and the Purchaser shall cooperate with each other in the development and distribution of all news releases and other public disclosures with respect to this Agreement, and except as may be otherwise required by Law, neither the Seller nor the Purchaser shall issue any news release or other public announcement or communication with respect to this Agreement unless such news release or other public announcement or communication has been mutually agreed upon by the Seller and the Purchaser; provided, that the Party drafting such news release or other public announcement or communication shall in good faith provide, to the extent possible, to each other Party reasonable advance notice and reasonable time to review and comment upon a draft of such news release or other public announcement or communication.

13.4 Notices; Certain Consents. All notices, consents, waivers and deliveries ("Notices") under this Agreement must be in writing and will be deemed to have been duly given when (i) delivered by hand (against receipt), (ii) sent by facsimile or electronic-mail (with written confirmation of receipt), (iii) when received by the addressee, if sent by a nationally recognized overnight delivery service (receipt requested) or (iv) five (5) days after being sent registered or certified mail, return receipt requested, in each case to the appropriate addresses and facsimile numbers set forth below (or to such other addresses and facsimile numbers as a Party may hereafter designate by similar Notice to the other Parties):

If to the Receiver or the Seller:

Special Deputy Receiver of PMI
300 West Osborn Road, Suite 500
Phoenix, AZ 85013
Attention: Truitte D. Todd
Telephone: 602-277-4943
Fax: 602-277-7404

with a copies to:

PMI Mortgage Insurance Co.
3003 Oak Road
Walnut Creek, CA 94597
Attention: General Counsel
Telephone: 925-658-6212
Fax: 925-658-6175

and

Hennelly & Steadman PLC
Goldsworthy House
322 West Roosevelt
Phoenix, AZ 85003
Attention: Joseph M. Hennelly, Jr.
Telephone: 602-230-7000
Fax: 602-230-7707

and

Arnold & Porter LLP
399 Park Avenue
New York, NY 10022
Attention: Robert C. Azarow
Telephone: 212-715-1336
Fax: 212-715-1399

If to either of the Purchaser Parties:

Arch Capital Group (US) Inc.
300 Plaza Three, 3rd Floor
Jersey City, NJ 07311
Attention: General Counsel
Telephone: 201-743-4000
Fax : 914-872-3613

with a copy to:

Mayer Brown LLP
1675 Broadway
New York, NY 10019
Attention: Kenneth R. Pierce
Reb D. Wheeler
Telephone: 212- 506-2500
Fax: 212-262-1910

13.5 Disputes; Jurisdiction; Venue. Any dispute relating to this Agreement shall be brought exclusively in the Court. By execution and delivery of this Agreement, with respect to such disputes, each of the parties knowingly, voluntarily and irrevocably (a) consents to the exclusive jurisdiction of the Court; (b) consents to the commencement of Proceedings for the Court to hear the dispute without regard to time limits or prohibitions against the commencement of actions against the Receiver or the Seller that are specified in the Receivership Order or other orders, expect for "Order Re Petition No. 2 Governing the Administration of the Receivership" or modifications thereto, entered by the Court in Case Number CV 2011—018944; and (c) waives any immunity or objection, including any objection to personal jurisdiction or the laying of venue or based on the grounds of forum non conveniens, which it may have from or to the bringing of the dispute in such jurisdiction, or, any immunity, defense or objection concerning the authority of the Seller to enter into or perform this Agreement.

13.6 Further Assurances. The Parties agree (a) to furnish upon request to each other such further information, (b) to execute and deliver to each other such other documents and (c) to do such other acts and things, all as the other Party may reasonably request for the purpose of carrying out the intent of this Agreement and the transactions contemplated hereby (including conveyance and transfer of the Shares and the Purchased Assets to the Purchaser).

13.7 Specific Performance. The Parties agree that irreparable damage would occur in the event that the provisions contained in this Agreement were not performed in accordance with its specific terms or were otherwise breached. It is accordingly agreed that the Parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof in any court of the United States or any state having jurisdiction, this being in addition to any other remedy to which they are entitled at law or in equity.

13.8 Amendments and Waivers. No amendment or waiver of any provision of this Agreement shall be valid unless in writing and signed by the Party to be charged with such amendment or waiver. No waiver by any Party of any default, misrepresentation or breach of warranty or covenant hereunder, whether intentional or not, shall be deemed to extend to any prior or subsequent default, misrepresentation or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence.

13.9 Entire Agreement. This Agreement supersedes all prior agreements among the Parties with respect to its subject matter and constitutes (together with the other Transaction Documents) a complete and exclusive statement of the terms of the agreement between the Parties with respect to its subject matter. The exhibits and schedules identified in and attached to this Agreement are incorporated herein by reference and shall be deemed as fully a part hereof as if set forth herein in full. In the event of any inconsistency between the statements in the body of this Agreement and those in the exhibits and schedules (other than an exception to a representation or warranty set forth in the Seller Disclosure Schedule or the Purchaser Disclosure Schedule), the statements in the body of this Agreement will control.

13.10 Assignments, Successors and No Third-Party Rights. Neither Party may assign any of its rights or obligations under this Agreement without the prior consent of the other Parties except that the Purchaser may assign any of its rights under this Agreement to any Affiliate of the Purchaser, provided, that any such assignment shall not relieve the Purchaser of its duties and obligations hereunder. Subject to the preceding sentence, this Agreement will apply to, be binding in all respects upon and inure to the benefit of the successors and permitted assigns of the Parties. Nothing expressed or referred to in this Agreement will be construed to give any Person other than the Parties hereto any legal or equitable right, remedy or claim under or with respect to this Agreement or any provision of this Agreement.

13.11 Severability. The determination of any court that any provision of this Agreement is invalid or unenforceable shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity of the offending term or provision in any other situation or in any other jurisdiction. Upon such a determination, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

13.12 No Merger or Continuation. The Parties acknowledge and agree that this Agreement and the transactions contemplated hereby shall in no way constitute a merger or consolidation of the Purchaser and the Seller or any of them. Subject to the terms and conditions herein and in the other Transaction Documents the Seller shall be responsible for the operation of

their respective businesses from and after the Closing Date, and the Purchaser shall not be a continuation of the Seller or any Affiliate of the Seller.

13.13 Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF ARIZONA WITHOUT REGARD TO RULES GOVERNING CONFLICT OF LAWS THEREIN.

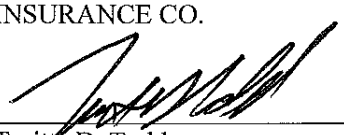
13.14 Counterparts; Facsimile. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute one and the same instrument. Original signatures hereto and to other Transaction Documents may be delivered by facsimile or .pdf which shall be deemed originals.

13.15 Disclosure Schedule. With respect to the Seller Disclosure Schedule and the Purchaser Disclosure Schedule, any disclosure with respect to a section of any disclosure schedule shall be deemed to be disclosed for purposes of other sections of such disclosure schedule to the extent that such disclosure sets forth facts in sufficient detail so that the relevance of such disclosure would be reasonably apparent to a reader of such disclosure. Matters reflected in any section of a disclosure schedule are not necessarily limited to matters required by this Agreement to be so reflected. Such additional matters are set forth for informational purposes and do not necessarily include other matters of a similar nature. No reference to or disclosure of any item or other matter in any section of a disclosure schedule shall be construed as an admission or indication that such item or other matter is material or that such item or other matter is required to be referred to or disclosed in this Agreement. Without limiting the foregoing, no such reference to or disclosure of a possible breach or violation of any Contract, applicable Law or Order shall be construed as an admission or indication that breach or violation exists or has actually occurred.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement as of the date first written above.

THE RECEIVER FOR PMI MORTGAGE INSURANCE CO., IN REHABILITATION on behalf of PMI MORTGAGE INSURANCE CO.

By: 

Name: Truitte D. Todd
Title: Special Deputy Receiver

ARCH U.S. MI SERVICES INC.

By: _____
Name: David Gansberg
Title: President and CEO

SOLELY FOR THE LIMITED PURPOSES SET FORTH IN THE AGREEMENT

ARCH CAPITAL GROUP (US) INC.

By: _____
Name: David McElroy
Title: President and CEO

ARCH U.S. MI SERVICES INC.

By: _____
Name: David Gansberg
Title: President and CEO

SOLELY FOR THE LIMITED PURPOSES SET FORTH IN THE AGREEMENT

ARCH CAPITAL GROUP (US) INC.

By: _____
Name: David McElroy
Title: President and CEO

EXHIBIT A

STOCK PURCHASE AGREEMENT

by and among

THE RECEIVER OF PMI MORTGAGE INSURANCE CO. IN REHABILITATION,

on behalf of

PMI MORTGAGE INSURANCE CO.,

CMFG LIFE INSURANCE COMPANY,

CMG MORTGAGE INSURANCE COMPANY,

ARCH U.S. MI HOLDINGS INC.,

and

ARCH CAPITAL GROUP (US) INC.

DATED AS OF FEBRUARY 7, 2013

TABLE OF CONTENTS

Page

TABLE OF CONTENTS
(continued)

Page

TABLE OF CONTENTS
(continued)

Page

TABLE OF CONTENTS
(continued)

Page

TABLE OF CONTENTS
(continued)

Page

EXHIBITS AND SCHEDULES

STOCK PURCHASE AGREEMENT

This Stock Purchase Agreement (this "Agreement") is entered into as of February 7, 2013, by and among the RECEIVER OF PMI MORTGAGE INSURANCE CO. IN REHABILITATION (the "Receiver") on behalf of PMI MORTGAGE INSURANCE CO., an Arizona stock insurance corporation ("PMI"), CMFG LIFE INSURANCE COMPANY, formerly known as CUNA Mutual Insurance Society, an Iowa corporation ("CUNA Mutual", and, together with PMI, the "Sellers" and each individually, a "Seller"), solely for the purposes expressly set forth herein, CMG Mortgage Insurance Company, a Wisconsin insurance company ("CMG MI"), Arch U.S. MI Holdings Inc., a Delaware corporation (the "Purchaser"), and solely for the purposes expressly set forth herein, ARCH CAPITAL GROUP (US) INC., a Delaware corporation (the "Purchaser Parent" and, together with the Purchaser, the "Purchaser Parties"). The Sellers, the Purchaser and solely for the purposes expressly set forth herein, CMG MI and the Purchaser Parent shall be referred to herein from time to time collectively as the "Parties" and individually as a "Party."

WHEREAS, each of (i) CMG MI, (ii) CMG Mortgage Assurance Company, a Wisconsin insurance company ("CMG MA") and (iii) CMG Mortgage Reinsurance Company, a Wisconsin insurance company and wholly-owned subsidiary of CMG MA ("CMG Re" and, together with CMG MI and CMG MA, the "CMG Companies"), are engaged in the CMG Business;

WHEREAS, as of the date hereof, CMG MI has 2,200,000 shares of common stock, $1.25 par value per share, issued and outstanding (the "CMG MI Common Stock"), CMG MA has 100,000 shares of common stock, $20.00 par value per share, issued and outstanding (the "CMG MA Common Stock") and CMG Re has 400,000 shares of common stock, $5.00 par value per share, issued and outstanding (the "CMG Re Common Stock");

WHEREAS, PMI owns 50% of the CMG MI Common Stock and 50% of the CMG MA Common Stock (collectively, the "PMI Shares");

WHEREAS, CUNA Mutual owns 50% of the CMG MI Common Stock and 50% of the CMG MA Common Stock (collectively, the "CUNA Mutual Shares" and together with the PMI Shares, the "Shares");

WHEREAS, on March 14, 2012, the Arizona Superior Court, Maricopa County, in Case Number CV 2011—018944 (the "Court"), entered an Order for Appointment of Receiver and Injunction (the "Receivership Order") placing PMI into rehabilitation under the receivership of the Receiver;

WHEREAS, PMI desires to sell and the Purchaser desires to purchase the PMI Shares, and CUNA Mutual desires to sell and the Purchaser desires to purchase the CUNA Mutual Shares, in each case, upon the terms and subject to the conditions set forth in this Agreement (the purchase and sale of the Shares and the other transactions contemplated by this Agreement are collectively referred to herein as the "Transaction");

WHEREAS, contemporaneously with the execution of this Agreement, PMI has agreed to sell certain of its business assets and its shares of PMI Mortgage Assurance Co. ("PMAC") pursuant to an Asset Purchase Agreement, which shall be in the form and substance attached as

Exhibit A hereto (the "Asset Purchase Agreement"), between the Receiver on behalf of PMI, Arch U.S. MI Services Inc. and the Purchaser Parent, which transaction is to be consummated concurrently with the Closing; and

WHEREAS, contemporaneously with the execution of this Agreement, CMG MI and Arch Reinsurance Limited, a Bermuda reinsurance company ("ARL") shall enter into a quota share reinsurance agreement, which shall be in the form and substance of Exhibit B hereto, pursuant to which ARL, as the reinsurer, will agree to provide quota share indemnity reinsurance to CMG MI for all residential lenders mortgage guaranty insurance certificates, including any endorsements, supplements and riders thereto issued by CMG MI to credit union organizations after January 1, 2013 (the "CMG MI Quota Share Reinsurance Agreement").

NOW, THEREFORE, in consideration of the premises and the mutual representations, covenants and agreements hereinafter set forth, the adequacy and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

ARTICLE I

DEFINITIONS

1.1 Certain Definitions. As used in this Agreement, the following terms have the meanings set forth below:

"Action" means any civil, criminal, investigative or administrative claim, demand, action, suit, charge, citation, complaint, notice of violation, litigation, prosecution, audit, hearing, arbitration or inquiry by or before or otherwise involving any Governmental Entity whether at law, in equity or otherwise.

"Affiliate" means, with respect to any Person, any other Person who directly, or indirectly through one or more intermediaries, Controls, or is Controlled by, or is under common Control with, such Person.

"Book Value" means, the total shareholders' equity in the CMG Companies, expressed in dollars, as of the applicable date, determined from the books and records of the CMG Companies in accordance with GAAP and in a manner consistent with the Sellers' past practice and methodologies (including, without limitation, for the calculation of reserves), except as modified in accordance with the principles and methodologies set forth on Schedule 1.1(a). For illustrative purposes only, Schedule 1.1(a) sets forth a hypothetical calculation of Book Value as prepared on the basis described therein.

"Break-Up Fee" means a cash amount equal to $4,900,000.

"Business" means, collectively, the CMG Business and the PMI Business.

"Business Confidential Information" means all non-public information that is related to the CMG Business.

"Business Contractors" means, collectively, the CUNA Mutual Business Contractors and the PMI Business Contractors.

"Business Contractor Services Agreement" means each Contract set forth on Schedule 1.1(k).

"Business Day" means any day which is not a Saturday, Sunday or legal holiday recognized by the United States of America.

"Business Employees" means, collectively, the CUNA Mutual Business Employees and the PMI Business Employees.

"Change of Control" means, with respect to a Person, any event or other circumstance following which a Person who, directly or indirectly, did not have Control of such Person prior to such event or circumstance Controls such Person, including without limitation, the occurrence of any of the following events: (a) if any Person shall acquire beneficial ownership of more than fifty percent (50%) of the voting securities of such Person then issued and outstanding, (b) the consummation of a merger, consolidation, share exchange or other business combination of such Person into or with another Person in which the equityholders of such Person immediately prior to the consummation of such transaction shall own less than fifty percent (50%) of the voting securities of the surviving Person (or the parent of the surviving Person where the surviving Person is wholly owned by the parent Person) immediately following the consummation of such transaction or (c) the consummation of the sale, transfer, lease or other disposition, including through reinsurance, coinsurance, liability assumption or otherwise, (but not including a transfer, lease or other disposition by pledge or mortgage to a bona fide lender) of all or substantially all of the assets of such Person.

"CMG Business" means the CMG Companies' mortgage insurance business, as conducted on the date hereof and prior to Closing.

"CMG Fundamental Representations" means the representations and warranties set forth in Section 5.1 (Organization and Good Standing), Section 5.8 (Capitalization) and Section 5.10 (Tax Matters).

"CMG IP Agreement" means any Contract concerning Intellectual Property to which any of the CMG Companies is a party or beneficiary or by which any of the CMG Companies', or any of their properties or assets may be bound, including any (a) license of Intellectual Property by the CMG Companies, or any of them, to any Person, (b) Contract between the CMG Companies, or any of them, and any Person relating to CMG Licensed Intellectual Property, (c) Contract between any CMG Companies and any Person relating to the transfer, development, maintenance or use of Intellectual Property, or the development or transmission of any data related thereto, including, proprietary information agreements, consulting agreements, service agreements and other Contracts to which any CMG Company is party (or under which any of the CMG Companies has rights) relating to operating system Software, application Software, network services, telecommunications services, data processing or storage services or information security services, and which are necessary for the ownership, operation, use or maintenance of the foregoing items, or (d) Order governing the use, validity or enforceability of

Intellectual Property; provided, however, that CMG IP Agreements shall not include any Contract pursuant to which the CMG Companies are granted rights relating to the PMI Platform (as defined in the Asset Purchase Agreement).

"CMG Licensed Intellectual Property" means the Intellectual Property licensed, exclusively or nonexclusively, to the CMG Companies, or any of them, including the Intellectual Property set forth on Schedule 1.1(b) (as such Schedule may be amended by mutual agreement of the Sellers and the Purchaser between the date hereof and the Closing Date), excluding any such Intellectual Property licensed from PMI.

"CMG Owned Intellectual Property" means all of the Intellectual Property owned by the CMG Companies, or any of them, including the items set forth on Schedule 1.1(c) (as such Schedule may be amended by mutual agreement of the Sellers and the Purchaser between the date hereof and the Closing Date).

"COBRA" means the continuation coverage requirements of the Consolidated Omnibus Budget Reconciliation Act of 1985 as set forth in Section 4980B of the Code.

"Code" means the Internal Revenue Code of 1986, as amended from time to time.

"Contract" means any written or oral agreement, contract, commitment, instrument, undertaking, lease, sublease, note, mortgage, indenture, sales or purchase order, license, sublicense, arrangement or other legally binding obligation (including each amendment, extension, exhibit, attachment, addendum, appendix, statement of work, change order and any other similar instrument or document relating thereto).

"Control" means, as applied to any Person, the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of that Person, whether through ownership of voting securities or by contract or otherwise. The terms "Controlling," "Controlled by," and "under common Control with" shall have correlative meanings.

"Covered Loss" means any and all actual losses, claims, fines, damages (excluding contingent liabilities), assessments, penalties, judgments, awards, payments, costs and expenses (including interest and penalties due and payable with respect thereto and reasonable attorneys' and accountants' fees and any other reasonable out-of-pocket expenses incurred in investigating, defending or settling any Action or enforcing any right to indemnification under this Agreement), in each case that are due and payable (whether payable in cash, property or otherwise) ("Losses"), excluding (i) any consequential, incidental, special, indirect, punitive or speculative damages or lost profits, except to the extent such damages are recovered by third parties in connection with claims made by such third parties that are indemnified under this Agreement and (ii) any Loss arising from any operational, record keeping, procedural or other similar requirement (other than payment of money damages, fines or civil monetary penalties) imposed as a result of any Action, agreed to as part of the settlement of any Action or pursuant to any applicable Laws.

"CUNA Mutual Business Contractors" means, as of a particular date, the individuals who are engaged by CUNA Mutual pursuant to a Business Contractor Services Agreement to provide services with respect to the CMG Business as of such date.

"CUNA Mutual Business Employees" means, as of a particular date, those employees of CUNA Mutual who are solely engaged in the CMG Business as of such date.

"CUNA Mutual Disclosure Schedule" means the schedule delivered by CUNA Mutual to the Purchaser on or prior to the date hereof, setting forth facts, circumstances and events the disclosure of which, or the inclusion therein, is required or permitted pursuant to any or all of CUNA Mutual's covenants, representations and warranties contained in this Agreement.

"CUNA Mutual Fundamental Representations" means the representations and warranties set forth in Section 4.1 (Organization and Good Standing), Section 4.2 (Authorization; Enforceability), Section 4.3 (No Conflict), Section 4.6 (Title to CUNA Mutual Shares) and Section 4.7 (Brokers, Finders and Financial Advisors).

"Employee Benefit Plan" means any "employee benefit plan" (as such term is defined in Section §3(3) of ERISA) and any other employee benefit plan, program or arrangement, including any bonus or other incentive plan, plan for deferred compensation, profit-sharing, options to acquire stock, stock appreciation rights, stock purchases, or other equity-based plans or arrangements, employee health, life or other welfare benefit plan, severance arrangement or policy, any employment or consulting agreement, any change in control agreement or arrangement, any Tax gross-up agreement or arrangement, any plan, arrangement, agreement, program or commitment to provide for insurance coverage (including any self-insured arrangements), disability benefits, supplemental unemployment benefits, vacation benefits, retirement benefits, leave of absence, or life or accident benefits (including any voluntary employee benefits association (as defined in §501(c)(9) of the Code) providing for the same or other benefits).

"Environmental Laws" means any applicable federal, state or local Law relating to (i) the protection, preservation or restoration of the environment, and/or (ii) the use, storage, recycling, treatment, generation, transportation, processing, handling, labeling, production, release or disposal of Pollutants. The term Environmental Law includes, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act, as amended, 42 U.S.C. §9601, et seq; the Resource Conservation and Recovery Act, as amended, 42 U.S.C. §6901, et seq; the Clean Air Act, as amended, 42 U.S.C. §7401, et seq; the Clean Water Act, as amended, 33 U.S.C. §1251, et seq; the Toxic Substances Control Act, as amended, 15 U.S.C. §2601, et seq; the Emergency Planning and Community Right to Know Act, 42 U.S.C. §11001, et seq; and the Safe Drinking Water Act, 42 U.S.C. §300f, et seq.

"Environmental Permit" means any Permit issued under any Environmental Law.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

"ERISA Affiliate" means, with respect to any person, any corporation, trade or business which, together with such person, is a member of a controlled group of corporations or a group of trades or businesses under common control within the meaning of Section 414 of the Code.

"Fannie Mae" means the Federal National Mortgage Association.

"Final Closing Payment" means the Closing Date Payment, as adjusted pursuant to Section 2.6.

"Final Order" means an order of the Court, in form and substance acceptable to the Sellers and the Purchaser that has not been reversed, vacated, modified or amended, is not stayed and remains in full force and effect.

"Final Settlement Date" means the date on which the last Deferred Consideration Payment is made pursuant to Section 2.7 and such Deferred Consideration Payment is no longer subject to review by, or dispute between, the Parties.

"Freddie Mac" means the Federal Home Loan Mortgage Corporation.

"GAAP" means United States generally accepted accounting principles.

"Governmental Approvals" means all authorizations, consents, Orders, Permits and approvals of, or registrations or filings with, or notices to, or waivers from, any Governmental Entity required to be obtained, made or delivered in connection with the execution, delivery or performance of this Agreement or the consummation of the Transaction and the other transactions contemplated by the Transaction Documents (i) by PMI or any of their Affiliates as set forth on Schedule 1.1(d) (the "PMI Required Governmental Approvals"); (ii) by CUNA Mutual or any of its Affiliates as set forth on Schedule 1.1(e) (the "CUNA Mutual Required Governmental Approvals"); (iii) by the CMG Companies or any of its Affiliates as set forth on Schedule 1.1(f) (the "CMG Required Governmental Approvals") or (iv) by the Purchaser Parties or any of their Affiliates as set forth on Schedule 1.1(g) (the "Purchaser Required Governmental Approvals").

"Governmental Entity" means any federal, state, local, municipal, foreign or other governmental or quasi-governmental authority, including without limitation any administrative, executive, judicial, legislative, regulatory or taxing authority of any nature of any jurisdiction (including without limitation, any governmental agency, branch, department, official or entity and any court or other tribunal), any Insurance Regulator, the Federal Housing Financing Agency, Fannie Mae and Freddie Mac.

"Indebtedness" means (i) the principal of and premium, if any, and interest in respect of any indebtedness for borrowed money, (ii) any other indebtedness that is evidenced by a note, bond, debenture or similar instrument, (iii) every capitalized lease obligation of the type or nature reflected in the CMG Financial Statements (or that would be required to be reflected in the CMG Financial Statements in accordance with GAAP), (iv) every obligation issued or assumed as the deferred purchase price of property or services, (v) all obligations, contingent or otherwise, relative to the face amount of all surety bonds, letters of credit or other similar instruments, whether or not drawn, and banker's acceptances issued for the account of a CMG Company and for which a CMG Company is obligor, (vi) all obligations under interest rate, currency or commodity derivatives or hedging transactions (valued at the termination value thereof), (vii) all obligations of a type described in clauses (i) through (vi) of any other Person, the payment of which is guaranteed, directly or indirectly, by a CMG Company, and (viii) all indebtedness and obligations of the types described in the foregoing clauses (i) through (vii) to

the extent secured by any Lien on any property or asset owned or held by a CMG Company as of the Closing, regardless of whether the indebtedness secured thereby shall have been assumed by such Seller or is nonrecourse to the credit of such CMG Company.

"Insurance Regulator" means any state insurance supervisory department or officials having jurisdiction over any part of the CMG Business.

"Insurance Reserves" means the reserves required to be maintained by each of the CMG Companies in accordance with SAP or GAAP, as applicable, including any reserves, contingency reserve, funds or provisions for losses, claims, premiums, loss and loss adjustment expenses (including reserves for incurred but not reported losses and loss adjustment expenses) and other Liabilities in respect of the Insurance Contracts issued by the CMG Companies.

"Intellectual Property" means, whether arising under the Laws of the United States, any state or other political subdivision thereof, any other country or political subdivision thereof or any international treaty regimes or conventions, all (i) registered and unregistered trademarks, trade dress, service marks, logos, trade names, slogans and other indicia of origin, in each case including applications and registrations and renewals of the same, and the goodwill associated therewith and symbolized thereby; (ii) inventions and patents and patent applications thereon, including divisionals, continuations and continuations-in-part, and any renewals, reexaminations, extensions and reissues thereof and provisional applications relating thereto; (iii) trade secrets, confidential or proprietary information, inventions (to the extent not disclosed in published patent applications and whether or not patentable or reduced to practice), methods, processes, formulae, technology, algorithms, models, vendor lists, customer lists and know-how and any other information meeting the definition of a trade secret under the Uniform Trade Secrets Act; (iv) works of authorship, and registered and unregistered copyrights, the registrations and applications therefor, and any renewals, extensions, restorations and reversions thereof; (v) Internet domain names and registrations thereof; (vi) Software; (vii) databases and sui generis database rights; and (viii) any other type of intellectual property or proprietary right or intangible asset of any kind, including remedies against infringements or misappropriation thereof.

"Joint Venture Agreements" means those agreements set forth on Schedule 1.1(h).

"Knowledge" as used with respect to a Person (including references to such Person being aware of a particular matter) means those facts that are actually known by any officer with the title ranking not less than senior vice president of such Person, after reasonable investigation of the applicable subject matter by such officers (which investigation shall be limited to inquiry of such other officers and employees that such Person determines in his or her reasonable discretion to be necessary or appropriate with respect to the applicable subject matter) and includes any facts, matters or circumstances set forth in any written notice from any Governmental Entity or any other material written notice received by an officer with the title ranking not less than senior vice president or a member of the board of directors (or similar governing body) of that Person.

"Law" means any federal, state, local, municipal, foreign, international, multinational or other statute, law, Order, decree, constitution, rule, regulation, ordinance, principle of common law, treaty or other requirement of any Governmental Entity.

"Leased Real Property" means the real property leased by CMG MI pursuant to the Real Property Lease.

"Liability" means any liability, debt, obligation, commitment, guaranty, claim, loss, damage, deficiency, fine, settlement payment, award, judgment, cost or expense of any kind, whether relating to payment, performance or otherwise, known or unknown, asserted or unasserted, accrued or unaccrued, liquidated or unliquidated, fixed, absolute or contingent.

"Lien" means any lien, pledge, security interest, mortgage, deed of trust, claim, restriction (including restriction on use), encumbrance, easement, encroachment, charge, option, deed of trust, title retention, or any license, order or charge, or any adverse claim of title, ownership or use, or agreement of any kind restricting transfer, or any other right of any Person or encumbrance of any kind or nature whatsoever.

"Material Adverse Effect" means any effect, event, circumstance, development, occurrence or change that has had a material adverse effect on (i) the financial condition, results of operations or assets of the Business, the Shares, the Purchased Assets (as defined in the Asset Purchase Agreement) and the PMAC Shares taken as a whole or (ii) the ability of the Sellers to consummate the Transaction or perform their material obligations hereunder and under the other Transaction Documents; provided that any such effect, event, circumstance, development, occurrence or change principally attributable to the following matters shall not be taken into account in determining whether a "Material Adverse Effect" has occurred: (a) conditions affecting the United States economy generally, the housing or mortgage market, the mortgage insurance industry or the mortgage servicing industry, (b) any national or international political or social conditions, including acts of war (whether or not declared), armed hostilities and terrorism, or developments or changes therein, (c) conditions resulting from natural disasters, (d) domestic or international financial, banking or securities markets (including any disruption thereof and any decline in the price of any security or any market index), (e) any change or prospective change in GAAP or SAP, or the interpretation thereof, (f) any change or prospective change in any generally applicable Law or other binding directives issued by any Governmental Entity, or the enforcement or interpretation thereof, (g) the announcement of the execution of this Agreement, or the pendency of the Transaction or the identity of either of the Purchaser Parties (including employee departures), (h) the compliance by the Sellers with their respective covenants and agreements contained in this Agreement, (i) any action taken or omitted to be taken by the Sellers at the written request or with the written consent of the Purchaser Parties, or (j) any failure by the Sellers to meet any internal or published projections, forecasts or revenue or earnings predictions for any period ending on or after the date of this Agreement (provided, that any effect, event, circumstance, development, occurrence or change that caused or contributed to such failure to meet projections, forecasts or predictions shall not be excluded pursuant to this clause (j); provided, further, that any effect, event, circumstance, development, occurrence or change referred to in any of clauses (a) through (f) immediately above shall be taken into account in determining whether a Material Adverse Effect has occurred or would reasonably be expected to occur to the extent that such effect, event, circumstance, development, occurrence or change has a disproportionate effect on the CMG Business compared to similar businesses within the industries in which the CMG Business operates); or (k) any items disclosed as of the date hereof on the CUNA Mutual Disclosure Schedule, the PMI Disclosure Schedule or the Seller Disclosure Schedule.

"Maximum Remaining Deferred Consideration Amount" means, as of a particular time, the difference between (a) the Deferred Consideration Cap and (b) the sum of (i) the Final Closing Payment *minus* (ii) the aggregate amount of any Seller Capital Contributions, up to $10,000,000 *plus* (iii) the aggregate amount of all Deferred Consideration Payments made prior to such time.

"NPI" means "Non Public Personal Information," as defined in Title V of the Gramm-Leach-Bliley Act and its implementing regulations, regarding borrowers or co-borrowers, including any data attributes or fields that represent any part of a borrower, co-borrower or mortgage insurance applicant's name, full street address (excluding city, state and zip code), account number, social security number or any other government issued identification, as well as any data attribute which, in combination any non-NPI, would otherwise cause the non-NPI to become a prohibited disclosure under any federal or state Privacy Laws.

"Order" means any law, rule, regulation, award, decision, injunction, judgment, order, decree, ruling, subpoena or verdict entered, issued, made or rendered by any court, administrative agency or other Governmental Entity or by any referee, arbitrator or mediator.

"Organizational Documents" means any certificate or articles of incorporation, formation or organization, by-laws, operating agreement, certificate of limited partnership, business certificate of partners, partnership agreement, declaration of trust or other similar documents.

"Percentage Interest" means, at any time, the equity interest in CMG MI and CMG MA of either Seller, represented by a percentage, determined by (a) with respect to CMG MI, dividing (i) the total number of shares of common stock owned by such Seller in CMG MI, by (ii) the total number of shares of common stock of CMG MI issued and outstanding and (b) with respect to CMG MA, dividing (i) the total number of shares of common stock owned by such Seller in CMG MA, by (ii) the total number of shares of common stock of CMG MA issued and outstanding.

"Permit" means all material licenses (including insurance licenses), franchises, permits, privileges, immunities, certificates, variances, orders, consents, approvals and other authorizations (including authorizations to write mortgage insurance as a non-admitted or unlicensed insurance carrier) issued by a Governmental Entity.

"Permitted Liens" means all (i) Liens set forth on Schedule 1.1(i), (ii) mechanics', carriers', workmen's, repairmen's or other like Liens arising or incurred in the ordinary course of business and Liens for Taxes that are not yet due and payable or that may thereafter be paid without penalty, (iii) applicable Law, including, without limitation, zoning ordinances, subdivision regulations and applicable securities Laws, (iv) Liens created by or through the Purchaser Parties, and (v) with respect to the Leased Real Property, Liens, reservations or restrictions of any kind (whether recorded, perfected, choate or inchoate, actual or contingent) that would not have a material adverse impact on the use of the Leased Real Property.

"Person" means any individual, corporation, general or limited partnership, limited liability company, joint venture, estate, trust, association, organization, labor union or other entity or any Governmental Entity.

"PMAC Shares" means all of the issued and outstanding shares of common stock, $10.00 par value per share, of PMAC.

"PMI Business" means PMI's business of underwriting and servicing mortgage insurance as facilitated by its information technology platform, the business of PMAC and the business contemplated by the Services Agreement between PMI and Arch U.S. MI Services Inc. pursuant to which Arch U.S. MI Services Inc. is providing support services to PMI during the runoff of PMI's legacy insurance portfolio.

"PMI Business Contractors" means, as of a particular date, the individuals who are engaged by PMI pursuant to a Business Contractor Services Agreement to provide services to a CMG Company as of such date.

"PMI Business Employees" means, as of a particular date, those employees of PMI, who are solely engaged in the CMG Business as of such date.

"PMI Disclosure Schedule" means the schedule delivered by PMI to the Purchaser on or prior to the date hereof, setting forth facts, circumstances and events the disclosure of which, or the inclusion therein, is required or permitted pursuant to any or all of PMI's covenants, representations and warranties contained in this Agreement.

"PMI Fundamental Representations" means the representations and warranties set forth in Section 3.1 (Organization and Good Standing), Section 3.2 (Authorization; Enforceability), Section 3.3 (No Conflict), Section 3.8 (Title to PMI Shares) and Section 3.9 (Brokers, Finders and Financial Advisors).

"Pollutants" means pollutants, contaminants, wastes, toxic substances, petroleum and petroleum products, and any other materials regulated under Environmental Laws, including, but not limited to, radon, radioactive material, dioxins, asbestos, asbestos-containing material, urea formaldehyde foam insulation, lead and polychlorinated biphenyls.

"Pre-Closing Tax Period" means any taxable period (or the allocable portion of a Straddle Period) ending on or before the close of business on the Closing Date.

"Privacy Law" means any Law relating to the collection, processing, storage, use, disclosure, loss, access, transfer or security and safeguarding of NPI (including encryption or similar security requirements), including, without limitation, federal or state laws or regulations regarding data security breach notification, Social Security number protection, as well as the FTC Act, the Gramm-Leach-Bliley Act, the Fair Credit Reporting Act, the Fair and Accurate Credit Transaction Act and state consumer protection Laws.

"Proceeding" means any Action, claim, arbitration, audit, hearing, investigation, litigation or suit (whether civil, criminal, administrative, investigative or informal) commenced, brought, conducted or heard by or before, or otherwise involving, any court or other Governmental Entity or referee, trustee, arbitrator or mediator, whether at law, in equity or otherwise.

"Purchase Price" means, collectively, the Final Closing Payment and the Deferred Consideration Payments paid hereunder.

"Purchaser Disclosure Schedule" means the schedule delivered by the Purchaser to the Sellers on or prior to the date hereof, setting forth, facts, circumstances and events the disclosure of which, or the inclusion therein, is required or permitted pursuant to any or all of the Purchaser Parties' covenants, representations and warranties contained in this Agreement.

"Purchaser Fundamental Representations" means the representations and warranties set forth in Section 6.1 (Organization and Good Standing), Section 6.2 (Authorization; Enforceability), Section 6.3 (No Conflict) and Section 6.6 (Brokers, Finders and Financial Advisors).

"Qualifying Guarantor" means a Person that either (i) has a senior debt or issuer credit rating by any rating agency that assigned a rating to the prior guarantor as of the date of the applicable transaction that is at least equal to or better than the senior debt or issuer credit rating assigned to such prior guarantor by such rating agency immediately prior to the announcement of such transaction or (ii) has aggregate consolidated net worth, together with its Subsidiaries, of at least $2,000,000,000.

"Real Property Lease" means the Lease, dated April 12, 2011, by and between CMG MI and 595 Market Street, Inc.

"Reinsurance Agreements" means, collectively, (a) the Excess Share Primary Mortgage Reinsurance Agreement between CMG MI and CMG Re, effective July 1, 1999, amended as of September 8, 2005; and (b) the Excess Share Primary Mortgage Reinsurance Agreement between CMG MI and PMI Insurance Co. (formerly known as PMI Reinsurance Co. and Residential Guaranty Co.), dated March 31, 1995, as amended by each of the First Amendment dated April 1, 1995, the Second Amendment dated January 1, 1996, the Third Amendment dated October 4, 1996, the Fourth Amendment dated June 3, 1997 and the Fifth Amendment dated March 31, 1999.

"Sale Order" means an order of the Court, which shall be in the form and substance attached as Exhibit C hereto and incorporated by reference herein, or otherwise in form and substance reasonably acceptable to the Sellers and the Purchaser, which order (i) approves, without limitation, this Agreement and all of the terms and conditions hereof and approves and authorizes PMI to consummate the Transaction and the other transactions contemplated by the Transaction Documents and (ii) designates PMI's obligations (including, all payments, costs and expenses of PMI incurred or to be incurred under the Transaction Documents) as costs and expenses of PMI incurred in connection with administration of the delinquency proceeding pending against PMI within the meaning of A.R.S. § 20-629.A.1.

"SAP" means, as to any insurance company, statutory accounting practices prescribed and any practices permitted by the insurance regulatory authorities of the applicable jurisdiction.

"Securities Act" means the Securities Act of 1933, as amended.

"Seller Disclosure Schedule" means the schedules delivered by the Sellers to the Purchaser Parties on or prior to the date hereof, setting forth facts, circumstances and events the disclosure of which, or the inclusion therein, is required or permitted pursuant to any or all of Sellers' covenants, representations and warranties contained in this Agreement.

"Software" means (a) all computer and computer network software, firmware, programs, code, applications and databases in any form, including any content or other information associated or used therewith, along with all source code, object code, operating systems, specifications, data, database management code, utilities, libraries, scripts, graphical user interfaces, application program interfaces, menus, images, icons, forms, methods of processing, software engines, platforms, data formats and all other code and documentation (including programmers notes, user manuals, and training materials), whether in human readable form or otherwise, and all copies of the foregoing in any and all formats or media and (b) with respect to the foregoing items, all versions, updates, patches, corrections, customizations, enhancements and modifications thereto.

"Subsidiary" means, with respect to any Person (i) if a corporation, a majority of the total voting power of shares of stock entitled to vote in the election of directors thereof is at the time owned or Controlled, directly or indirectly, by that Person or one or more other Subsidiaries of that Person or a combination thereof, or (ii) if a limited liability company, partnership, association or other business entity (other than a corporation), a majority of the partnership or other similar ownership interest thereof is at the time owned or Controlled, directly or indirectly, by that Person or one or more Subsidiaries of that Person or a combination thereof, and for this purpose a Person owns a majority ownership interest in such a business entity (other than a corporation) if such Person shall be allocated a majority of such business entity's gains or losses or shall be or shall control any managing director or general partner of such business entity (other than a corporation). The term "Subsidiary" shall include all direct and indirect Subsidiaries of such Subsidiary.

"Surplus Notes" means, collectively, (a) the Fixed Rate Junior Subordinated Surplus Note due 2020 of CMG Re to PMI, dated September 30, 2010, (b) Fixed Rate Junior Subordinated Surplus Note due 2020 of CMG Re to CUNA Mutual, dated September 30, 2010 and (c) any surplus notes, in customary form, issued by a CMG Company after the date hereof and prior to Closing in connection with a Seller Capital Contribution.

"Tax" or "Taxes" means any and all taxes, fees, levies, duties, tariffs, imposts and governmental impositions or charges of any kind in the nature of (or similar to) taxes, payable to any federal, state, provincial, local or foreign taxing authority, including, without limitation, (i) income, franchise, profits, gross receipts, ad valorem, net worth, value added, sales, use, service, real or personal property, special assessments, unclaimed property, escheat, environmental, capital stock, license, payroll, withholding, employment, social security, workers' compensation, unemployment compensation, utility, severance, production, excise, stamp, occupation, premiums, windfall profits, transfer and gains taxes and (ii) interest, penalties, additional taxes and additions to tax imposed with respect thereto.

"Tax Returns" means any return, report or information statement with respect to Taxes (including but not limited to statements, schedules and appendices and other materials attached

thereto) filed or required to be filed with the Internal Revenue Service, any other Governmental Entity or Person, domestic or foreign, including, without limitation, consolidated, combined and unitary tax returns.

"Termination Date" means the date one (1) year from the date hereof.

"Third Party Consents" means the consents or approvals of, or waivers from, third parties other than Governmental Entities, required to be obtained or delivered by either Seller or the CMG Companies in connection with the execution, delivery or performance by the Sellers of this Agreement or to consummate the Transaction and the other transactions contemplated by the Transaction Documents, all of which are set forth on Schedule 1.1(j).

"Transaction Documents" means, collectively (i) this Agreement, (ii) the Distribution Services Agreement, between CUNA Mutual, CMG MI and Arch Capital Group Ltd., in the form and substance attached as Exhibit D hereto (the "Distribution Services Agreement"), (iii) the Indemnification Escrow Agreement, (iv) the CMG MI Quota Share Reinsurance Agreement (v) the Quota Share Reinsurance Agreement, between CMG MI and an Affiliate of CUNA Mutual, in the form and substance attached as Exhibit E hereto (the "CUNA Mutual Quota Share Reinsurance Agreement"), (vi) a Trademark License Agreement, between CUNA Mutual and the CMG Companies, which shall be in the form and substance attached as Exhibit F hereto, (vii) the Flow of Funds Memorandum, (viii) the Guaranty, from CUNA Mutual to CMG MI, which shall be in the form and substance attached as Exhibit A to the CUNA Mutual Quota Share Reinsurance Agreement (the "Guaranty"), (ix) that certain letter agreement between CUNA Mutual and the Purchaser dated as of the date hereof and (x) any other Contracts delivered by any Party hereto at or prior to the Closing pursuant to or in furtherance of the transactions contemplated by this Agreement (including, in each case, any and all exhibits, schedules and attachments to any such documents and any other documents executed or delivered in connection therewith) in each case, as the same may be amended, restated, supplemented or otherwise modified from time to time.

"Treasury Regulations" means the Income Tax Regulations and Temporary Regulations promulgated under the Code, as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

"WARN Act" means the Worker Adjustment and Retraining Notification Act of 1988, and any other similar Law of any state, locality, or other Governmental Entity.

1.2 Index of Certain Other Definitions.

The following capitalized terms used in this Agreement have the meanings located in the corresponding Section referred to below:

Term	**Section**
Acceptable Confidentiality Agreement	Section 7.14(h)(i)
Acquisition Proposal	Section 7.14(h)(ii)
Actual Current Affiliate Obligations	Section 2.6(a)
Adjusted Book Value	Section 2.7(a)(i)
Adverse Governmental Requirement	Section 7.6(c)(iv)

Term	**Section**
Affiliate Transaction	Section 5.22
Agreement	Preamble
Alternative Acquisition Agreement	Section 7.14(a)(ii)
Applicable Percentage	Section 2.7(a)(ii)
ARL	Recitals
Asset Purchase Agreement	Recitals
Assets	Section 7.14(h)(ii)
Basket Amount	Section 12.6(a)
Closing	Section 2.4
Closing Date	Section 2.4
Closing Date Book Value	Section 2.6(a)
Closing Date Payment	Section 2.2(a)
Closing Portfolio Schedule	Section 2.7(a)(iii)
Closing Statement	Section 2.6(a)
CMG Audited GAAP Financial Statements	Section 5.7
CMG Audited Statutory Financial Statements	Section 5.7
CMG Balance Sheet	Section 2.2(b)
CMG Companies	Recitals
CMG Financial Statements	Section 5.7
CMG MA	Recitals
CMG MA Common Stock	Recitals
CMG MI	Preamble
CMG MI Common Stock	Recitals
CMG MI Quota Share Reinsurance Agreement	Recitals
CMG Re	Recitals
CMG Re Common Stock	Recitals
CMG Required Governmental Approvals	Definition of "Governmental Approvals"
CMG Unaudited GAAP Financial Statements	Section 5.7
CMG Unaudited Statutory Financial Statements	Section 5.7
Confidentiality Agreement	Section 14.1
Controlling Party	Section 12.9(c)
Court	Recitals
Criminal Third Party Claim	Section 12.9(d)
CUNA Board	Section 7.14(b)
CUNA Mutual	Preamble
CUNA Mutual Quota Share Reinsurance Agreement	Definition of "Transaction Documents"
CUNA Mutual Required Governmental Approvals	Definition of "Governmental Approvals"
CUNA Mutual Shares	Recitals
Current Affiliate Obligations	Section 7.12
DC Objection	Section 2.7(d)
De Minimis Threshold	Section 12.6(b)
Deferred Consideration Cap	Section 2.7(b)

Term	Section
Deferred Consideration Payment	Section 2.7(b)
Deferred Consideration Statement	Section 2.7(c)
Deposit	Section 2.3(a)
Dispute Notice	Section 2.7(d)
Distribution Services Agreement	Definition of "Transaction Documents"
Escrow Agent	Section 2.3(a)
Escrow Agent Fees	Section 7.10
Escrow Agreement	Section 2.3(a)
Estimated Closing Date Book Value	Section 2.2(b)
Estimated Closing Statement	Section 2.2(b)
Estimated Current Affiliate Obligations	Section 2.2(b)
Ex-Gratia Payment	Section 7.17(a)
Extension Period	Section 2.7(e)
Financial Condition	Section 7.6(c)(iii)
FIRPTA Certificate	Section 10.1(a)(vii)
Flow of Funds Memorandum	Section 2.2(c)
Governmental Deposit	Section 5.21
Guaranty	Definition of "Transaction Documents"
Indemnification Escrow Agreement	Section 2.3(c)
Indemnification Escrow Amount	Section 2.3(c)
Indemnification Escrow Fund	Section 2.3(c)
Indemnified Party	Section 12.9(a)
Indemnifying Party	Section 12.9(a)
Independent Accountant	Section 2.6(b)
Insurance Contracts	Section 5.19(a)
Investments	Section 5.17(a)
Losses	Definition of "Covered Loss"
Material Contracts	Section 5.9
Non-Controlling Party	Section 12.9(c)
Notice Period	Section 7.14(f)
Notices	Section 14.4
Notice of Disagreement	Section 2.6(b)
Objection	Section 2.6(b)
Parties	Preamble
PMAC	Recitals
PMI	Preamble
PMI Contractor List	Section 3.6(a)
PMI Employee List	Section 3.6(a)
PMI Plan	Section 3.7(a)
PMI Retirement Plan	Section 3.7(b)
PMI Required Governmental Approvals	Definition of "Governmental Approvals"
PMI Shares	Recitals
Post-Closing Tax Returns	Section 7.8(b)
Potential Buyer	Section 7.14(b)

Term	**Section**
Pre-Closing Portfolio	Section 2.7(a)(iii)
Pre-Signing Portfolio Schedule	Section 2.7(a)(iii)
Previous Bidder	Section 7.14(h)(iii)
Producers	Section 5.19(d)
Purchase Agreements	Section 7.14(b)
Purchaser	Preamble
Purchaser Confidential Information	Section 7.1(c)
Purchaser Covenant Period	Section 7.17(a)
Purchaser Indemnified Parties	Section 12.2
Purchaser Parent	Preamble
Purchaser Parties	Preamble
Purchaser Required Governmental Approvals	Definition of "Governmental Approvals"
Purchaser's Liability Amount	Section 12.7(c)
Receiver	Preamble
Receivership Order	Recitals
Releases	Section 7.12
Representatives	Section 7.1(a)
Retained Escrow Amount	Section 12.11(a)
Revised Proposal	Section 7.14(f)
Seller Capital Contribution	Section 7.3(b)
Seller Confidential Information	Section 7.1(b)
Seller Indemnified Parties	Section 12.5
Seller Representative Individual	Section 7.14(h)(iv)
Sellers	Preamble
Sellers' Indemnification Cap	Section 12.6(c)
Shares	Recitals
Straddle Period	Section 7.8(f)
Straddle Tax Returns	Section 7.8(b)
Superior Proposal	Section 7.14(h)(v)
Tax Claim	Section 7.8(c)
Third Party Claim	Section 12.9(a)
Transaction	Recitals
Transfer Taxes	Section 7.8(h)

1.3 General Interpretation. The terms of this Agreement have been negotiated by the parties hereto and the language used in this Agreement shall be deemed to be the language chosen by the parties hereto to express their mutual intent. This Agreement shall be construed without regard to any presumption or rule requiring construction against the party causing such instrument or any portion thereof to be drafted, or in favor of the party receiving a particular benefit under this Agreement. No rule of strict construction will be applied against any Person. For all purposes of this Agreement, unless otherwise expressly provided or unless the context otherwise requires:

(a) any pronouns used in this Agreement shall include the corresponding masculine, feminine or neutral forms, and the singular form of nouns and pronouns shall include the plural, and vice versa;

(b) the words "herein", "hereto" and "hereby", and other words of similar import, refer to this Agreement as a whole and not to any particular Section or other subdivision of this Agreement;

(c) the use of the term "including" (and with correlative meaning "include" and "includes") means including without limitation;

(d) references to Sections, clauses, other subdivisions and exhibits are references to Sections, clauses, other subdivisions and exhibits of this Agreement;

(e) the captions, titles and headings used in this Agreement are for convenience of reference only, shall not be deemed part of this Agreement and shall not affect its construction or interpretation;

(f) a reference to any party to this Agreement or any other agreement or document shall include such party's successors and permitted assigns; and

(g) any reference herein to a statute, rule or regulation of any Governmental Entity (or any provision thereof) shall include such statute, rule or regulation (or provision thereof), including any successor thereto, as it may be amended from time to time.

ARTICLE II

SALE AND PURCHASE OF SHARES

2.1 Sale and Purchase of the Shares. On and subject to the terms and conditions of this Agreement, at the Closing, the Sellers shall sell, convey, assign, transfer and deliver to the Purchaser, and the Purchaser shall purchase, acquire and accept from Sellers, all of the issued and outstanding Shares, free and clear of all Liens.

2.2 Closing Date Payment.

(a) Upon the terms and subject to the conditions of this Agreement, including Section 2.3, as aggregate consideration for the Shares, on the Closing Date, the Purchaser will pay to the Sellers an amount (the "Closing Date Payment") equal to the sum of (i) sixty percent (60%) of the difference of (x) the Estimated Closing Date Book Value determined in accordance with Section 2.2(b) *minus* (y) an amount equal to the Seller Capital Contributions, such amount not to exceed $10,000,000 in the aggregate *minus* (z) the Estimated Current Affiliate Obligations, to the extent not previously accrued and reflected in the Estimated Closing Date Book Value, *plus* (ii) 100% of the aggregate amount of any Seller Capital Contributions, up to $10,000,000. Such Closing Date Payment shall be subject to adjustment following Closing in accordance with Section 2.6.

(b) Pre-Closing Estimate. At least five (5) and not more than ten (10) Business Days prior to the Closing Date, the Sellers shall prepare and deliver to the Purchaser a statement (the "Estimated Closing Statement"), consisting of (i) an estimate of the combined balance sheets of the CMG Companies as of the last day of the calendar month immediately preceding the Closing Date (or as of the Closing Date, if the Closing Date falls on the last day of a calendar month) (which, for the avoidance of doubt, will be developed based on the CMG MI balance sheet and the consolidated balance sheet of CMG MA and its wholly-owned subsidiary, CMG Re, each as of the applicable date) (the "CMG Balance Sheet"), which CMG Balance Sheet shall be prepared in good faith, in accordance with GAAP and in a manner consistent with Sellers' past practice and methodologies, (ii) Seller's good faith estimate, and a reasonably detailed calculation, of Book Value as of the last day of the calendar month immediately preceding the Closing Date (or as of the Closing Date, if the Closing Date falls on the last day of a calendar month), derived from such CMG Balance Sheet (as the same may be modified in accordance with the remaining terms of this Section 2.2(b)), the "Estimated Closing Date Book Value") and (iii) an estimate of the Current Affiliate Obligations ("Estimated Current Affiliate Obligations"); provided, that the Sellers and the Purchaser shall work together in good faith following delivery of the Estimated Closing Statement to resolve any differences between them with respect to such Estimated Closing Statement; provided, further, that, unless otherwise agreed by the Purchaser and the Sellers, the Closing shall not be delayed due to any disagreement over the Estimated Closing Statement and shall occur even if the Estimated Closing Statement is not reasonably acceptable to the Purchaser.

(c) Not later than three (3) Business Days prior to the Closing Date, PMI shall prepare and deliver, in such form reasonably satisfactory to the Purchaser and CUNA Mutual, a flow of funds memorandum containing instructions (including wire transfer instructions) for the payment of the Closing Date Payment and any other amounts required to be paid by the Parties pursuant to the Transaction Documents upon Closing or that the Parties otherwise agree will be paid upon Closing (such statement, the "Flow of Funds Memorandum"). Such Flow of Funds Memorandum shall be reasonably acceptable to the Purchaser and the Sellers in form and substance.

(d) Payment of the Closing Date Payment and any other amounts due under this Agreement shall be in U.S. dollars paid by the party owing such amount by electronic wire transfer of immediately available funds to the accounts designated by the applicable party to receive such payment or on whose behalf such payment is to be made.

(e) For all Tax purposes, the Purchaser Parties and the Sellers agree to report the Transaction in a manner consistent with the terms of this Agreement, and agree that none of them will take any position inconsistent therewith in any Tax Return unless otherwise required by a taxing authority.

2.3 Escrowed Funds.

(a) Within one (1) Business Day after the date hereof, the Purchaser shall deposit or cause to be deposited with JPMorgan Chase Bank, National Association, in its capacity as escrow agent (the "Escrow Agent"), pursuant to the terms of an escrow agreement, which shall be in the form and substance of Exhibit G hereto (the "Escrow Agreement") an

amount in cash equal to $6,000,000 (the "Deposit") by wire transfer of immediately available funds. The Deposit (together with all accrued investment income or interest thereon) shall be held by the Escrow Agent in trust and shall be delivered to the Purchaser in the event (i) the Court has not approved the Transaction pursuant to the Sale Order on or prior to the earlier of (A) the date that is 120 days from the date of the first Court hearing to seek approval of the Transaction and (B) August 15, 2013 or (ii) this Agreement is terminated other than in accordance with Section 11.1(a)(ii). Notwithstanding the foregoing, if at the time the Deposit is due to be released to the Purchaser pursuant to the foregoing clause (i), (x) the Purchaser has materially breached any provision of this Agreement, (y) the Sellers have notified the Purchaser that they intend to terminate this Agreement pursuant to Section 11.1(a)(ii) if such material breach remains uncured and (z) the cure period relating to such breach contemplated by Section 11.1(a)(ii) has not yet expired, then the period contemplated by the foregoing clause (i) shall be extended until the earlier of the date that is five (5) Business Days following the end of such cure period (it being understood that the Sellers may have a right to terminate the Agreement during such five (5) Business Day period following the end of such cure period) and (B) the date on which the Purchaser has cured such material breach.

(b) If the Deposit is required to be released to the Purchaser pursuant to the terms hereof, it shall be released to the Purchaser in accordance with the procedures set forth in the Escrow Agreement. If the Closing occurs, and the Deposit has not been returned to the Purchaser in accordance with Section 2.3(a), the Deposit will be released to the Sellers on a pro rata basis based upon each Seller's Percentage Interest as of the date hereof, in accordance with the terms of the Escrow Agreement and credited against the Closing Date Payment. The Parties shall take such action as is necessary, including providing joint written instructions to the Escrow Agent, to cause the Deposit (together with earnings thereon) to be released to the Sellers or to the Purchaser, as applicable, in accordance with the terms of this Agreement.

(c) On or prior to the Closing Date, the Purchaser shall deposit with the Escrow Agent, pursuant to the terms of an escrow agreement, which shall be in the form and substance of Exhibit H hereto (the "Indemnification Escrow Agreement"), for deposit into an escrow fund (the "Indemnification Escrow Fund") a portion of the Closing Date Payment equal to twenty million dollars ($20,000,000) (as increased from time to time by the amount of any interest, dividends, earnings and other income on such amount, the "Indemnification Escrow Amount"), which amount shall be held by the Escrow Agent in accordance with Article XII and the Indemnification Escrow Agreement to secure indemnification obligations of the Sellers under Article XII hereof.

(d) The Indemnification Escrow Amount shall be held in escrow following the Closing Date, shall be available to compensate the Purchaser Indemnified Parties with respect to certain indemnification obligations of the Sellers as provided in Article XII and shall be released subject to and in accordance with Section 12.11 and the Indemnification Escrow Agreement.

2.4 Closing. The purchase and sale provided for in this Agreement shall take place at a closing (the "Closing") to be held at the offices of Arnold & Porter LLP located at 399 Park Avenue, New York, New York 10022 at 10:00 a.m. (local time) on the third (3rd) Business Day following the date on which all conditions set forth in Article IX (other than conditions to be satisfied by the delivery of documents or the payment of money at the Closing, and other

conditions that, by their terms are to be satisfied at Closing, but subject to the satisfaction of such conditions) have been satisfied or waived by the Party or Parties entitled to the benefit thereof in their sole discretion, or at such other time, date and place as the parties may agree (the "Closing Date").

2.5 Right of Set Off. The Purchaser Parties shall have the right to set off from any amounts owing by a Purchaser Party to PMI pursuant to this Agreement, any delinquent amount that is due and owing from PMI or any Affiliate of PMI to a Purchaser Party or any Affiliate of the Purchaser Parties pursuant to this Agreement, the Asset Purchase Agreement, the Services Agreement (as defined in the Asset Purchase Agreement) or the Quota Share Reinsurance Agreement (as defined in the Asset Purchase Agreement); provided, however, that if PMI or its applicable Affiliate disputes in good faith its obligation to pay any such amount, then the Purchaser or its Affiliate, as applicable, shall not be entitled to such right of set-off in respect of such disputed amount (or the disputed portion of any such amount) unless and until a court of competent jurisdiction determines that such amount or any portion thereof is due and owing to the Purchaser or the Purchaser's Affiliate or PMI and the Purchaser otherwise mutually resolve the dispute; provided, further, that the Purchaser and its Affiliates shall not be entitled to such right of off-set in relation to any (i) Deferred Consideration Payment or (ii) indemnification claim asserted by the Purchaser Indemnified Parties hereunder or under the Asset Purchase Agreement to the extent that the Purchaser Indemnified Parties are indemnified for Covered Losses that are the subject of such indemnification claim from the Indemnification Escrow Fund within the meaning of this Agreement or the Asset Purchase Agreement. For the avoidance of doubt, the Parties agree that the Purchaser Parties and their Affiliates shall not have the right to set off from any amounts owing by a Purchaser Party or an Affiliate of a Purchaser Party to CUNA Mutual pursuant to this Agreement.

2.6 Adjustment of Closing Date Payment.

(a) As promptly as practicable, but in any event not later than ninety (90) days after the Closing Date, the Purchaser shall cause to be prepared and delivered to the Sellers a statement (the "Closing Statement"), consisting of (i) the combined balance sheets of the CMG Companies as of the last day of the calendar month immediately preceding the Closing Date (or as of such date, if the Closing Date falls on the last day of a calendar month) (which, for the avoidance of doubt, will be developed based on the CMG MI balance sheet as of the Closing Date and the consolidated balance sheet as of such date of CMG MA and its wholly-owned subsidiary, CMG Re, (ii) a calculation in reasonable detail of the Book Value as of the last day of the calendar month immediately preceding the Closing Date (or as of the Closing Date, if the Closing Date falls on the last day of a calendar month), derived from such balance sheet ("Closing Date Book Value"); provided, that for purposes of such calculation, adjustments to the amount of premium deficiency reserves and loss reserves set forth on the Estimated Closing Statement shall only be made by the Purchaser in the event such calculations were not derived from the books and records of the CMG Companies, the Sellers made a manifest arithmetic error in such calculations, the Sellers deviated from Sellers' past practice and methodologies or the requirements of Schedule 1.1(a) hereof in making such calculations, (iii) a statement of the aggregate Current Affiliate Obligations invoiced to the CMG Companies in accordance with Section 7.12 hereof (the "Actual Current Affiliate Obligations"), and (iv) a calculation of the Final Closing Payment, which Final Closing Payment shall be determined using the formula set

forth in Section 2.2(a) for determining the Closing Date Payment, except that (A) the Closing Date Book Value set forth in the Closing Statement shall be substituted for the Estimated Closing Date Book Value in clause (x) and (z) thereof and (B) the Actual Current Affiliate Obligations shall be substituted for the Estimated Current Affiliate Obligations in clause (z) thereof. The balance sheet included in the Closing Statement shall be prepared based upon the books and records of the CMG Companies and in accordance with GAAP and Sellers' past practice and methodologies (including for the calculation of reserves).

(b) If either Seller in good faith disagrees with all or any portion of the Closing Statement, then such Seller shall notify the Purchaser in writing (the "Notice of Disagreement") of such disagreement within forty-five (45) days after delivery of the Closing Statement. Each Notice of Disagreement shall set forth in reasonable detail each disputed item or amount and the basis for the disagreement, together with supporting calculations. Any amount, determination or calculation contained in the Closing Statement and not specifically disputed in a timely delivered Notice of Disagreement shall be final, conclusive and binding on the Parties and not subject to further review. If a Notice of Disagreement is timely delivered within such forty-five (45) day period, the Purchaser and such Seller shall negotiate in good faith to resolve each dispute raised therein (each, an "Objection"). Any such resolution shall be evidenced in a writing and executed by an authorized representative of the Purchaser and each Seller. If the Purchaser and such Seller are unable to resolve any Objections within ten (10) days after delivery of such Notice of Disagreement, then the Purchaser and the Sellers shall jointly engage KPMG LLP (the "Independent Accountant") to resolve such Objections (acting as an expert and not an arbitrator) in accordance with this Agreement as soon as practicable thereafter, but in any event within thirty (30) days after engagement of the Independent Accountant. If KPMG LLP is no longer independent or is unwilling or unable to serve in such capacity, then the Purchaser and the Sellers shall select, within ten (10) days after notification that KPMG LLP is no longer independent or is unwilling or unable to serve in such capacity, a mutually acceptable, nationally recognized independent accounting firm to serve as the Independent Accountant. The Sellers and the Purchaser shall cause the Independent Accountant to deliver a written report containing its calculation of the disputed Objections (which calculation shall be within the range of dispute between the Closing Statement and the Notice of Disagreement) within thirty (30) days after engagement of the Independent Accountant. The scope of such firm's engagement (which shall not be an audit) shall be limited to the resolution of the items contained in the Notice of Disagreement, and the recalculation, if any, of the Closing Statement in light of such resolution. For the avoidance of doubt, the Independent Accountant shall not make any determination with respect to any matter other than those matters specifically set forth in the Notice of Disagreement that remain in dispute at the time of such determination. All Objections that are resolved between the Parties or are determined by the Independent Accountant in accordance with this Section 2.6(b) shall be final, binding and conclusive upon the Parties and shall not be subject to further review absent manifest error. The fees, costs and expenses of the Purchaser in connection with the preparation of the Closing Statement shall be borne by the Purchaser Parties, and the fees, costs and expenses of the Sellers in connection with the preparation of the Notice of Disagreement shall be borne pro rata by the Sellers based upon each Seller's Percentage Interest as of the date hereof. The fees, costs and expenses of the Independent Accountant, if any, selected in accordance with this Section 2.6(b) will be paid by the Sellers (on a pro rata basis based upon each Seller's Percentage Interest as of the date hereof), on the one hand, and the Purchaser, on the other hand, based on the percentage which

the portion of the contested amount not awarded to each Party bears to the amount actually contested by or on behalf of such Party. Within five (5) Business Days of the first to occur of either (i) final resolution of the Closing Statement as described above, and (ii) delivery of a notice of determination by the Independent Accountant as described above, any adjustment shall be paid as provided in Section 2.6(d).

(c) The Purchaser shall make its financial records relating to the calculation of the Final Closing Payment, accounting personnel and advisors available to the Sellers, their accountants and other representatives and the Independent Accountant at reasonable times during normal business hours during the review by the Sellers and the Independent Accountant of, and the resolution of any Objections with respect to, the Closing Statement. Without limiting the generality of the foregoing, the Purchaser and its representatives will permit such Persons to review the Purchaser's work papers and the work papers of the Purchaser's independent accountants relating to the preparation of the Closing Statement, as well as all the books, records and other relevant information relating to the Shares, and the Purchaser will make available at reasonable times during normal business hours the individuals then in its employ primarily responsible for and knowledgeable about the information used in, and the preparation of, the Closing Statement in order to respond to the reasonable inquiries of the Sellers; provided, however, that the independent accountants of the Purchaser Parties will not be obligated to make any work papers available to the Sellers unless and until such Persons have signed a customary agreement relating to such access to work papers in form and substance reasonably acceptable to such independent accountants.

(d) Final Adjustment. Within five (5) Business Days after the Closing Statement is finalized pursuant to this Section 2.6:

(i) if the Final Closing Payment set forth in such Closing Statement exceeds the Closing Date Payment, the Purchaser shall pay to each Seller an amount equal to each Seller's pro rata portion of such excess based upon each Seller's pro rata portion of such excess, based upon each Seller's Percentage Interest as of the date hereof; or

(ii) if the Closing Date Payment exceeds the Final Closing Date Payment set forth in such Closing Statement, each Seller shall pay the Purchaser an amount equal to such Seller's pro rata portion of such excess based upon each Seller's Percentage Interest as of the date hereof.

2.7 Deferred Consideration.

(a) Certain Terms. As used in this Section 2.7, the following terms have the meanings ascribed to them in this Section 2.7(a):

(i) "Adjusted Book Value" as of a particular date means:

(A) with respect to the Deferred Consideration Payment to be made in respect of the third anniversary of the Closing Date: (1) the Closing Date Book Value, *minus* the aggregate amount of any Seller Capital Contributions, up to $10,000,000, *plus* (2) eighty-two percent (82%) of the earned premiums for the Pre-Closing Portfolio during the period from the Closing through the date of such

third anniversary, *plus* (3) the tax effect of net operating loss carryforwards of the CMG Companies as of the Closing Date, that are actually utilized during the period from the Closing through the date of such third anniversary, *minus* (4) the change in incurred losses and loss adjustment expenses for the Pre-Closing Portfolio over the period contemplated in the foregoing clause (i)(A)(2), *minus* (5) the change in premium deficiency reserve, if any, for the Pre-Closing Portfolio over the period contemplated in the foregoing clause (i)(A)(2) net, in the case of each of clauses (2), (4) and (5), of amounts attributable to reinsurance ceded to third parties (including ARL or any other Affiliate of Purchaser) in effect at the Closing (for the avoidance of doubt, excluding reinsurance ceded to CMG Re) on the Pre-Closing Portfolio, *plus* (6) seventeen percent (17%) of the earned premiums ceded to ARL pursuant to the CMG MI Quota Share Reinsurance Agreement for the Pre-Closing Portfolio during the period from the Closing through the date of such third anniversary (it being understood that for purposes of this calculation it shall be assumed that the policies ceded under the CMG MI Quota Share Reinsurance Agreement remain ceded thereunder until the earlier to occur of (a) natural expiration of such policies or (b) the early termination of any such policies);

(B) with respect to the Deferred Consideration Payment to be made in respect of the fifth anniversary of the Closing Date: (1) the Adjusted Book Value calculated pursuant to clause (i)(A) in respect of the third anniversary of the Closing Date, *plus* (2) eighty-two percent (82%) of the earned premiums for the Pre-Closing Portfolio during the period from the third anniversary of the Closing Date through the date of such fifth anniversary, *plus* (3) the tax effect of net operating loss carryforwards of the CMG Companies as of the Closing Date, that are actually utilized during the period from the Closing through the date of such fifth anniversary and not otherwise included in the Adjusted Book Value calculation pursuant to Section 2.7(a)(i)(A), *minus* (4) the change in incurred losses and loss adjustment expenses for the Pre-Closing Portfolio over the period contemplated in the foregoing clause (i)(B)(2), *minus* (5) the change in premium deficiency reserve, if any, for the Pre-Closing Portfolio over the period contemplated in the foregoing clause (i)(B)(2) net, in the case of each of clauses (2), (4) and (5), of amounts attributable to reinsurance ceded to third parties (including ARL or any other Affiliate of Purchaser) in effect at the Closing (for the avoidance of doubt, excluding reinsurance ceded to CMG Re) on the Pre-Closing Portfolio, *plus* (6) seventeen percent (17%) of the earned premiums ceded to ARL pursuant to the CMG MI Quota Share Reinsurance Agreement for the Pre-Closing Portfolio during the period from the third anniversary of the Closing Date through the date of such fifth anniversary (it being understood that for purposes of this calculation it shall be assumed that the policies ceded under the CMG MI Quota Share Reinsurance Agreement remain ceded thereunder until the earlier to occur of (a) natural expiration of such policies or (b) the early termination of any such policies); and

(C) with respect to the Deferred Consideration Payment to be made in respect of the sixth anniversary of the Closing Date (as may be extended in

accordance with Section 2.7(e)): (1) the Adjusted Book Value calculated pursuant to clause (i)(B) in respect of the fifth anniversary of the Closing Date, *plus* (2) eighty-two percent (82%) of the earned premiums for the Pre-Closing Portfolio during the period from the fifth anniversary of the Closing Date through the date of such sixth anniversary (or the last day of the Extension Period, if applicable), *plus* (3) the tax effect of net operating loss carryforwards of the CMG Companies as of the Closing Date, that are actually utilized during the period from the Closing through the date of such sixth anniversary and not otherwise included in the Adjusted Book Value calculation pursuant to Sections 2.7(a)(i)(A) and (B), *minus* (4) the change in incurred losses and loss adjustment expenses for the Pre-Closing Portfolio over the period contemplated in the foregoing clause (i)(C)(2), *minus* (5) the change in premium deficiency reserve, if any, for the Pre-Closing Portfolio over the period contemplated in the foregoing clause (i)(C)(2) net, in the case of each of clauses (2), (4) and (5), of amounts attributable to reinsurance ceded to third parties (including ARL or any other Affiliate of Purchaser) in effect at the Closing (for the avoidance of doubt, excluding reinsurance ceded to CMG Re) on the Pre-Closing Portfolio, *plus* (6) seventeen percent (17%) of the earned premiums ceded to ARL pursuant to the CMG MI Quota Share Reinsurance Agreement for the Pre-Closing Portfolio during the period from the fifth anniversary of the Closing Date through the date of such sixth anniversary (it being understood that for purposes of this calculation it shall be assumed that the policies ceded under the CMG MI Quota Share Reinsurance Agreement remain ceded thereunder until the earlier to occur of (a) natural expiration of such policies or (b) the early termination of any such policies).

(ii) "Applicable Percentage" means, as applicable (i) for purposes of the Deferred Consideration Payments to be made in respect of each of the third and fifth anniversaries of the Closing Date, fifty percent (50%) and (ii) for purposes of the Deferred Consideration Payment to be made in respect of the sixth anniversary of the Closing Date (as may be extended in accordance with Section 2.7(e)), one hundred percent (100%).

(iii) "Pre-Closing Portfolio" means collectively, all of the mortgage insurance policies written by CMG MI and in force and on CMG MI's books as of the last day of the calendar month immediately preceding the Closing Date (or as of the Closing Date, if the Closing Date falls on the last day of a calendar month). A schedule of all of the mortgage insurance policies written by CMG MI and in force and on CMG MI's books as of January 31, 2013 (the "Pre-Signing Portfolio Schedule"), has been previously delivered to the Purchaser. On the Closing Date, the Sellers shall deliver to the Purchaser a schedule of the Pre-Closing Portfolio (the "Closing Portfolio Schedule"), which Closing Portfolio Schedule shall (A) be prepared and presented in a manner consistent with the Pre-Closing Portfolio Schedule, (B) eliminate any policies included in the Pre-Signing Portfolio Schedule that have been run-off prior to Closing, and (C) update, as applicable, any information for the policies included in the Pre-Closing Portfolio Schedule based on changes through the Closing. Following the delivery of the Closing Portfolio Schedule and until the date that is sixty (60) days following the date on which the Purchaser receives a final report of the independent auditors of the CMG Companies in respect of the first audit of the CMG Companies completed following the Closing Date, either the Purchaser or the

Sellers (acting jointly), may notify the other Party in writing that it has identified one or more inaccuracies in the Closing Portfolio and the corrections such Party proposes to make to the Closing Portfolio Schedule to address the same, which notice shall specify such inaccuracies. Not later than ten (10) Business Days following any such notice, the Party receiving the notice shall notify the Party that delivered the notice in writing either (x) that they agree with such inaccuracies and corrections or (y) that they disagree with one or more of the inaccuracies identified in the notice or the proposed corrections therefor, specifying the inaccuracies or corrections with which they disagree. If the Parties agree with any inaccuracy identified in the notice or the Party receiving such notice fails to respond to such notice as contemplated by this clause (iii) within the ten (10) Business Day period contemplated above, the Purchaser shall prepare a corrected Closing Portfolio Schedule and provide a copy thereof to the Sellers. If the Purchaser and the Sellers do not agree with the inaccuracy identified in the notice provided within the ten (10) Business Day period contemplated above, the Purchaser and the Sellers shall, within ten (10) Business Days following notice of such disagreement, meet (in person or by teleconference) to discuss such disagreement and endeavor in good faith to resolve such disagreement. In the event that the Purchaser and the Sellers are unable to resolve any such disagreement within ten (10) Business Days following such initial meeting, the Purchaser shall be entitled to submit such dispute to resolution by an Independent Accountant in accordance with the procedures and requirements consistent with those contemplated by Sections 2.7(d) and 2.7(f), as though such disagreement were a DC Objection. Upon the final resolution of any disagreement over purported inaccuracies in the Closing Portfolio Schedule, either by the Purchaser and the Sellers, or by the Independent Accountant, the Purchaser shall prepare a corrected Closing Portfolio Schedule reflecting such agreed resolutions and provide a copy thereof to the Sellers. Any corrected Closing Portfolio Schedule prepared and delivered pursuant to this clause (iii) shall replace the Closing Portfolio Schedule theretofore in effect.

(b) Deferred Consideration Payments. Within ninety (90) days following each of the third anniversary, fifth anniversary and sixth anniversary (as may be extended in accordance with Section 2.7(e)) of the Closing Date, the Purchaser shall pay the Sellers an aggregate amount (each, a "Deferred Consideration Payment") equal to (i) the Applicable Percentage *multiplied by* (ii) the difference between (A) the Adjusted Book Value as of the applicable anniversary date and (B) the sum of the Final Closing Payment *minus* any Seller Capital Contributions, up to $10,000,000 in the aggregate, and all Deferred Consideration Payments prior to the date of the Deferred Consideration Payment to be made in respect of such anniversary; provided, however, that in no event shall the amount of any Deferred Consideration Payment, when combined with the Final Closing Payment and all prior Deferred Consideration Payments exceed one hundred ten percent (110%) of the Closing Date Book Value *less* any Seller Capital Contributions made prior to Closing, up to $10,000,000 in the aggregate (the "Deferred Consideration Cap"), provided, further, that solely for purposes of calculating the Deferred Consideration Cap, the premium deficiency reserve amount as of the Closing Date, if any, shall be recalculated on a combined basis for the CMG Companies and, if such recalculated premium deficiency reserve amount is less than the premium deficiency reserve amount contemplated in the calculation of the Closing Date Book Value, the difference shall be added to the Closing Date Book Value for the purpose of calculating the Deferred Consideration Cap. In the event a Deferred Consideration Payment would exceed the Deferred Consideration Cap, the

amount of such Deferred Consideration Payment shall equal (1) the Deferred Consideration Cap *minus* (2) the sum of the Final Closing Payment *minus* any Seller Capital Contributions, up to $10,000,000 in the aggregate, and all prior Deferred Consideration Payments; and provided further, that if the calculation of any Deferred Consideration Payment pursuant to this Section 2.7 results in a negative number, such Deferred Consideration Payment shall be $0. For the sake of clarity, if the Deferred Consideration Payment in respect of either the third anniversary or the fifth anniversary of the Closing Date, when combined with the Final Closing Payment *minus* any Seller Capital Contributions, up to $10,000,000 in the aggregate, and all prior Deferred Consideration Payments, exceeds the Deferred Consideration Cap, then no additional Deferred Consideration Payment(s) shall be owing pursuant to this Agreement.

(c) Calculation and Reporting. On or prior to the date on which each Deferred Consideration Payment is made pursuant to Section 2.7(b), the Purchaser shall provide each Seller with a written statement (each, a "Deferred Consideration Statement") consisting of (i) a calculation in reasonable detail of the Adjusted Book Value as of such date, as well as each component of Adjusted Book Value, as contemplated by the definition thereof, with such supporting details of the calculation as may be reasonably requested by the Sellers, and (ii) a calculation of the Deferred Consideration Payment to be made in respect of such date. Each calculation of Adjusted Book Value shall be made in accordance with the principles set forth on Schedule 2.7(c) hereto. A hypothetical calculation of Adjusted Book Value is set forth on Schedule 2.7(c) hereto for illustrative purposes only. The Parties agree that, notwithstanding anything contained herein to the contrary, for purposes of determining or calculating Adjusted Book Value as of any date, any Liability that constitutes a Covered Loss shall be disregarded to the extent that the Purchaser or any Purchaser Indemnified Party has theretofore been indemnified for such Covered Loss pursuant to Article XII.

(d) Resolution of Disputes. (b) If either Seller in good faith disagrees with all or any portion of any Deferred Consideration Statement, then such Seller shall notify the Purchaser in writing (the "Dispute Notice") of such disagreement within forty-five (45) days after delivery of such Deferred Consideration Statement. Each Dispute Notice shall set forth in reasonable detail each disputed item or amount and the basis for the disagreement, together with supporting calculations. Any amount, determination or calculation contained in the applicable Deferred Consideration Statement and not specifically disputed in a timely delivered Dispute Notice shall be final, conclusive and binding on the Parties and not subject to further review. If a Dispute Notice is timely delivered within such forty-five (45) day period, the Purchaser and such Seller shall negotiate in good faith to resolve each dispute raised therein (each, a "DC Objection"). Any such resolution shall be evidenced in a writing and executed by an authorized representative of the Purchaser and each Seller. If the Purchaser and such Seller are unable to resolve any DC Objections within ten (10) days after delivery of such Dispute Notice, then the Purchaser and the Sellers shall jointly engage an Independent Accountant to resolve such DC Objections (acting as an expert and not an arbitrator) in accordance with this Agreement as soon as practicable thereafter, but in any event within thirty (30) days after engagement of the Independent Accountant. Such Independent Accountant shall be the Independent Accountant contemplated or selected pursuant to Section 2.6(b). If such Independent Accountant is no longer deemed independent, or is unwilling or unable to serve in such capacity, then the Purchaser and the Sellers shall select, within ten (10) days after notification that such Independent Accountant is unwilling or unable to serve in such capacity, a mutually acceptable,

nationally recognized independent accounting firm to serve as the Independent Accountant for purposes of resolving such dispute. The Sellers and the Purchaser shall cause the Independent Accountant to deliver a written report containing its calculation of the disputed DC Objections (which calculation shall be within the range of dispute between the Deferred Consideration Statement and the Dispute Notice) within thirty (30) days after engagement of the Independent Accountant. The scope of such firm's engagement (which shall not be an audit) shall be limited to the resolution of the items contained in the Dispute Notice, and the recalculation, if any, of the Deferred Consideration Statement in light of such resolution. For the avoidance of doubt, the Independent Accountant shall not make any determination with respect to any matter other than those matters specifically set forth in the Dispute Notice that remain in dispute at the time of such determination. All DC Objections that are resolved between the Parties or are determined by the Independent Accountant in accordance with this Section 2.7(d) shall be final, binding and conclusive upon the Parties and shall not be subject to further review absent manifest error. The fees, costs and expenses of the Purchaser Parties in connection with the preparation of the Deferred Consideration Statement shall be borne by the Purchaser, and the fees, costs and expenses of the Sellers in connection with the preparation of the Dispute Notice shall be borne pro rata by the Sellers based upon each Seller's Percentage Interest as of the date hereof. The fees, costs and expenses of the Independent Accountant, if any, selected in accordance with this Section 2.7(d) will be paid by the Sellers (on a pro rata basis based upon each Seller's Percentage Interest as of the date hereof), on the one hand, and the Purchaser, on the other hand, based on the percentage which the portion of the contested amount not awarded to each Party bears to the amount actually contested by or on behalf of such Party. Within five (5) Business Days of the first to occur of either (i) final resolution of the Deferred Consideration Statement as described above, and (ii) delivery of a notice of determination by the Independent Accountant as described above, any adjustment shall be paid as provided in Section 2.7(g).

(e) In connection with the Deferred Consideration Statement delivered by the Purchaser with respect to the Deferred Consideration Payment to be made with respect to the sixth anniversary of the Closing Date, in the event the Purchaser and the Sellers are unable to resolve any DC Objections within ten (10) days after delivery of such Dispute Notice, then the Sellers shall have the one-time option, in their sole discretion, to extend the duration of the deferred consideration period contemplated by Section 2.7(a)(i)(C) for an additional period ending on the first, second or third anniversary of such sixth anniversary of the Closing Date on the terms hereof (such period, the "Extension Period") such that the calculation of the Adjusted Book Value shall be as of the last day of such additional period; provided, that the Sellers deliver a joint notice in writing to the Purchaser within two (2) Business Days following the last day of such ten (10) day period. In the event the Sellers exercise their option to extend the duration of the deferred consideration period, the Parties agree that the covenants set forth in Section 7.17 shall survive during such Extension Period. Anything to the contrary notwithstanding, in the event that the final deferred consideration period is extended as contemplated by this Section 2.7(e), no net operating loss carryforwards of the CMG Companies utilized after the sixth anniversary of the Closing Date shall be considered in the calculation of the final Deferred Consideration Payment.

(f) The Purchaser shall make its financial records relating to the calculation of each Deferred Consideration Payment, accounting personnel and advisors available to the Sellers, their accountants and other representatives and the Independent Accountant at reasonable

times during normal business hours during the review by the Sellers and the Independent Accountant of, and the resolution of any DC Objections with respect to, the Deferred Consideration Statement. Without limiting the generality of the foregoing, the Purchaser and its representatives will permit such Persons to review the Purchaser's work papers and the work papers of the Purchaser's independent accountants relating to the preparation of each Deferred Consideration Statement, as well as all the books, records and other relevant information relating to the Shares, and the Purchaser will make available at reasonable times during normal business hours the individuals then in its employ primarily responsible for and knowledgeable about the information used in, and the preparation of, the applicable Deferred Consideration Statement in order to respond to the reasonable inquiries of the Sellers; provided, however, that the independent accountants of the Purchaser will not be obligated to make any work papers available to the Sellers unless and until such Persons have signed a customary agreement relating to such access to work papers in form and substance reasonably acceptable to such independent accountants.

(g) Final Adjustment. Within five (5) Business Days after any dispute over any Deferred Consideration Statement is resolved pursuant to this Section 2.7:

(i) if the Deferred Consideration Payment that should have been made to Sellers in respect of the applicable anniversary date, based upon any adjustments made to the corresponding Deferred Consideration Statement pursuant to Section 2.7(d) exceeds the Deferred Consideration Payment that has been made to Sellers in respect of such anniversary date, the Purchaser shall pay to each Seller an amount equal to each Seller's pro rata portion of such excess based upon each Seller's Percentage Interest as of the date hereof; or

(ii) if the Deferred Consideration Payment that has been made to Sellers in respect of the applicable anniversary date exceeds the Deferred Consideration Payment that should have been made to Sellers in respect of such anniversary date, based upon any adjustments made to the corresponding Deferred Consideration Statement pursuant to Section 2.7(d), each Seller shall pay to the Purchaser an amount equal to each Seller's pro rata portion of such excess based upon each Seller's Percentage Interest as of the date hereof.

2.8 Tax Withholding. The Purchaser Parties shall be entitled to deduct and withhold from the consideration otherwise payable to the Sellers pursuant to this Agreement such amounts as may be required to be deducted and withheld with respect to the making of such payment under applicable Tax Law. To the extent that amounts are so withheld and paid over to the proper Governmental Entity, such withheld amounts shall be treated as having been paid to the Sellers for all purposes of this Agreement.

ARTICLE III

REPRESENTATIONS AND WARRANTIES OF PMI

Except as otherwise set forth in the PMI Disclosure Schedule, PMI represents and warrants to the Purchaser as of the date hereof (or, in the case of any representation or warranty that speaks as of a specific date or time, as of such specific date or time) as follows:

3.1 Organization and Good Standing.

(a) PMI is a stock insurance corporation duly organized, validly existing and in good standing under the laws of the State of Arizona. PMI, subject to the limitations imposed upon it under the Receivership Order, has all requisite corporate power and authority to own, operate or lease its properties and assets and to own the PMI Shares.

(b) Prior to the date of this Agreement, PMI has made available to the Purchaser Parties true and correct copies of the Organizational Documents of PMI.

3.2 Authorization; Enforceability. PMI has the necessary power and authority to execute and deliver this Agreement and the Transaction Documents to which PMI is a party and, except as described in Section 8.1(f) and subject to the receipt of the PMI Required Governmental Approvals and CMG Required Governmental Approvals, to consummate the Transaction and all other transactions contemplated by the Transaction Documents to which PMI is a party. This Agreement and each of the Transaction Documents to which PMI is a party has been duly authorized, executed and delivered by PMI and assuming due authorization, execution and delivery by the other parties thereto and subject to Section 8.1(f), this Agreement and each of the Transaction Documents to which PMI is a party constitutes the legal, valid and binding obligation of PMI enforceable against it in accordance with its terms, except to the extent that enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws affecting creditors' rights generally and by principles of equity regarding the availability of remedies.

3.3 No Conflict. Subject to Section 8.1(f) and to the receipt of the PMI Required Governmental Approvals and Third Party Consents, neither the execution and delivery by PMI of this Agreement or any of the Transaction Documents to which PMI is a party or the consummation by PMI of the Transaction or the transactions contemplated by such other Transaction Documents to which PMI is a party, nor compliance by PMI with or fulfillment by PMI of the terms, conditions and provisions hereof or thereof will, except as may result from any facts or circumstances relating to the Purchaser Parties or their Affiliates, result in a violation or breach of the terms, conditions or provisions of, or constitute a default, an event of default or an event creating rights of acceleration, termination or cancellation under, or result in the creation or imposition of any Lien upon the Shares under (A) the Organizational Documents of PMI, (B) any material Contract to which PMI is a party or by which PMI is bound or (C) any Law or Order to which PMI is a party or by which PMI is bound, other than, in the case of clauses (B) and (C) above, any such violations, breaches, defaults or Liens that are not material, individually or in the aggregate.

3.4 Consents and Approvals. Except as described in Section 8.1(f), and except for the PMI Required Governmental Approvals, the Third Party Consents, and compliance with any conditions contained therein, and except as may result from any facts or circumstances solely related to the Purchaser or its Affiliates, no consents, waivers or approvals of, or filings or registrations with, any Governmental Entity are necessary, and no consents, waivers or approvals of, or filings or registrations by PMI with, any other third parties are necessary, in connection with the execution and delivery by PMI of this Agreement or any other Transaction Document to which PMI is a party, and the completion by PMI of the Transaction or the compliance by PMI with any of the terms or provisions of this Agreement or any other Transaction Document. As of the date hereof, PMI is not aware of any fact specifically pertaining to either PMI or the CMG Business that would prevent the PMI Required Governmental Approvals from being received in order to permit consummation of the Transaction on a timely basis.

3.5 Litigation. Other than with respect to insurance claims in the ordinary course of business or bankruptcy or receivership proceedings and other Actions arising in the ordinary course of business, PMI is not a party to any, and there are no pending or, to PMI's Knowledge, threatened Actions (i) against PMI relating to or involving any of the PMI Shares, (ii) challenging the validity or propriety of the Transaction or any of the Transaction Documents, or (iii) which could materially and adversely affect the ability of PMI to perform under this Agreement.

3.6 Employees and Contractors; Labor Matters.

(a) Prior to the date hereof, PMI has delivered to the Purchaser a list of all PMI Business Employees (the "PMI Employee List"), as of a date not earlier than ten (10) days prior to the date of this Agreement, setting forth each PMI Business Employee's (i) department/function; (ii) title or job/position; (iii) salaried or hourly status; (iv) location of employment; (v) annual base salary or base rate of pay, (vi) target bonus amount for the current fiscal year and (vii) any retention bonus amounts or similar amounts to which the PMI Business Employee is eligible. PMI shall provide an updated PMI Employee List to the Purchaser not earlier than five (5) days prior to the Closing Date. Prior to the date hereof, PMI has delivered to the Purchaser a list of each PMI Business Contractor (the "PMI Contractor List"), as of the last day of the calendar month ending immediately prior to the date of this Agreement, setting forth the location of provision of services and payment arrangements of the engagement under the applicable Business Contractor Services Agreement. PMI shall provide an updated PMI Contractor List to the Purchaser not earlier than five (5) days prior to the Closing Date. Except in accordance with this Agreement (as though this Agreement had been in effect from and after the time at which the PMI Employee List and the PMI Contractor List were prepared), there has been no change in any of the information contained in the PMI Employee List and the PMI Contractor List.

(b) Prior to the date hereof, PMI has delivered to the Purchaser a list of all employment, severance, independent contractor, and consulting agreements or Contracts between PMI and any current employee, independent contractor or consultant listed on the PMI Employee List or the PMI Contractor List. PMI has delivered or made available to the Purchaser copies of each such Contract, as amended to date.

(c) With respect to the PMI Business Employees, PMI is not bound by or subject to any Contract with any labor union and no labor union has requested or, to the Knowledge of PMI, has sought to represent any of the PMI Business Employees. There is no strike or other labor dispute involving the PMI Business Employees pending or threatened, nor to the Knowledge of PMI, is there any labor organization activity involving the PMI Business Employees.

(d) With respect to the PMI Business Employees, PMI is and since March 14, 2012, has been, to the Knowledge of PMI, in compliance in all material respects with all applicable Law respecting employment and employment practices, terms and conditions of employment and wages and hours, safety and health, collective bargaining, equal employment opportunity, immigration, and workers' compensation, and is not engaged in any unfair labor or unlawful employment practice. PMI is, and at all times since December 31, 2010 has been, in compliance with the WARN Act, and PMI has not incurred any liability or obligation under the WARN Act which remains unsatisfied.

3.7 Employee Benefits Plans.

(a) Section 3.7(a) of the PMI Disclosure Schedule sets forth a list of each material PMI Plan. For purposes of this Agreement, "PMI Plan" means each Employee Benefit Plan sponsored, maintained or contributed to by PMI or any of its Subsidiaries in which the PMI Business Employees participate immediately prior to Closing. PMI has heretofore delivered or made available to the Purchaser copies of the material PMI Plans or descriptions thereof and the most recent summary plan descriptions for such PMI Plans, if applicable.

(b) PMI has made available to the Purchaser the most recent IRS determination letter or opinion letter, as applicable, for the PMI Group, Inc. Retirement Plan (the "PMI Retirement Plan") and The PMI Group, Inc. Savings and Profits Sharing Plan.

(c) None of the PMI Plans is a "multiemployer plan" (as defined in Section 3(37) of ERISA) and none of PMI nor any of its ERISA Affiliates contributes to, has contributed to, or has any liability or contingent liability with respect to a multiemployer plan.

(d) The PMI Retirement Plan is the only pension plan (within the meaning of Section 3(2) of ERISA) that is sponsored, maintained, or contributed to by PMI or any of its ERISA Affiliates that is subject to Title IV of ERISA or Section 412 of the Code.

(e) None of the PMI Plans obligates PMI to pay any bonus, separation, severance, termination or similar benefit, accelerate any vesting schedule, increase any employee account balance, or alter or increase any benefits to any PMI Business Employee, as a result of the Transaction or as a result of a change in control or ownership within the meaning of section 280G of the Code and neither the execution of this Agreement nor the consummation of the transactions contemplated hereby shall cause any payments or benefits to any PMI Business Employee to be either subject to an excise Tax or non-deductible Tax under sections 4999 and 280G of the Code, respectively, whether or not some other subsequent action or event would be required to cause such payment or benefit to be triggered but not taking into account any payments or benefits that may be paid or provided by the Purchaser or any of its Affiliates. PMI

has complied in all material respects with COBRA with respect to the PMI Business Employees, all former employees of PMI with respect to the CMG Business and each other COBRA qualified beneficiary with respect to such PMI Business Employees and former employees of PMI.

(f) With respect to the PMI Retirement Plan:

(i) the minimum funding standards of section 412 of the Code have been satisfied, no waiver of the minimum funding standards have been granted and neither PMI nor any of its ERISA Affiliates has requested a funding waiver;

(ii) no event has occurred with respect to any such plan which has resulted or could reasonably be expected to result a lien being imposed on the assets of PMI or any of its ERISA Affiliates; and

(A) PMI is in the process of terminating, or has terminated, such plan pursuant to a standard termination under Section 4041(b)(1) and as of the date of this Agreement such plan has been fully funded as required by Section 4041(b) of ERISA such that the plan is sufficient for all benefit liabilities, and there are no unfunded benefit liabilities with respect to such plan or its participants or beneficiaries with respect to such plan.

(g) PMI has no material Liability or reasonable expectation of material Liability under or with respect to any PMI Plan or any other employee benefit plan, program, policy, arrangement or payroll practice that would reasonably be expected to become a Liability of the Purchaser.

3.8 Title to PMI Shares. PMI is the record owner of the PMI Shares free and clear of any and all Liens other than restrictions of general applicability imposed by federal or state securities laws, and upon delivery of the certificates representing the PMI Shares duly endorsed or accompanied by stock powers duly executed in blank or otherwise in form acceptable for transfer on the books of PMI and the CMG Companies to the Purchaser on the Closing Date in accordance with this Agreement, and upon the Purchaser's payment of the Closing Date Payment, title to the PMI Shares, free and clear of all Liens (other than restrictions of general applicability imposed by federal or state securities laws and any Liens imposed on such Shares by the Purchaser), will pass to the Purchaser.

3.9 Brokers, Finders and Financial Advisors. PMI and its respective officers, directors, employees and agents have not employed any broker, finder or financial advisor in connection with the transactions contemplated by this Agreement, or incurred any Liability or commitment for any fees or commissions to any such person in connection with the transactions contemplated by this Agreement, except for the retention of Lazard Fréres & Co. LLC and the fees payable pursuant thereto, which fees and commissions will be paid by PMI.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF CUNA MUTUAL

Except as otherwise set forth in the CUNA Mutual Disclosure Schedule, CUNA Mutual represents and warrants to the Purchaser as of the date hereof (or, in the case of any representation or warranty that speaks as of a specific date or time, as of such specific date or time) as follows:

4.1 Organization and Good Standing.

(a) CUNA Mutual is a corporation duly organized, validly existing and in good standing under the laws of the State of Iowa. CUNA Mutual has all requisite corporate power and authority to own, operate or lease its properties and to own the CUNA Mutual Shares.

(b) Prior to the date of this Agreement, CUNA Mutual has made available to the Purchaser Parties true and correct copies of the Organizational Documents of CUNA Mutual.

4.2 Authorization; Enforceability. CUNA Mutual has the necessary power and authority to execute and deliver this Agreement and the Transaction Documents to which CUNA Mutual is a party and, also subject to the receipt of the CUNA Mutual Required Governmental Approvals and CMG Required Governmental Approvals, to consummate the Transaction and all other transactions contemplated by the Transaction Documents to which CUNA Mutual is a party. This Agreement and each of the Transaction Documents to which CUNA Mutual is a party has been duly authorized, executed and delivered by CUNA Mutual and assuming due authorization, execution and delivery by the other parties thereto, this Agreement and each of the Transaction Documents to which CUNA Mutual is a party constitutes the legal, valid and binding obligation of CUNA Mutual enforceable against it in accordance with its terms, except to the extent that enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws affecting creditors' rights generally and by principles of equity regarding the availability of remedies.

4.3 No Conflict. Subject to the receipt of the CUNA Mutual Required Governmental Approvals and Third Party Consents, neither the execution and delivery by CUNA Mutual of this Agreement or any of the Transaction Documents to which CUNA Mutual is a party or the consummation by CUNA Mutual of the Transaction or the transactions contemplated by such other Transaction Documents to which CUNA Mutual is a party, nor compliance by CUNA Mutual with or fulfillment by CUNA Mutual of the terms, conditions and provisions hereof or thereof will, except as may result from any facts or circumstances relating to the Purchaser Parties, result in a violation or breach of the terms, conditions or provisions of, or constitute a default, an event of default or an event creating rights of acceleration, termination or cancellation under, or result in the creation or imposition of any Lien upon the Shares under (A) the Organizational Documents of CUNA Mutual, (B) any material Contract to which CUNA Mutual is a party or by which CUNA Mutual is bound or (C) any Law or Order to which CUNA Mutual is a party or by which CUNA Mutual is bound, other than, in the case of clauses (B) and (C) above, any such violations, breaches, defaults or Liens that are not material, individually or in the aggregate

4.4 Consents and Approvals. Except for the CUNA Mutual Required Governmental Approvals, the Third Party Consents, and compliance with any conditions contained therein, and except as may result from any facts or circumstances solely related to the Purchaser or its Affiliates, no consents, waivers or approvals of, or filings or registrations with, any Governmental Entity are necessary, and no consents, waivers or approvals of, or filings or registrations by CUNA Mutual with, any other third parties are necessary, in connection with the execution and delivery by CUNA Mutual of this Agreement or any other Transaction Document to which CUNA Mutual is a party, and the completion by CUNA Mutual of the Transaction or the compliance by CUNA Mutual with any of the terms or provisions of this Agreement or any other Transaction Document. As of the date hereof, CUNA Mutual is not aware of any fact specifically pertaining to either CUNA Mutual or the CMG Business that would prevent the CUNA Mutual Required Governmental Approvals from being received in order to permit consummation of the Transaction on a timely basis.

4.5 Litigation. Other than with respect to insurance claims in the ordinary course of business or bankruptcy or receivership proceedings and other Actions arising in the ordinary course of business, CUNA Mutual is not a party to any, and there are no pending or, to CUNA Mutual's Knowledge, threatened Actions (i) against CUNA Mutual relating to or involving any of the CUNA Mutual Shares, (ii) challenging the validity or propriety of the Transaction or any of the Transaction Documents, or (iii) which could materially and adversely affect the ability of CUNA Mutual to perform under this Agreement.

4.6 Title to CUNA Mutual Shares. CUNA Mutual is the record owner of the CUNA Mutual Shares free and clear of any and all Liens other than restrictions of general applicability imposed by federal or state securities laws, and upon delivery of the certificate representing the CUNA Mutual Shares duly endorsed or accompanied by stock powers duly executed in blank or otherwise in form acceptable for transfer on the books of CUNA Mutual and the CMG Companies to the Purchaser on the Closing Date in accordance with this Agreement and, upon the Purchaser's payment of the Closing Date Payment, title to the CUNA Mutual Shares, free and clear of all Liens (other than restrictions of general applicability imposed by federal or state securities laws and any Liens imposed on such Shares by the Purchaser), will pass to the Purchaser.

4.7 Brokers, Finders and Financial Advisors. CUNA Mutual and its respective officers, directors, employees and agents have not employed any broker, finder or financial advisor in connection with the transactions contemplated by this Agreement, or incurred any Liability or commitment for any fees or commissions to any such person in connection with the transactions contemplated by this Agreement, except for the retention of Lazard Fréres & Co. LLC and William Blair and Company and the fees payable pursuant thereto, which fees and commissions will be paid by CUNA Mutual.

ARTICLE V

REPRESENTATIONS AND WARRANTIES OF THE SELLERS

Except as otherwise set forth in the Seller Disclosure Schedule, the Sellers jointly and severally, represent and warrant to the Purchaser as of the date hereof (or, in the case of any

representation or warranty that speaks as of a specific date or time, as of such specific date or time) as follows:

5.1 Organization and Good Standing.

(a) Each of the CMG Companies is a corporation duly organized, validly existing and in good standing under the laws of its state of formation, and has all requisite corporate power and authority to own, operate or lease its properties and assets and to carry on its business as presently conducted. Each of the CMG Companies is duly licensed or qualified to do business in each jurisdiction where the nature of its business or the ownership, leasing or holding of its properties makes such qualification necessary, except where the failure to obtain such license or qualification individually or in the aggregate would not reasonably be expected to have a Material Adverse Effect on the CMG Business.

(b) Prior to the date of this Agreement, the Sellers have made available to the Purchaser Parties true and correct copies of the Organizational Documents of the CMG Companies. None of the CMG Companies is in default under or in violation of any provision of any of its Organizational Documents, except where such default or failure would not reasonably be expected to have a Material Adverse Effect.

5.2 Authorization; Enforceability; CMG MI. CMG MI has the necessary power and authority to execute and deliver this Agreement and to pay the Break-Up Fee as contemplated herein. This Agreement has been duly authorized, executed and delivered by CMG MI and assuming due authorization, execution and delivery by the other Parties hereto, this Agreement constitutes the legal, valid and binding obligation of CMG MI enforceable against it in accordance with its terms, except to the extent that enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws affecting creditors' rights generally and by principles of equity regarding the availability of remedies.

5.3 No Conflict: CMG MI. Neither the execution and delivery by CMG MI of this Agreement nor CMG MI's payment of the Break-Up Fee as contemplated herein will result in a violation or breach of the terms, conditions or provisions of, or constitute a default, an event of default or an event creating rights of acceleration, termination or cancellation under (A) the Organizational Documents of CMG MI, (B) any material Contract to which CMG MI is a party or by which CMG MI is bound or (C) any Law or Order to which CMG MI is a party or by which CMG MI is bound, other than, in the case of clauses (B) and (C) above, any such violations, breaches, defaults or Liens that are not material, individually or in the aggregate.

5.4 Compliance with Laws. The CMG Companies are, and at all times since December 31, 2010, have been, in compliance in all material respects with all applicable Laws. Since December 31, 2010, none of the CMG Companies has received any written notice from a Governmental Entity that alleges (a) any actual or alleged violation of or material noncompliance with any order issued by a Governmental Entity, Law or any Permit applicable to the CMG Companies, or (b) any actual, proposed or potential revocation, withdrawal, suspension, cancellation or termination of, or modification to any Permit.

5.5 Agreements with Governmental Entities.

(a) No CMG Company is a party to or subject to any outstanding settlement agreement, consent agreement, cease and desist order, memorandum of understanding or any other Order, supervisory agreement, or similar supervisory arrangement with, or a commitment letter or similar submission to, or extraordinary supervisory letter from, any Governmental Entity, nor has any CMG Company been advised in writing since December 31, 2010 by any Governmental Entity that it is considering issuing or requesting any such Order, agreement or arrangement.

(b) The CMG Companies are not subject to any assessments or similar charges arising on account of or in connection with their participation, whether voluntary or involuntary, in any guarantee association or comparable entity established or governed by any state or other jurisdiction, other than any such assessments or charges for which appropriate accruals have been made or appropriate reserves have been established in accordance with SAP.

5.6 Litigation. Except with respect to (i) insurance claims in the ordinary course of business that are not the subject of any litigation or (ii) bankruptcy or receivership proceedings and other Actions arising in the ordinary course of the CMG Business, no CMG Company is a party to any, and there are no pending or, to the Sellers' Knowledge, threatened Actions (a) against the Sellers or any CMG Company relating to or involving any of the Shares in which the risk of Loss to the Sellers would reasonably be expected to exceed $250,000, (b) challenging the validity or propriety of the Transaction or any of the Transaction Documents or the other transactions contemplated thereby, (c) under any Insurance Contract alleging extra-contractual obligations or bad faith claims against any of the CMG Companies in which the risk of Loss to the Seller would reasonably be expected to exceed $100,000 or (d) which could materially and adversely affect the ability of the Sellers to perform under this Agreement or the other Transaction Documents. To the Knowledge of the Sellers, none of the Business Employees are party to any Action alleging any wrongdoing on the part of such Business Employee in connection with his or her employment by or service to the CMG Companies or the CMG Business and no such Action is threatened. Except as set forth in Section 5.6 of the Seller Disclosure Schedule, no CMG Company is a claimant in any Action involving claims by such CMG Company in an aggregate amount exceeding $100,000 or seeking any material equitable remedy against any third party.

5.7 Financial Statements. The Sellers have heretofore delivered to the Purchaser Parties true and complete copies of (i) the statutory-basis audited balance sheets of each CMG Company for the years ended December 31, 2010 and December 31, 2011 (including the notes thereto, if any), and the related statutory-basis audited statements of operations, changes in capital and surplus and cash flows for the fiscal years then ended, in each case together with the schedules, amendments, supplements and notes thereto and any certifications (to the extent required) filed therewith, and as such financial statements have been filed with the domiciliary Insurance Regulators of the CMG Companies, together with the report thereon of Ernst & Young LLP (the "CMG Audited Statutory Financial Statements"); (ii) the GAAP-basis audited balance sheets of each CMG Company for the years ended December 31, 2010 and December 31, 2011 (including the notes thereto, if any), and the related statements of operations, stockholders' equity and comprehensive income and cash flows for the fiscal years then ended and the notes

thereto, together with the report thereon of Ernst & Young LLP (the "CMG Audited GAAP Financial Statements"); (iii) the unaudited statutory-basis statement of assets and liabilities, surplus and other funds of each CMG Company as of March 31, 2012, June 30, 2012 and September 30, 2012 and the related statutory-basis unaudited statements of income, changes in capital and surplus and cash flows for the periods then ended (the "CMG Unaudited Statutory Financial Statements"; and (iv) the GAAP-basis unaudited balance sheets of each CMG Company as of March 31, 2012, June 30, 2012 and September 30, 2012, and the related income statements for the periods then ended (the "CMG Unaudited GAAP Financial Statements" and together with the CMG Audited Statutory Financial Statements, the CMG Audited GAAP Financial Statements and the CMG Unaudited Statutory Financial Statements, the "CMG Financial Statements"). The CMG Financial Statements (including the notes thereto, if any) have been prepared from the books and records of the CMG Companies, as applicable, in accordance with SAP or GAAP, as applicable, consistently applied, and present fairly, in all material respects, the financial conditions and results of operations of each CMG Company as of and for the periods therein specified (except as may be indicated therein or in the notes, exhibits or schedules thereto). The CMG Unaudited Statutory Financial Statements have been prepared consistently with the CMG Audited Statutory Financial Statements, and the CMG Unaudited GAAP Financial Statements have been prepared consistently with the CMG Audited GAAP Financial Statements, subject to normal year-end adjustments and the notes thereto, if any. Except as described in the notes to the applicable CMG Financial Statements, no permitted practices were utilized in the preparation of any of the CMG Financial Statements. Since December 31, 2011, there has been (i) no material weakness in any CMG Company's internal control over financial reporting (whether or not remediated) under applicable Law or any CMG Company's policies and procedures as in effect from time to time and (ii) no change in any CMG Company's internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, a CMG Company's internal control over financial reporting.

5.8 Capitalization.

(a) The entire authorized, issued and outstanding capital stock of CMG MI consists of 40,000,000 shares of common stock, with a par value of $1.25 per share, of which 2,200,000 shares are issued and outstanding. The Sellers own, beneficially and of record, and have good and valid title to, the CMG MI Common Stock. The CMG MI Common Stock is duly authorized, validly issued, fully paid and nonassessable. There are no outstanding options, warrants, calls, subscriptions or other rights, convertible securities, agreements or commitments of any kind to which CMG MI is a party obligating CMG MI to issue, transfer or sell any shares of capital stock, or other equity interest in, CMG MI or securities convertible into or exchangeable for such shares or equity interests, and there are no voting trusts or similar agreements to which CMG MI or the Sellers are a party with respect to the voting of the capital stock of CMG MI.

(b) The entire authorized, issued and outstanding capital stock of CMG MA consists of 1,250,000 shares of common stock, with a par value of $20.00 per share, of which 100,000 shares are issued and outstanding. The Sellers own, beneficially and of record, and have good and valid title to, the CMG MA Common Stock. The CMG MA Common Stock is duly authorized, validly issued, fully paid and nonassessable. There are no outstanding options, warrants, calls, subscriptions or other rights, convertible securities, agreements or commitments

of any kind to which CMG MA is a party obligating CMG MA to issue, transfer or sell any shares of capital stock, or other equity interest in, CMG MA or securities convertible into or exchangeable for such shares or equity interests, and there are no voting trusts or similar agreements to which CMG MA or the Sellers are a party with respect to the voting of the capital stock of CMG MA.

(c) The entire authorized, issued and outstanding capital stock of CMG Re consists of 5,000,000 shares of common stock, with a par value of $5.00 per share, of which 400,000 shares are issued and outstanding. CMG MA owns, beneficially and of record, and has good and valid title to, the CMG Re Common Stock. The CMG Re Common Stock is duly authorized, validly issued, fully paid and nonassessable and are held by CMG MA free and clear of any Liens. There are no outstanding options, warrants, calls, subscriptions or other rights, convertible securities, agreements or commitments of any kind to which CMG Re is a party obligating CMG Re to issue, transfer or sell any shares of capital stock, or other equity interest in, CMG Re or securities convertible into or exchangeable for such shares or equity interests, and there are no voting trusts or similar agreements to which CMG Re, CMG MA or the Sellers are a party with respect to the voting of the capital stock of CMG Re.

(d) Other than investments in securities in the ordinary course of business, no CMG Company owns any shares of capital stock or other equity or voting interests in (including any securities exercisable or exchangeable for or convertible into capital stock or other equity or voting interests in) any other Person. There is no outstanding Contract of any kind requiring the CMG Companies to make an investment in or to acquire the capital stock, or other equity interest in or any other security or other interest in any Person.

5.9 Material Contracts.

(a) Section 5.9(a) of the Seller Disclosure Schedule sets forth a list of each of the Material Contracts in effect as of the date hereof identified by the applicable clause(s) below. The term "Material Contracts" means the following types of Contracts, excluding the Joint Venture Agreements and any Contracts comprising or evidencing Investments or Insurance Contracts:

(i) any Contract where the performance remaining thereunder involves aggregate consideration to or by a CMG Company in excess of $100,000.00 in the aggregate over the remaining term of such agreement;

(ii) any Contract that (A) limits, or purports to limit, the ability of a CMG Company to compete in any line of business or to operate in any geographic area or during any period of time or restricts in any material respect the conduct of the businesses of the Purchaser or any Affiliates of the Purchaser or (B) to the Sellers' Knowledge limits, or purports to limit, any Person from soliciting any Person for employment;

(iii) all Contracts restricting the declaration or payment of any dividends or distributions on, or in respect of, any capital stock or equity interest of the CMG Companies;

(iv) all Contracts obligating any of the CMG Companies to provide collateral or a guarantee;

(v) except for the Surplus Notes, all agreements relating to Indebtedness of the CMG Companies (whether incurred, assumed, guaranteed, or secured by an asset), including any preferred shares;

(vi) all Contracts relating to the acquisition or disposition by a CMG Company of any material assets or material businesses (whether by merger, sale or purchase of stock or assets or otherwise) to the extent actual or contingent material obligations of any CMG Company thereunder remain in effect, other than transactions involving Investments; and

(vii) all Contracts relating to the license to or from a CMG Company of any material Intellectual Property, excluding commercially available, off-the-shelf Software that is licensed by any CMG Company.

(b) Subject to the receipt of the Third Party Consents, (i) no CMG Company is in default in any material respect under any Material Contract, and there has not occurred any event that, with the lapse of time or the giving of notice or both, would constitute such a default in any material respect and (ii) each Material Contract is legal, valid, binding and enforceable by the applicable CMG Company, which is party thereto in accordance with its terms and in full force and effect and will continue to be legal, valid, binding and enforceable by the applicable CMG Company that is a party thereto and in full force and effect on identical terms following the consummation of the Transaction, except to the extent that enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws affecting creditors' rights generally and by principles of equity regarding the availability of remedies.

(c) True and correct copies (or summaries of the material terms) of the Material Contracts have been made available to the Purchaser on or before the date hereof, and each Material Contract is in full force and effect on the date hereof and enforceable against the counterparty to which it relates.

(d) None of the CMG Companies has received written notice of the intention of any counterparty to any Material Contract to terminate or materially alter such Material Contract, and none of the terms of any Material Contract are currently being renegotiated by any of the CMG Companies.

5.10 Tax Matters. Except as would not be reasonably likely to have a Material Adverse Effect on the CMG Business:

(a) Each CMG Company has timely filed, or has caused to be timely filed on its behalf, taking into account any valid extensions of time properly secured, all material Tax Returns required to be filed by it in accordance with all applicable Laws, and all such Tax Returns are true, complete and accurate in all material respects. All material Taxes due and owing by the CMG Companies have been paid to the appropriate Governmental Entity, other than Taxes that have been reserved or accrued on the CMG Interim Balance Sheet which are being contested in good faith.

(b) Each CMG Company has correctly withheld and remitted to the appropriate Governmental Entity all material Taxes required to have been withheld and remitted by it in connection with amounts paid or owing to any employee, independent contractor, creditor, stockholder or other Person.

(c) There are no material Liens for Taxes (other than for current Taxes not yet due and payable or that may thereafter be paid without penalty or that are being contested by appropriate proceedings) on the assets of any CMG Company. Section 5.10(c) of the Seller Disclosure Schedule reflects all Proceedings pursuant to which any Taxes owing or purported to be owing by any CMG Company are being contested.

(d) No CMG Company (i) has been a member of an affiliated group filing a consolidated Tax Return (other than a group the common parent of which was a CMG company) or of any affiliated, consolidated, combined, or unitary group, as defined under applicable state, local or foreign Laws or (ii) has any liability for the Taxes of any Person (other than the CMG Companies) 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.

(e) No written claim or deficiency for any material income Taxes has been asserted against any CMG Company which has not been resolved and/or paid in full.

(f) There are no pending Tax audits or examinations of the CMG Companies by any Governmental Entity. No CMG Company has waived, or had waived on its behalf, any statute of limitations with respect to Taxes or agreed to any extension of time with respect to a Tax assessment or deficiency, which waiver is still outstanding.

(g) No CMG Company is currently a beneficiary of any extension of time within which to file any Tax Return.

(h) No CMG Company has received written notice of any claim by a Governmental Entity in a jurisdiction where such CMG Company does not file Tax Returns that it is or may be subject to taxation by that Governmental Entity.

(i) No CMG Company will be required to include any item of income in, or exclude any item of deduction from, taxable income for any period or portion thereof ending after the Closing Date (i) under Code Section 481 (or any similar provision of state, local or foreign Law) as a result of change in method of accounting for a Pre-Closing Tax Period, (ii) pursuant to the provisions of any agreement entered into with any Governmental Entity or pursuant to a "closing agreement" as defined in Code Section 7121 (or any similar provision of state, local or foreign Law) executed prior to the Closing Date, or (iii) as a result of the installment method of accounting, the completed contract method of accounting or the cash method of accounting with respect to a transaction that occurred prior to the Closing Date.

(j) No CMG Company is a party to any Tax sharing, allocation or indemnity agreement, arrangement or similar contract entered into outside of the ordinary course of business (other than a group the common parent of which was a CMG Company).

(k) No CMG Company has distributed the stock of another Person, or has not had its stock distributed by another Person, in a transaction that was purported or intended to be governed in whole or in part by Sections 355 or 361 of the Code.

(l) No Seller is a "foreign person" within the meaning of Section 1445 of the Code.

(m) No CMG Company has participated in any "listed transaction" as defined in Section 6707A of the Code or Treasury Regulation Section 1.6011-4 (or any predecessor provision).

(n) No closing agreements, private letter rulings, technical advice memoranda or similar agreement or rulings have been entered into or issued by any taxing authority with respect to any CMG Company.

5.11 Insurance. Section 5.11 of the Seller Disclosure Schedule sets forth a complete and correct list of each insurance policy (including policies providing property, casualty, liability and worker's compensation coverage and bond and surety arrangements and including any self-insurance arrangements) providing coverage with respect to the CMG Companies to which the Sellers or the CMG Companies are a party, a named insured or otherwise the beneficiary of coverage and a summary of such coverage. Neither any Seller nor any CMG Company is in material default of any provision of any such policy. Each such policy is in full force and effect and no notice of cancellation or transaction has been received with respect to such policy.

5.12 Books and Records. All of the books and records of the CMG Companies have been maintained in the ordinary course of business and in accordance with (a) applicable Laws and (b) by the PMI Business Employees in accordance with the record retention policies of PMI in all material respects and by the CUNA Mutual Business Employees in accordance with the record retention policies of CUNA Mutual.

5.13 Permits. Each CMG Company owns, holds or possesses all Permits that are necessary to entitle it to own or lease, operate and use their properties or assets and to carry on and conduct their business as conducted on the date hereof, and all such Permits are valid and in full force and effect, except, in each case, as would not reasonably be expected to have a Material Adverse Effect. Section 5.13(a) of the Seller Disclosure Schedule lists all jurisdictions in which the CMG Companies are domiciled, licensed or authorized to write insurance business as well as each authorization on the part of the Federal Housing Financing Authority, Freddie Mac or Fannie Mac possessed by the CMG Companies or relied upon by the CMG Companies, and the Sellers have made available to the Purchaser Parties true, complete and correct copies of each such license and authorization. Except as set forth on Section 5.13(b) of the Seller Disclosure Schedule, no CMG Company has received any written notice of any violation, suspension, cancellation or non-renewal of any Permit or any litigation relating to the revocation or modification of any Permit, and to the Knowledge of the Sellers, no violation, suspension, cancellation or non-renewal of any Permit or any Litigation relating to the revocation or modification of any Permit is threatened or will result from the consummation of Transaction, subject to obtaining the PMI Required Governmental Approvals, CUNA Mutual Required Governmental Approvals and CMG Required Governmental Approvals.

5.14 Regulatory Matters.

(a) Each CMG Company has filed all financial statements and material reports, statements, documents, registrations, renewal applications, filings or submissions required to be filed by it with any Insurance Regulator or any other Governmental Entity and, to the Knowledge of the Sellers, no material deficiencies have been asserted by any such Insurance Regulator or any other Governmental Entity since September 30, 2010 with respect to any such financial statements, reports, statements, documents, registrations, renewal applications, filings or submissions that have not been remedied. No CMG Company has been a "commercially domiciled insurer" under the laws of any jurisdiction or is or has been otherwise treated as domiciled in a jurisdiction other than its jurisdiction of organization.

(b) There are no insurance policies issued, reinsured or assumed by any CMG Company that are currently in force under which any CMG Company may be required to allocate profit or pay dividends to the holders thereof or that give a holder any participation or voting rights with respect to any CMG Company.

(c) Other than in the ordinary course of regularly scheduled financial and market conduct examinations, the CMG Companies are not the subject of any material pending or, to the Knowledge of the Sellers, threatened regulatory Proceedings.

(d) True and complete copies have been provided to the Purchaser Parties of the reports (or the most recent drafts thereof, to the extent any final reports are not available) reflecting the results of any financial examinations or market conduct examinations of the CMG Companies conducted by any Governmental Entity since December 31, 2009.

5.15 Reinsurance Agreements.

(a) Section 5.15(a) of the Seller Disclosure Schedule sets forth a true, complete and correct list of all of the Reinsurance Agreements and any related letters of credit, reinsurance trusts or other collateral arrangements. True, complete and correct copies of all of the Reinsurance Agreements and any related letters of credit, reinsurance trusts or other collateral arrangements have been made available to the Purchaser Parties.

(b) Subject to the receipt of the Third Party Consents, (i) none of the CMG Companies is in default in any material respect under any Reinsurance Agreement, and there has not occurred any event that, with the lapse of time or the giving of notice or both, would constitute such a default in any material respect and (ii) each Reinsurance Agreement is legal, valid, binding, enforceable against the applicable CMG Company which is party and the counterparty thereto in accordance with its terms and in full force and effect, except to the extent that enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws affecting creditors' rights generally and by principles of equity regarding the availability of remedies. Since December 31, 2010, with respect to any Reinsurance Agreement pursuant to which a CMG Company has ceded any risk for which such CMG Company is taking credit on its most recent statutory financial statement, as of the date hereof, (i) no CMG Company has received any written notice from any applicable reinsurer that any amount of reinsurance ceded by any of the CMG Companies will be uncollectible or otherwise

defaulted upon and (ii) to the Knowledge of the Sellers, each CMG Company, as applicable, is entitled under the laws of its domiciliary jurisdiction or any other applicable Law to take full credit in its statutory financial statements for all reinsurance and retrocessions ceded by it pursuant to any Reinsurance Agreement for which such CMG Company is taking full credit in its statutory financial statements, and all such amounts have been properly recorded in its books and records of account and are properly reflected in its statutory financial statements. With respect to any Reinsurance Agreement pursuant to which any CMG Company has ceded any risk for which such CMG Company is taking credit on its most recent statutory financial statement, as of the date hereof, (i) there has been no separate written or oral agreement between such CMG Company and the assuming reinsurer that is intended to, and would, in fact, reduce, limit or mitigate any loss to the parties under any such Reinsurance Agreement and (ii) to the Knowledge of the Sellers, such Reinsurance Agreement satisfies the requisite risk transfer criteria necessary to obtain reinsurance accounting treatment under accounting standards applicable to such CMG Company.

5.16 Reserves. The Insurance Reserves of the CMG Companies recorded in the CMG Financial Statements, as of their respective dates: (a) were determined in all material respects in accordance with the requirements of applicable Laws and generally accepted actuarial standards consistently applied (except as otherwise noted therein and the notes thereto); (b) were fairly stated in all material respects in accordance with generally accepted actuarial standards consistently applied (except as otherwise noted therein and the notes thereto); and (c) were computed on the basis of methodologies consistent in all material respects with those used in computing the corresponding Insurance Reserves in the prior fiscal years, except as otherwise noted in the financial statements and notes thereto included in such CMG Financial Statements and related actuarial opinions for the applicable CMG Company for the 2011 and 2010 fiscal years, if available for such year, copies of which have been made available to the Purchaser Parties.

5.17 Investments and Assets.

(a) Section 5.17(a) of the Seller Disclosure Schedule sets forth an accurate and complete list of all securities, mortgages and other investments (collectively, "Investments") owned by any CMG Company as of September 30, 2012. Each CMG Company has good and marketable title to the Investments listed in Section 5.17(a) of the Seller Disclosure Schedule except for (i) Permitted Liens, (ii) Governmental Deposits subject to certain transfer restrictions, and (iii) Investments which have been disposed of in the ordinary course of business or as contemplated by this Agreement or redeemed in accordance with their terms.

(b) The Investments owned by each CMG Company are of the types and within the applicable concentration limitations permitted under applicable Law.

(c) To the Knowledge of the Sellers, Section 5.17(c) of the Seller Disclosure Schedule identifies any Investments which are in default, as of the date hereof, in the payment of principal or interest.

(d) No CMG Company is a party to any derivative transaction that, pursuant to its terms and without any additional investment decision on the part of such relevant CMG Company, could result in an additional payment by such CMG Company.

(e) The CMG Companies have good title to, or valid and subsisting leasehold interests in, all personal property and any other assets reflected on the CMG Financial Statements, other than assets that have been disposed of in the ordinary course of business. None of the assets owned or leased by the CMG Companies is subject to any Lien except as set forth in Section 5.17(e) of the Seller Disclosure Schedule or any Permitted Liens.

5.18 Actuarial Reports. Section 5.18 of the Seller Disclosure Schedule lists (and the Sellers have made available to the Purchaser Parties true, complete and correct copies of) all material actuarial reports prepared by opining actuaries, independent or otherwise, from and after September 30, 2010, with respect to the CMG Companies (including all material attachments, addenda, supplements and modifications thereto). To the Knowledge of the Sellers, the factual information and data furnished by or on behalf of the CMG Companies to their actuaries in connection with the preparation of any such actuarial reports were accurate in all material respects for the periods covered in such reports.

5.19 Rates, Forms and Marketing Materials; Underwriting and Claims Handling; Sales.

(a) All insurance policies issued by any CMG Company ("Insurance Contracts") and in effect as of the date hereof (including any applications in connection therewith) and all advertising, promotional, sales and marketing materials related thereto, are, and at all times since their issuance, with respect to the policy forms, or January 1, 2010, with respect to other items, have been, in compliance with all applicable Law and, to the extent required by applicable Law, on forms and at rates approved by the Insurance Regulators or filed with and not objected to by such Insurance Regulators within the period provided by Law for objection, subject to such exceptions as would not, individually or in the aggregate, be reasonably likely to have a Material Adverse Effect.

(b) All premium rates of any CMG Company (including rates with respect to Insurance Contracts) that are required to be filed with or approved by any Insurance Regulator have been so filed or approved and the premiums charged conform thereto, and such premiums comply with all applicable Laws, except for any failure to be so filed or approved or to so comply as would not, individually or in the aggregate, be reasonably likely to have a Material Adverse Effect.

(c) The Insurance Contracts being issued by any CMG Company as of the date hereof are substantially in the forms that have been previously provided to the Purchaser Parties; and any Insurance Contracts reinsured in whole or in part conform to the standards and rates required pursuant to the terms of the related Reinsurance Agreements, subject to such exceptions as would not, individually or in the aggregate, be reasonably likely to have a Material Adverse Effect.

(d) To the Knowledge of the Sellers, since January 1, 2010: (i) each person performing the duties of insurance producer, agency, agent, managing general agent, wholesaler,

broker or solicitor for any CMG Company (collectively, "Producers") that placed an Insurance Contract of any CMG Company, at the time such Producer wrote, sold, produced or managed business for such CMG Company, was duly licensed (for the type of business written, sold, produced or managed by such Producer) in the particular jurisdiction in which such Producer wrote, sold, produced or managed such business for such CMG Company; (ii) all compensation paid or payable to each such Producer was paid or is payable in accordance with applicable Laws; and (iii) no such Producer violated (or with or without notice or lapse of time or both would have violated) any term or provision of any order applicable to such CMG Company or any aspect (including the marketing, writing, sale, production or management) of the business of such CMG Company.

(e) Since January 1, 2010: (i) the CMG Companies and, to the Knowledge of the Sellers, the Producers and representatives of the CMG Companies have marketed, sold and issued the Insurance Contracts written by, and other products of, the CMG Companies in compliance, in all material respects, with all applicable Laws in the respective jurisdictions in which such Insurance Contracts and other products have been marketed, sold or issued; (ii) all advertising, promotional and sales materials and other marketing practices used by the CMG Companies or, to the Knowledge of the Sellers, any Producers and representatives of the CMG Companies have complied and are currently in compliance, in each case, in all material respects, with all applicable Laws; and (iii) neither the manner in which the CMG Companies compensate any Person involved in the sale of Insurance Contracts who, to the Knowledge of the Sellers, is not a licensed Producer, nor, to the Knowledge of the Sellers, the conduct of any such Person, renders such Person a Producer subject to licensure as such under any applicable Laws, and the manner in which the CMG Companies compensate each Person involved in the sale of Insurance Contracts on behalf of the CMG Companies is in compliance in all material respects with all applicable Laws.

(f) To the Knowledge of the Sellers, (i) each claims adjuster, at the time such person adjusted claims for any CMG Company, who was required under applicable Law to be licensed, was duly licensed in the particular jurisdiction in which such adjuster performed such claims adjusting services and (ii) no such adjuster violated (or with or without notice or lapse of time or both would have violated) any term or provision of any order applicable to such CMG Company or any aspect of the claims adjusting function of such CMG Company.

(g) All benefits claimed by any Person under any Insurance Contract issued by the CMG Companies have in all material respects been paid (or are being duly processed or provision for payment thereof has been made) in accordance with the terms of such Insurance Contract and applicable Laws, and such payments were not materially delinquent and were paid (or will be paid) without fines or penalties, except, in each case, for any such claim for benefits for which the CMG Companies reasonably believe or believed that there is a reasonable basis to contest payment and is taking such action. The underwriting standards and manuals in effect from January 1, 2010 through the date hereof for the CMG Companies (exclusive of any exceptions, waivers or other customizations implemented on an individual account or policy level) have been previously disclosed to the Purchaser Parties.

5.20 Accounts. Section 5.20 of the Seller Disclosure Schedule sets forth an accurate and complete list and brief description of each and every bank account, safe deposit box, brokerage

account, trust account, depository account or other custodial account of the CMG Companies other than Governmental Deposits. Other than the assets deposited in the accounts listed in Section 5.20 of the Seller Disclosure Schedule and the Governmental Deposits, the CMG Companies have no other material liquid assets or investments held or maintained with any other Person at any location.

5.21 Governmental Deposits. Section 5.21 of the Seller Disclosure Schedule lists all funds maintained by the CMG Companies with Governmental Entities under any applicable insurance law (each a "Governmental Deposit"). Section 5.21 of the Seller Disclosure Schedule accurately sets forth the assets comprising each such Governmental Deposit, and the name of the bank and the number of the bank account in which such Governmental Deposit is maintained. Except as would not reasonably be expected to have a Material Adverse Effect, the Governmental Deposits are being held in compliance with applicable Laws, and neither the Sellers nor the CMG Companies are in receipt of any written notice of any claim alleging such failure to comply with applicable Laws with respect thereto.

5.22 Intercompany Accounts; Transactions with Affiliates. Section 5.22 of the Seller Disclosure Schedule lists all Contracts by which any of the CMG Companies, on the one hand, and the Sellers or any of their respective Affiliates (other than the CMG Companies), on the other hand, are or have been a party or otherwise bound that are in effect on the date hereof or that involve continuing liabilities or obligations of the CMG Companies (each, an "Affiliate Transaction"). With respect to each Affiliate Transaction to which any CMG Company is a party, such CMG Company has complied with all requirements of Law or Governmental Entities applicable thereto and obtained all approvals of Governmental Entities necessary in connection therewith. To the Knowledge of the Sellers, no officer, director or employee of any of the CMG Companies, or any family member or Affiliate of any such officer, director or employee, (A) owns, directly or indirectly, any interest in any asset or other property used in the CMG Business, (B) serves as an officer, director or employee of any Person that is a supplier, customer or competitor of any of the CMG Companies or (C) is a debtor or creditor of any of the CMG Companies.

5.23 Investment Company. No CMG Company is an investment company subject to registration and regulation under the Investment Company Act of 1940, as amended.

5.24 Intellectual Property. With respect to the representations and warranties contained in this Section 5.24, no representation or warranty is made as to the protectability of, freedom to exploit or absence of competing rights in any Intellectual Property outside of the United States of America.

(a) Section 5.24(a) of the Seller Disclosure Schedule contains a true and complete list of all domain names, all Software comprising the CMG Owned Intellectual Property that is material to the operation of the CMG Business and is not covered by any registration or application for a copyright or patent, registered trademarks and applications therefor, copyrights registrations and applications thereof, and other Intellectual Property that is the subject of an application, certificate, filing, registration or other document issued by, filed with, or recorded by, any Governmental Entity, and part of the CMG Owned Intellectual Property, including identifying the full legal name of the owner of record, applicable jurisdiction,

status, application or registration number and date of application, registration or issuance, as applicable. No CMG Company, has applied for, and no CMG Company has been issued, any patent, and there are no pending patent applications, patent disclosures or issued patents covering, any CMG Owned Intellectual Property.

(b) The applicable CMG Company is the exclusive owner of all right, title and interest in and to all CMG Owned Intellectual Property it purports to own, free and clear of all Liens except for Permitted Liens. The CMG Companies have the unrestricted right to use and exploit the CMG Owned Intellectual Property, and there are no payments of any kind payable by the CMG Companies, or any of them, to any Person with respect to any CMG Owned Intellectual Property. In each case where the CMG Companies have, or any of them has, acquired ownership of any Intellectual Property from another Person, the applicable CMG Company has obtained a valid and enforceable assignment sufficient to irrevocably transfer to the applicable CMG Company all of the assignor's rights in and to such Intellectual Property, and if such transfer is with respect to registered Intellectual Property (or an application thereof), such assignment has been duly recorded with the Governmental Entity from which the registration issued or before which the application or application for registration is pending.

(c) Section 5.24(c) of the Seller Disclosure Schedule contains a true and complete list of the CMG Licensed Intellectual Property used in the conduct of the CMG Business (excluding licenses for unmodified commercial off the shelf Software that is generally commercially available on nondiscriminatory pricing terms and has an initial aggregate acquisition cost of $250,000 or less and a total annual cost of $75,000 or less, but including all licenses for computer software that is distributed as "free software", "open source software" or under a similar licensing or distribution model).

(d) Section 5.24(d) of the Seller Disclosure Schedule contains a true and complete list of all Material Contracts that relate to any CMG Licensed Intellectual Property used in the conduct of the CMG Business (excluding licenses for unmodified commercial off the shelf Software that is generally commercially available on nondiscriminatory pricing terms and has an initial aggregate acquisition cost of $250,000 or less and a total annual cost of $75,000 or less). The CMG Companies have paid all royalties that may have been due prior to the Closing Date to any Person with respect to the CMG Licensed Intellectual Property.

(e) None of the CMG Companies has transferred ownership of any of its right, title or interest in, or granted to any Person any license, sublicense or other permission to use, or authorized the retention of any right to use or joint ownership of, the CMG Owned Intellectual Property or CMG Licensed Intellectual Property. None of the Affiliates of the CMG Companies have transferred ownership of any of its right, title or interest in, or granted to any Person any license, sublicense or other permission to use, or authorized the retention of any right to use or joint ownership of, the CMG Owned Intellectual Property. Neither this Agreement nor the Transaction nor any of the transactions contemplated by any of the other Transaction Documents will, by operation of Law or otherwise, result in the Purchaser or the CMG Companies, or any of them, granting to any Person any right to, or with respect to, any Intellectual Property.

(f) Each of the CMG Companies owns or has the valid and enforceable right to use (pursuant to and in accordance with the terms, and subject to payment of applicable royalties or other fees (if any) and for the durations specified in, the applicable CMG IP Agreement), the CMG Licensed Intellectual Property, free and clear of any Liens, and the CMG Companies are using such CMG Licensed Intellectual Property subject to and in accordance with the terms of the applicable CMG IP Agreement.

(g) No Intellectual Property of any other Person was misappropriated in the development of the CMG Owned Intellectual Property. The ownership and use of the CMG Owned Intellectual Property, and the operation of the CMG Business as operated as of the Closing Date and as operated as of the date hereof) does not infringe, dilute, misappropriate or otherwise violate, and has not infringed, misappropriated or otherwise violated, any Intellectual Property rights of any other Person, and there has been no such claim asserted or threatened in writing or otherwise against the CMG Companies or any of them (and, to the Knowledge of the Sellers, any other Person), including in the form of requests, demands, offers, inquiries or invitations to obtain a license.

(h) (i) to the Knowledge of the Sellers, no other Person is engaging in, or has engaged in at any time, any activity infringing, diluting, misappropriating or violating or conflicting with any CMG Owned Intellectual Property and (ii) none of the Sellers has, and no CMG Company has, sent any communications alleging that any Person has infringed, diluted, misappropriated or violated or conflicted with, any CMG Owned Intellectual Property.

(i) There is no Proceeding pending or, to the Knowledge of the Sellers, threatened (i) against any CMG Company concerning the ownership, validity, registrability or enforceability or use of any CMG Owned Intellectual Property (including any allegation of infringement, misappropriation, dilution, violation or conflict relating to the CMG Owned Intellectual Property), or (ii) contesting or challenging the ownership, validity, registrability or enforceability of any CMG Company's right to use of any CMG Owned Intellectual Property. Neither any CMG Owned Intellectual Property nor, to the Knowledge of the Sellers, any CMG Licensed Intellectual Property, is subject to any outstanding Order adversely affecting the CMG Companies' or any CMG Company's, as applicable, use thereof or rights thereto, or that would impair its validity or enforceability.

(j) No current or former employee, officer, consultant or independent contractor of the CMG Companies or any of them owns or retains any right, title or interest in or to the CMG Owned Intellectual Property.

(k) The CMG Companies have each taken and each maintains as of the Closing Date commercially reasonable actions to protect and maintain (i) all CMG Owned Intellectual Property, and (ii) the security and integrity of its computer systems, in the case of each of clauses (i) and (ii) to protect the same against unauthorized use, modification, or access thereto, or the introduction of any viruses or other unauthorized or damaging or corrupting activities, code or elements, including activities of any employee or contractor of any CMG Company, hackers or other Person. Each CMG Company has implemented reasonable backup and disaster recovery technology consistent with industry standard practices. There have been no material breaches of any CMG Company's security procedures or any material unauthorized

incidents of access, use, disclosure, modification or destruction of information or interference with its systems operations, including any such breach or incident that requires notice to any third party.

(l) The source code and documentation relating to the CMG Owned Intellectual Property have been developed and regularly maintained and updated so as to be sufficient to enable the continued use and maintenance of the Software to which they relate.

(m) To the extent that any Intellectual Property has been discovered, conceived, developed, created, reduced to practice, modified, customized or enhanced independently or jointly by an employee, independent contractor, agent or other Person for the CMG Companies, or any of them, (i) the applicable CMG Company has a Contract with such Person with respect thereto, (ii) such Contract provides for customary confidentiality and non-use obligations in favor of the applicable CMG Company and (iii) the applicable CMG Company is the exclusive owner of all such Intellectual Property. No employee, independent contractor or agent of the CMG Companies, or any of them, is in default or breach of any employment agreement, non-disclosure agreement, assignment of invention agreement or similar agreement with any CMG Company relating to the protection, ownership, development, use or transfer of any such Intellectual Property.

(n) None of the CMG Owned Intellectual Property or, to the Knowledge of the Sellers, the CMG Licensed Intellectual Property, contains any disabling codes or instructions (including "viruses" or "worms"). None of the CMG Owned Intellectual Property and, to the Knowledge of the Sellers, none of the CMG Licensed Intellectual Property, contains any computer code (i) that contains, or is derived in any manner (in whole or in part) from, any software that is distributed under the GNU General Public License, Lesser/Library GPL, Artistic License (*e.g.*, PERL), Mozilla Public License, Netscape Public License, Sun Community Source License (SCSL), Sun Industry Standards License (SISL) or any similar licenses or distribution models, (ii) that is licensed under any terms or conditions that impose any requirement that any software using, linked with, incorporating, distributed with, based on, derived from or accessing the software code (A) be made available or distributed in source code form, (B) be licensed for the purpose of making derivative works, (C) be licensed under terms that allow reverse engineering, reverse assembly or disassembly of any kind or (D) be redistributable at no charge, or (iii) that to the Knowledge of Sellers was developed using government funding, facilities of a university, college, other educational institution or research center or funding from third parties.

5.25 Real Estate Matters. The Sellers have made available to the Purchaser Parties a true and correct copy of the Real Property Lease (including all amendments thereto) on or before the date hereof. The Real Property Lease is in full force and effect and is a valid and binding agreement of the CMG MI and, to the Knowledge of the Sellers, the landlord thereunder. CMG MI has good and valid leasehold interest in the Leased Real Property, free and clear of all Liens except for Permitted Liens. CMG MI is not in material default under the Real Property Lease and no event has occurred and is continuing which, with or without notice or lapse of time, would constitute a material default by CMG MI under the Real Property Lease or, to the Knowledge of the Sellers, by the landlord thereunder. During the prior three (3) years, the Sellers have not received any written notice from any Governmental Entity or the landlord under the Real Property Lease (a) alleging a violation of any Law with respect to the Leased Real Property that

has not been corrected or (b) of any pending or threatened condemnation Proceedings with respect to the Leased Real Property. There are no material pending or, to the Knowledge of the Sellers, threatened Actions against the Sellers relating to the Leased Real Property.

5.26 Environmental Matters. (i) The CMG Companies are in compliance in all material respects with all Environmental Laws; (ii) the CMG Companies possesses, and are in compliance in all material respects with, all Environmental Permits necessary for the operation of the CMG Business; (iii) in the past three (3) years, neither the Sellers nor the CMG Companies has received any written notice concerning, and to the Knowledge of the Sellers or the CMG Companies, there is no Action pending or threatened before any Governmental Entity against the CMG Companies (A) for alleged noncompliance with, or Liability under, any Environmental Law or (B) relating to the presence of or release into the environment of any Pollutants, in each case with respect to the CMG Companies; and (iv) to the Knowledge of the Sellers, the Leased Real Property is not contaminated with and does not otherwise contain any Pollutants that could reasonably be expected to result in material Liability to the Sellers under Environmental Laws, other than Pollutants (A) used in the ordinary course of maintaining and cleaning the Leased Real Property in commercially reasonable amounts, (B) used as fuels, lubricants or otherwise in connection with vehicles, machinery and equipment located at the Leased Real Property in commercially reasonable amounts, or (C) used in the ordinary course of the business conducted at the Leased Real Property in commercially reasonable amounts.

5.27 Absence of Changes.

(a) Except as set forth in Section 5.27(a) of the Seller Disclosure Schedule, since September 30, 2012, no event has occurred that has had or would reasonably be expected to have a Material Adverse Effect.

(b) Except as set forth in Section 5.27(b) of the Seller Disclosure Schedule, since September 30, 2012, and through the date hereof, the CMG Companies have conducted the CMG Business in the ordinary course in all material respects, and there has not been:

(i) any material damage, destruction or other casualty loss with respect to any material asset or property owned, leased or otherwise used by any CMG Company in the operation of the CMG Business;

(ii) any material change in the underwriting, reinsurance, pricing, claim processing and payment, reserving, financial or accounting methods, practices or policies by any of the CMG Companies, except as required by Law or SAP;

(iii) other than Investments made or acquired in the ordinary course of business, any loans, advances or capital contributions to, or investments in, any other Person by any of the CMG Companies, other than by CMG MA to CMG Re;

(iv) any entry into or material modification of any reinsurance agreement by any CMG Company other than in the ordinary course of business;

(v) any sale, abandonment or other disposition of any material investments or other material assets, properties or business utilized in the conduct of the CMG Business other than in the ordinary course of business;

(vi) any increase or decrease in reserves for losses (including incurred but not reported losses) and loss adjustment expenses other than in the ordinary course of business in a manner consistent with past practice;

(vii) any settlement of any litigation claims, actions, arbitrations, disputes, audits or other proceedings relating in any way to the CMG Business for an amount exceeding $100,000; or

(viii) any agreement, whether in writing or otherwise, to take any of the actions specified in this Section 5.27(b), except as expressly contemplated by this Agreement.

5.28 No Undisclosed Liabilities. Except as reflected or reserved against on the CMG Financial Statements or arising or existing under or in connection with contracts of insurance issued or assumed by the CMG Companies in the ordinary course of business, no CMG Company has any material Liabilities other than Liabilities that were incurred (a) subsequent to September 30, 2012, in the ordinary course of business, (b) under any Contract entered into in the ordinary course of business binding on the CMG Companies or (c) in connection with the Transaction.

5.29 CMG Companies' Confidential Information. Each Seller has a policy in effect requiring all current employees and all current contractors (excluding insurance agents) of the applicable Seller to agree to adhere to the applicable Seller's policies regarding disclosure of confidential or proprietary information relating to its business. To the Knowledge of the Sellers, no current or former employee or contractor of either Seller dedicated to any of the CMG Companies has breached or violated any such confidentiality obligations in any material respect.

5.30 Privacy. The CMG Companies are in compliance in all material respects with PMI's privacy and security policies, in each case, as applicable to NPI. Since December 31, 2010, no CMG Company, or, to the Knowledge of the Sellers, any third-party service provider working on behalf of PMI, has had a breach, security incident or unauthorized access, disclosure, use or loss of NPI for which it was required to notify individuals and/or to notify any Governmental Entity or to take any other action as required by applicable Laws governing NPI security. PMI (i) has implemented and followed reasonable security programs and policies containing technical and organizational measures to protect and safeguard NPI, including ongoing review and updating of all such plans and policies, and (ii) since December 31, 2010, have required by written contract all third party providers and other third parties who have or have had access to NPI of the CMG Companies, or who process NPI on their behalf, to have in written form, and to implement, similar security programs and policies. PMI has and maintains a third party privacy and security monitoring compliance program to periodically evaluate and access the sufficiency of the security programs and policies of such third parties who have access to, or who process, NPI on behalf of the CMG Companies.

5.31 Employee Benefits; Employees.

(a) The CMG Companies have no employees or independent contractors, and have no Liability with respect to former employees or independent contractors, if any.

(b) The CMG Companies do not, as of the date hereof, and the CMG Companies will not, as of the Closing Date, have any Liabilities, under or to, or sponsor, maintain, contribute to or otherwise participate in any Employee Benefit Plan.

ARTICLE VI

REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

Except as otherwise set forth in the Purchaser Disclosure Schedule, the Purchaser, and solely with respect to Section 6.7, the Purchaser Parent, represents and warrants to the Sellers as of the date hereof (or, in the case of any representation or warranty that speaks as of a specific date or time, as of such specific date or time) as follows:

6.1 Organization and Good Standing.

(a) Purchaser is a corporation duly organized and validly existing and in good standing under the laws of Delaware and the Purchaser Parent is a corporation duly organized and validly existing and in good standing under the laws of Delaware. Each Purchaser Party has all requisite corporate power and authority to own, operate or lease its properties and assets and to carry on its business as presently conducted. Each Purchaser Party is duly licensed or qualified to do business in each jurisdiction where the nature of its business or the ownership, leasing or holding of its properties makes such qualification necessary, except where the failure to obtain such license or qualification would not reasonably be expected to have a material adverse effect on the Purchaser Parties' ability to consummate the Transaction or perform their obligations hereunder.

(b) Prior to the date of this Agreement, the Purchaser has made available to the Sellers true and correct copies of the Organizational Documents of Purchaser.

6.2 Authorization; Enforceability. Each Purchaser Party has full corporate power and authority to execute and deliver this Agreement and, in the case of the Purchaser, each of the other Transaction Documents to which it is or will be a party and, subject to receipt of the Purchaser Required Governmental Approvals, to consummate the Transaction and all other transactions contemplated by the Transaction Documents to which the Purchaser is a party. The execution and delivery by each Purchaser Party of each of the Transaction and all other transactions contemplated by the Transaction Documents to which it is or will be a party and the consummation by the Purchaser Parties, as applicable, of the Transaction has been duly authorized by all requisite corporate or other similar organizational action on the part of the Purchaser Parties. Assuming due authorization, execution and delivery by the other parties thereto, each of the Transaction Documents to which the respective Purchaser Parties are or will be a party constitutes, or upon execution and delivery thereof, will constitute, the legal, valid and binding obligation of the Purchaser Parties, as applicable, enforceable against them in accordance with their terms, except to the extent that enforceability thereof may be limited by

applicable bankruptcy, insolvency, reorganization or other similar laws affecting creditors' rights generally and by principles of equity regarding the availability of remedies.

6.3 No Conflict. Subject to receipt of the Purchaser Required Governmental Approvals and the Third Party Consents, neither the execution and delivery by a Purchaser Party of this Agreement or any of the Transaction Documents to which a Purchaser Party is a party or the consummation by a Purchaser Party of the Transaction and all other transactions contemplated by the Transaction Documents nor compliance by a Purchaser Party with or fulfillment by a Purchaser Party of the terms, conditions and provisions hereof or thereof will, except as may result from any facts or circumstances relating to a Purchaser Party, result in a violation or breach of the terms, conditions or provisions of, or constitute a default, an event of default or an event creating rights of acceleration, termination or cancellation under, or result in the creation or imposition of any Liens upon its assets under (A) the Organizational Documents of such the Purchaser Party, (B) any material Contract to such the Purchaser Party is a party or by which such the Purchaser Party is bound or (C) any Law or Order to which such the Purchaser Party is a party or by which such the Purchaser Party is bound, other than, in the case of clauses (B) and (C) above, any such violations, breaches, defaults or Liens that, individually or in the aggregate, would not reasonably be expected to have a material adverse effect on the Purchaser's ability to consummate the Transaction or perform its obligations hereunder or under the Transaction Documents.

6.4 Consents and Approvals. Except for the Purchaser Required Governmental Approvals and compliance with any conditions contained therein, no consents, waivers or approvals of, or filings or registrations with, any Governmental Entity are necessary, and no consents, waivers or approvals of, or filings or registrations with, any other third parties are necessary, in connection with the execution and delivery by the Purchaser Parties of this Agreement or any other Transaction Document to which either Purchaser Party is a party and the completion by the Purchaser Parties of the Transaction. As of the date hereof, the Purchaser Parties are not aware of any fact specifically pertaining to the either Purchaser Parties or the CMG Business that would prevent the Purchaser Required Governmental Approvals from being received in order to permit consummation of the Transaction on a timely basis.

6.5 Litigation. The Purchaser Parties are not a party to any, and there are no pending or, to the Knowledge of the Purchaser Parties, threatened Actions against the Purchaser Parties challenging the validity or propriety of the Transaction or which could materially and adversely affect the ability of the Purchaser Parties to perform their obligations under this Agreement.

6.6 Brokers, Finders and Financial Advisors. Neither Purchaser Party nor any of their officers, directors, employees or agents has employed any broker, finder or financial advisor in connection with the transactions contemplated by this Agreement, or incurred any liability or commitment for any fees or commissions to any such person in connection therewith.

6.7 Access to Funds. The Purchaser Parent, as of the date hereof, has access to funds possessed by its Affiliates, with no restriction on the Purchaser Parent to access such funds, and the Purchaser will, as of the Closing, have funds sufficient funds to pay the Closing Date Payment on the Closing Date and the Purchaser Parties' expenses of the Transaction.

6.8 Securities Act. The Purchaser is not acquiring the Shares with a view to, or for sale in connection with, any distribution thereof in violation of the Securities Act. The Purchaser acknowledges that the Shares are not registered under the Securities Act or any applicable state securities law, and that the Shares may not be transferred, sold or otherwise disposed of except pursuant to the registration provisions of the Securities Act or pursuant to an applicable exemption therefrom and pursuant to state securities laws and regulations as applicable.

6.9 No Other Representations or Warranties.

(a) The Purchaser acknowledges that (i) it and its Representatives have been permitted access to the books and records, facilities, equipment, Contracts and other properties and assets of the Sellers related to the CMG Business, and that it and its Representatives have had an opportunity to meet with officers and employees of the Sellers and (ii) except for the representations and warranties expressly set forth in Article III, Article IV and Article V, the Purchaser has not relied on any representation or warranty from the Sellers or any other Person in determining to enter into this Agreement and neither the Sellers nor any other Person has made any representation or warranty, express or implied, as to the CMG Business, the Shares or the accuracy or completeness of any information regarding any of the foregoing that the Sellers or any other Person furnished or made available to the Purchaser and its Representatives (including any projections, estimates, budgets, offering memoranda, management presentations or due diligence materials). Without limiting the generality of the foregoing, except as expressly set forth in the representations and warranties in Article III, Article IV and Article V, there are no express or implied warranties, including warranties of merchantability or fitness for a particular purpose.

(b) THE SELLERS AND THE PURCHASER AGREE THAT, EXCEPT AS EXPRESSLY PROVIDED OTHERWISE IN THIS AGREEMENT AND THE OTHER DOCUMENTS EXECUTED BY THE SELLERS AT CLOSING WITH RESPECT TO THE LEASED REAL PROPERTY, THE LEASED REAL PROPERTY SHALL BE TRANSFERRED TO THE PURCHASER AND THE PURCHASER SHALL ACCEPT POSSESSION OF THE LEASED REAL PROPERTY ON THE CLOSING DATE "AS IS," "WHERE IS," AND "WITH ALL FAULTS."

ARTICLE VII

COVENANTS

7.1 Access to Properties and Records; Confidentiality.

(a) From and after the date of this Agreement and continuing until the earlier of the termination of this Agreement in accordance with its terms or the Closing Date, each Seller shall permit, and shall each cause the CMG Companies to permit, the Purchaser Parties and their attorneys, accountants, employees, officers, agents and other authorized representatives (collectively, "Representatives") reasonable access upon reasonable notice to the Leased Real Property (subject to the provisions of the Real Property Lease) and the Business Employees and Business Contractors (for the PMI Business Contractors, to the extent permitted by the vendor party to such PMI Business Contractor's applicable Business Contractor Services Agreement),

and shall disclose and make available to the Purchaser Parties during normal business hours all of its books, papers and records, in each case to the extent they relate to the CMG Business or the Shares, including, but not limited to, all books of account (including the general ledger), tax records, Organizational Documents, bylaws, material contracts and agreements, filings with any regulatory authority, litigation files, plans affecting employees, and any other business activities or prospects in which the Purchaser Parties may have a reasonable interest; provided, however, that the Sellers shall not be required to provide access to or disclose information where such access or disclosure, in a Seller's reasonable judgment, would interfere with the normal conduct of such Seller's business or would result in the waiver by either Seller of the privilege protecting communications between a Seller and any of its counsel, or would be contrary to any Law applicable to the Sellers; provided, further, that neither Seller shall be required to provide access to the personnel records of any Business Employee that is not a Transferred Employee (as defined in the Asset Purchase Agreement) without such employee's prior written consent and neither Seller shall have any obligation to request such consent. The Sellers shall provide the Purchaser with such historical financial information regarding the CMG Business as the Purchaser Parties may reasonably request. The Purchaser and its Representatives shall use commercially reasonable efforts to minimize any interference with the Sellers' regular business operations during any such access to the Sellers' property, books and records.

(b) Prior to Closing, the Purchaser agrees that the use by it and its Representatives of any information obtained pursuant to this Section 7.1 shall be subject to the Confidentiality Agreement; provided, however, that the Purchaser's obligations pursuant to the Confidentiality Agreement shall be deemed modified or waived, as applicable, to the extent and solely to the extent that such obligations are inconsistent with the Purchaser Parties' rights or obligations under this Agreement. Notwithstanding the foregoing and anything to the contrary in the Confidentiality Agreement, in the event that this Agreement is terminated, the Purchaser Parties' obligation of confidentiality under the Confidentiality Agreement shall survive for three (3) years following the date hereof. From and after the Closing, the Purchaser shall not, and shall cause each of its Affiliates and such Affiliates' officers, directors, employees and professional advisers not to, disclose to any other Person any Seller Confidential Information; provided, that the Purchaser and such Affiliates may disclose Seller Confidential Information (i) to the extent required by law, in any report, statement, testimony or other submission to any Governmental Entity or (ii) in order to comply with any applicable Law, or in response to any summons, subpoena or other legal process or formal or informal investigative demand issued to Purchaser or its Affiliates in the course of any litigation, investigation or administrative proceeding; provided, further, that, if the Purchaser or any of its Affiliates become legally compelled by deposition, interrogatory, request for documents, subpoena, civil investigative demand or similar judicial or administrative process to disclose any such Seller Confidential Information, the Purchaser shall, to the extent reasonably practicable, provide the Seller with prompt prior written notice of such requirement and reasonably cooperate with the Seller, at the Seller's expense, to obtain a protective order or similar remedy to cause such Seller Confidential Information not to be disclosed, including interposing all available objections thereto. In the event that such protective order or other similar remedy is not obtained, the Purchaser and its Affiliates shall furnish only that portion of Business Confidential Information that has been legally compelled. For purposes of this Section 7.1(b), "Seller Confidential Information" means all non-public information of the Sellers and their Affiliates obtained by the Purchaser in connection with the consideration and negotiation of the Transaction Documents that does not constitute Business

Confidential Information (within the meaning hereof and within the meaning of the Asset Purchase Agreement) or comprise the Purchased Assets under the Asset Purchase Agreement.

(c) From and after the date hereof, each Seller shall not, and shall each cause each of their Affiliates and such Affiliates' officers, directors, employees and professional advisers not to, disclose to any other Person any Purchaser Confidential Information; provided that the Sellers and their Affiliates may disclose Purchaser Confidential Information (i) to the extent required by Law, in any report, statement, testimony or other submission to any Governmental Entity or (ii) in order to comply with any applicable Law, or in response to any summons, subpoena or other legal process or formal or informal investigative demand issued to a Seller or its Affiliates in the course of any litigation, investigation or administrative proceeding; provided, further, that, if a Seller or any of its Affiliates become legally compelled by deposition, interrogatory, request for documents, subpoena, civil investigative demand or similar judicial or administrative process to disclose any such Purchaser Confidential Information, such Seller shall, to the extent reasonably practicable, provide the Purchaser with prompt prior written notice of such requirement and reasonably cooperate with the Purchaser, at the Purchaser's expense, to obtain a protective order or similar remedy to cause such Purchaser Confidential Information not to be disclosed, including interposing all available objections thereto. In the event that such protective order or other similar remedy is not obtained, such Seller and its Affiliates shall furnish only that portion of Purchaser Confidential Information that has been legally compelled. For purposes of this Section 7.1(c), from and after the date hereof, "Purchaser Confidential Information" means any and all non-public information and materials of the Purchaser or any of its Affiliates, including any such information and materials obtained by either Seller or their Representatives in connection with the Purchaser's and its Affiliates' consideration, negotiation and performance of the Transaction Documents and the Transaction Documents contemplated under the Asset Purchase Agreement, information and materials relating to the Purchaser's or its Affiliates strategic, business and other plans for the Business, or their non-public communications with, discussions with, and submissions to Governmental Entities. From and after the Closing, "Purchaser Confidential Information" shall also include Business Confidential Information.

(d) During the period prior to Closing, the Sellers shall retain all of their respective books, records, documentation, manuals, files and information relating to the CMG Companies, the CMG Business and Shares.

(e) Each Seller and the Purchaser shall each designate a person to act as the representative for such Party or Parties for purposes of coordinating with the other Party or Parties in connection with activities and conduct necessary or appropriate to effect the closing of the Transaction and to transition the CMG Business from the Sellers to the Purchaser. PMI initially designates Truitte Todd as its representative. CUNA Mutual initially designates John Lass as its representative. The Purchaser initially designates David Gansberg as its representative. The representatives shall meet or otherwise communicate with each other on a regular basis.

(f) The Purchaser agrees that following the Closing Date, subject to Section 7.1(c), the Sellers and their Representatives shall have reasonable access, during normal business hours, to the books, records, documentation, policies, procedures, manuals, files and other

information or data of Purchaser to the extent they relate to the CMG Companies, CMG Business or the Shares during the period prior to the Closing Date (and shall permit such Persons to examine and copy such books, records, documentation, policies, procedures, manuals, files and other information or data to the extent reasonably requested by such Persons), and shall cause their respective officers and employees to furnish (to the Sellers or any of their Affiliates, or any regulator of either Seller or any of its Affiliates) all information reasonably requested by the Sellers, and otherwise reasonably cooperate with (including, without limitation, by requiring such employees to make themselves reasonably available for trial, depositions, interviews and other litigation-related endeavors) the Sellers or any of their Affiliates with respect to the CMG Business or the Shares, in connection with regulatory compliance, pending or threatened third party litigation, financial reporting and tax matters (including financial and tax audits and tax contests) and other similar business purposes; provided, however, that the applicable Seller shall reimburse the Purchaser and their respective employees for all reasonable and documented out-of-pocket costs and expenses incurred by them in providing such assistance and cooperation, but, in the case of PMI, only to the extent that such costs and expenses are not reimbursed pursuant to the Services Agreement (as defined in the Asset Purchase Agreement). For a period required under the longer of the Purchaser's record retention policy or seven (7) years from the Closing Date, the Purchaser shall not destroy or dispose of or permit the destruction or disposition of any such books, records, documentation, manuals, files and other information or data without first offering, in writing, at least sixty (60) days prior to such destruction or disposition to surrender them to the Sellers. Notwithstanding anything to the contrary in this Section 7.1(f), the Purchaser and its Affiliates shall not be required to provide access to or disclose information where such access or disclosure would result in the waiver by the Purchaser of the privilege protecting communications between the Purchaser or any of its Affiliates and any of its counsel, or would be contrary to any Law applicable to the Purchaser and its Affiliates.

(g) Each Seller agrees that following the Closing Date, the Purchaser and its Representatives shall have reasonable access, during normal business hours, to the books, records, documentation, policies, procedures, manuals, files and other information or data of the Sellers to the extent they relate to the CMG Companies, CMG Business, the Shares, the Transferred Employees or the Transferred Contractors (as defined in the Asset Purchase Agreement) during the period prior to the Closing Date (and shall permit such Persons to examine and copy such books, records, documentation, policies, procedures, manuals, files and other information or data of the Sellers to the extent reasonably requested by such Persons), provided, however, that neither Seller shall be required to provide access to the personnel records of any Business Employee that is not a Transferred Employee without such employee's prior written consent (and neither Seller shall have any obligation to request such consent), and each Seller shall cause its officers and employees to furnish (to the Purchaser or any of its Affiliates, or any regulator of the Purchaser or any of its Affiliates) all information reasonably requested by the Purchaser, and otherwise reasonably cooperate with (including, without limitation, causing employees to assist the Purchaser or any of its Affiliates by requiring such employees to make themselves reasonably available for trial, depositions, interviews and other litigation-related endeavors) the Purchaser and its Affiliates and Representatives with respect to the CMG Business or the Shares, the Transferred Employees or the Transferred Contractors, in connection with regulatory compliance, pending or threatened third party litigation, financial reporting and tax matters (including financial and tax audits and tax contests) and other similar business purposes; provided, however, that the Purchaser shall reimburse the Sellers and their employees

for reasonable and documented out-of-pocket costs and expenses incurred by them in providing such assistance and cooperation, but only to the extent that such costs and expenses are not reimbursed pursuant to the Services Agreement. For a period required under the longer of the respective Seller's record retention policy or seven (7) years from the Closing Date, such Seller shall not destroy or dispose of or permit the destruction or disposition of any such books, records, documentation, manuals, files and other information or data without first offering, in writing, at least sixty (60) days prior to such destruction or disposition to surrender them to the Purchaser. Notwithstanding anything to the contrary in this Section 7.1(g), the Sellers and their Affiliates shall not be required to provide access to or disclose information where such access or disclosure would result in the waiver by the Sellers of the privilege protecting communications between the Sellers and any of their counsel, or would be contrary to any Law applicable to the Sellers and their Affiliates.

7.2 Supplements to Disclosure Schedules. Prior to the Closing, each Seller shall supplement or amend the PMI Disclosure Schedule, the CUNA Mutual Disclosure Schedule or the Seller Disclosure Schedule in the event that it discovers any matter that was required to be set forth or described on such schedules, but was omitted therefrom, or determines that there is otherwise any inaccuracy in such schedule. The Sellers shall promptly notify the Purchaser Parties in writing of the supplement or amendment of such schedules. No such supplement or amendment of the PMI Disclosure Schedule, the CUNA Mutual Disclosure Schedule or the Seller Disclosure Schedule shall cure any breach of this Agreement or limit or affect any right the Purchaser may have hereunder by virtue of such breach. Notwithstanding anything herein to the contrary, for all purposes of this Agreement, including Article IX and Article XII, any failure of the Sellers to perform their obligations under, or to comply with, this Section 7.2 shall be deemed a breach of a representation or warranty and not a failure to perform or comply with a covenant or agreement.

7.3 Conduct of the CMG Business Prior to Closing. From and after the date hereof until the earlier of the termination of this Agreement in accordance with its terms or the Closing Date, except (i) as contemplated by this Agreement, (ii) as required by Law or by a Final Order, or (iii) to the extent the Purchaser Parties provide prior written consent to do otherwise, which consent shall not be unreasonably withheld, and subject to any applicable orders of the Court, the Sellers shall, and shall cause the CMG Companies to, use commercially reasonable efforts to:

(a) maintain the corporate existence of the CMG Companies and all Permits required for the conduct of the CMG Business;

(b) maintain the general character of the CMG Business and conduct the CMG Business in the ordinary course, consistent with past practices, other than in connection with the sale of securities to realize unrealized gains or capital infusions by either Seller that the Sellers reasonably deem necessary in order for the applicable CMG Company to comply with applicable minimum capital requirements imposed by Law or any Governmental Entity or the Capital Support Agreement between the Sellers and CMG MI (any such capital infusion, a "Seller Capital Contribution");

(c) maintain proper business and accounting records relative to the CMG Business;

(d) maintain commercially reasonable procedures for protection of the CMG Owned Intellectual Property; and

(e) keep available the services of the Business Employees.

7.4 Forbearances of the Sellers. Without limiting the covenants set forth in Section 7.3, until the earlier of the termination of this Agreement in accordance with its terms or the Closing Date, except (i) as contemplated by this Agreement, (ii) as required by Law or by a Final Order, (iii) as otherwise set forth on Section 7.4 of the Seller Disclosure Schedule or (iv) to the extent the Purchaser provides prior written consent to do otherwise, which consent shall not be unreasonably withheld or delayed, the Sellers will not, and will not permit the CMG Companies to:

(a) amend the respective Organizational Documents of the CMG Companies;

(b) except for (i) redemptions or repurchases by the CMG Companies in return for capital contributions or (ii) the issuance of a Surplus Note in connection with a Seller Capital Contribution, issue, sell, grant, pledge, purchase, redeem, or otherwise encumber, or agree or commit to issue, sell, grant, pledge, purchase, redeem, or otherwise encumber any Shares or any other equity securities of the CMG Companies or grant, issue, create, sell, pledge, purchase, redeem, or otherwise encumber or agree to grant, issue, sell, pledge, purchase, redeem, or otherwise encumber any options, warrants or rights to purchase any of the Shares or securities of any kind convertible into or exchangeable for the Shares or any other equity securities of the CMG Companies;

(c) make, declare, pay or set aside for payment any dividend on or in respect of, or declare or make any distribution on any shares of the capital stock of a CMG Company;

(d) directly or indirectly adjust, split, combine, reclassify, purchase or otherwise acquire, any shares of stock of a CMG Company;

(e) acquire any Person or all or substantially all or any material portion of the assets of a Person;

(f) enter into any Contract that will be a Material Contract not terminable within sixty (60) days and involving payments or obligations by any CMG Company in excess of $175,000 individually or $650,000 in the aggregate, unless such Contract replaces, in the ordinary course of business, a Contract that is expected to expire or terminate by its terms prior to Closing;

(g) fail to maintain such liability, casualty, property, loss, and other insurance coverage, on such substantially similar terms, in substantially similar amounts, and with such insurance carriers and to such extent and covering such risks as are maintained on the date hereof;

(h) amend in any material respect, waive any material right under or terminate any Material Contract, other than to extend any such Contract, in the ordinary course of business, that is expected to expire or terminate by its terms prior to Closing; provided, however, that no

such extended Contract shall result in annual costs to the CMG Companies in excess of one hundred twenty percent (120%) of the cost for the final year of the Contract prior to such Contract's termination of expiration; provided, further, that the expiration of any such Contract by its terms prior to Closing shall be deemed not to be a termination of such Contract under this clause;

(i) in the case of a CMG Company, directly hire any employees or independent contractors or incur any employee related liabilities, other than in connection with any intercompany agreements between a CMG Company and one or both of the Sellers;

(j) other than in accordance with Section 7.11 or the sale of securities to realize unrealized gains, and the reinvestment of the proceeds from such sale in a manner consistent with the investment policies and procedures of the CMG Companies in effect as of the date hereof, sell, transfer, assign or otherwise dispose of any assets of the CMG Companies in one transaction or a series of related transactions having an aggregate value in excess of $150,000;

(k) other than in the ordinary course of business in connection with the Insurance Contracts, waive or forgive any claim or right of the CMG Companies relating to the Shares or the CMG Business having a value in excess of $100,000 individually or $500,000 in the aggregate;

(l) implement or adopt any change in the accounting principles, practices or methods of the CMG Companies, other than as may be required by GAAP or SAP;

(m) enter into any new line of business or materially change the investing, underwriting management and other insurance or operating policies of a Seller or a CMG Company, except as required by Law or a Governmental Entity, other than in accordance with Section 7.11, provided however, nothing contained in the foregoing shall restrict the CMG Companies from adopting or amending their annual operating plan or strategic plan, provided such plan does not materially deviate from any annual operating plan or strategic plan in existence on the date hereof;

(n) with respect to the CMG Companies, enter into any closing agreement, settle any claim or assessment in respect of Taxes, or consent to any extension or waiver of the limitation period applicable to any claim or assessment in respect of Taxes, except as required by Law or GAAP;

(o) other than the reinvestment of proceeds from the maturity, sale or other disposition of investments, consistent with the investment policies and procedures of the CMG Companies in effect as of the date hereof, permit any CMG Company to acquire assets other than Investments in the nature of those contemplated by Section 7.11 having a value individually or in the aggregate not exceeding $500,000;

(p) incur or create any Indebtedness of any of the CMG Companies or create or incur any other obligation that could reasonably be expected to result in a Lien on the Shares or any of the assets of the CMG Companies or otherwise permit or allow any of the Shares or

any of the assets of the CMG Companies to become subject to any Lien, other than the issuance of a Surplus Note in connection with a Seller Capital Contribution;

(q) except as set forth in Section 7.4(q) of the Seller Disclosure Schedule and other than with respect to the issuance of insurance policies in the ordinary course of business, incur or commit to incur any Liability of the CMG Companies (individually or in the aggregate with all other Liabilities incurred after the date hereof) in excess of $150,000, individually or $500,000 in the aggregate, other than Indebtedness (which is addressed in clause (p) above) and other than with respect to any Contract that would be a Material Contract (which is addressed in clause (f) above);

(r) institute, settle or compromise any Proceeding or Action in excess of $750,000 that relates to or affects, or could reasonably be expected to adversely affect the Shares or the CMG Business; or

(s) enter into any Contract or otherwise agree or commit to do any of the foregoing or seek any Order of the Court approving any of the foregoing.

7.5 [Reserved].

7.6 Efforts and Actions to Cause the Closing to Occur; Consents.

(a) Reasonable Best Efforts. Subject to the terms and conditions of this Agreement, including clauses (ii) through (iv) of Section 7.6(c), the Sellers and the Purchaser shall use their respective reasonable best efforts to take, or cause to be taken, all actions, and to do or cause to be done and cooperate with each other in order to do all things, necessary, proper or advisable to cause the conditions to the Closing to be satisfied, to consummate the Closing and to effectuate the transactions contemplated by this Agreement and the Transaction Documents, including (i) the preparation and filing of all forms, registrations, notices and other documentation required to be filed to consummate the Closing and to effectuate the Transaction and the taking of such actions as are necessary to obtain all Governmental Approvals and Third Party Consents, provided, that, except as expressly contemplated by Section 7.6(c), neither the Sellers, on the one hand, nor the Purchaser Parties, on the other, shall be obligated to make any material payment or deliver anything of material value to any third party in connection with obtaining a Third Party Consent, (ii) seeking to prevent the initiation of, and defend, any Action challenging this Agreement or the consummation of the Closing, and (iii) seeking the lifting or rescission of any Order adversely affecting the ability of the Parties to consummate the Closing.

(b) Consents and Approvals of Third Parties. In furtherance and not in limitation of Section 7.6(a), the Sellers and the Purchaser shall cooperate with each other and shall use their respective reasonable best efforts to obtain the Third Party Consents and such other consents of third parties (for purposes of this Section 7.6(b), other than Governmental Entities) as are necessary to permit the sale, transfer, assignment and conveyance to the Purchaser of the Shares and the consummation of the Transaction and the other transactions contemplated by the Transaction Documents (which, for the avoidance of doubt shall not include the Asset Purchase Agreement and the transactions contemplated by the Transaction Documents that are contemplated by the Asset Purchase Agreement, which are not also Transaction

Documents within the meaning of this Agreement). If any such consent is not obtained prior to the Closing or does not remain in full force and effect at the Closing, the Purchaser and the Sellers will, to the extent necessary, use commercially reasonable efforts to enter into a mutually agreeable and lawful arrangement, including subcontracting, sublicensing or subleasing, under which the Purchaser or the applicable CMG Company would obtain the benefit and assume the obligations in respect of the applicable Contract from and after the Closing Date in accordance with this Agreement, and under which the Sellers would enforce for the benefit of the Purchaser any and all rights of the applicable CMG Company against a third party thereto, with the applicable CMG Company assuming the obligations to the same extent as if the Parties had obtained such consent. Each Party will bear and be responsible for the costs of its own personnel, counsel and other advisors associated with obtaining such consents.

(c) Governmental Approvals.

(i) In furtherance and not in limitation of Section 7.6(a), the Sellers and the Purchaser shall cooperate with each other and shall use their respective reasonable best efforts to promptly prepare and file all necessary documentation to obtain the Governmental Approvals. The Sellers and the Purchaser will furnish each other and each other's counsel with all reasonable information concerning themselves, their respective Affiliates, directors, officers, stockholders or equityholders and such other matters as may be necessary or advisable in connection with any application, petition or other statement made by or on behalf of the Sellers or the Purchaser to Fannie Mae, Freddie Mac or any Insurance Regulator or other Governmental Entity in connection with the Transaction or the transactions contemplated by the Transaction Documents, including, but not limited to, the Sellers making available to the Purchaser any and all policies, procedures and documentation that may be useful to the Purchaser in developing its policies, procedures and business practices for submission to Fannie Mae and Freddie Mac. PMI and CUNA Mutual shall each prepare and submit the necessary documentation to obtain the PMI Required Governmental Approvals and the CUNA Mutual Required Governmental Approvals, respectively, and, collectively, shall prepare and submit the necessary documentation to obtain the CMG Required Governmental Approvals and the Purchaser shall prepare and submit the necessary documentation to obtain the Purchaser Required Governmental Approvals. Each Party acknowledges that time is of the essence in connection with the preparation and filing of the documentation referred to above. The Sellers and the Purchaser shall each have the right to review and approve in advance all characterizations of the information relating to it and its Affiliates which appear in any filing made in connection with the Transaction with any Governmental Entity and, to the extent practicable, the Sellers and the Purchaser shall provide to each other Party the non-confidential portions of any application for approval being made in connection with the Transaction with any Governmental Entity reasonably prior to the time such filing is made such that such other Party's reasonable comments may be considered in good faith by the filing Party prior to making such filing. In addition, the Sellers, on the one hand, and the Purchaser, on the other, shall each furnish to the other a copy of each publicly available portion of such filing made in connection with the Transaction with any Governmental Entity promptly after its filing. The Sellers and the Purchaser agree to (x) keep each other reasonably informed of any communication received from, or given to, any Governmental Entity regarding any Governmental Approval, and (y) consult with each other in advance

of any meeting or conference with, any Governmental Entity in respect of any Governmental Approval and, to the extent not prohibited by such applicable Governmental Entity, give the other Party the opportunity to attend and participate in such meetings and conferences.

(ii) Subject to the remaining provisions of this Section 7.6(c) and Section 6.8(c) of the Asset Purchase Agreement, the Purchaser, (A) confirms that it has reviewed the published and publicly available requirements of Fannie Mae, Freddie Mac and, as applicable, other Governmental Entities with respect to obtaining the applicable Governmental Approvals and has consulted with legal and other advisors in connection with same and (B) agrees to use its reasonable best efforts to accept and comply, and cause its Affiliates to use their reasonable best efforts to accept and comply, with any condition or requirement (other than any conditions or requirements that relate to raising, contributing, committing, or maintaining capital or funding, maintaining capital ratios or are otherwise financial in nature, which conditions and requirements are addressed exclusively in clause (iii) of this Section 7.6(c)) imposed or sought to be imposed by any Governmental Entity on, to, or as part of, its approval of the Transaction or the transactions contemplated by the other Transaction Documents, provided that such condition or requirement is generally consistent with the conditions and requirements imposed on other participants in the mortgage insurance industry during the past five (5) years by such Governmental Entity; provided, however, that the Purchaser shall not be obligated to agree to or comply with any such condition or requirement to the extent such condition or requirement has or is reasonably expected to have a material adverse effect on (1) the Purchaser and its Affiliates, including the Purchaser Parent, taken as a whole, (2) the CMG Companies, PMAC, the PMI Business, and the CMG Business, taken as a whole or (3) the financial benefits reasonably expected to be derived from the Transaction by the Purchaser and its Affiliates.

(iii) The Purchaser acknowledges that Fannie Mae, Freddie Mac and/or other Governmental Entities may require that the Purchaser commit to contribute capital, or make capital available, to the CMG Companies and/or PMAC at or following Closing, or impose other conditions relating to maintaining capital ratios or that are otherwise financial in nature, as a condition on, to or as part of their approval of the Transaction, the transactions contemplated by the other Transaction Documents, or the expansion of the CMG business plan to include issuing insurance policies to non-credit union customers. Any such requirement or condition, as described in the immediately preceding sentence, is referred to as a "Financial Condition." Purchaser shall (A) acting reasonably and in good faith, consider and discuss with the applicable Governmental Entities any such proposed Financial Conditions and (B) accept and comply with any Financial Condition sought to be imposed, following any discussions between Purchaser and the applicable Governmental Entities, provided that such Financial Condition, when considered together with all other Financial Conditions sought to be imposed, is reasonably appropriate (taking into account CMG MI's business as of the Closing and the business plan for the CMG Companies included in the applicable application or submission to the relevant Governmental Entit(ies) in connection with obtaining the Purchaser Required Governmental Approvals, which business plan shall be prepared by Purchaser in good faith) to support CMG MI's maintenance of risk-to-capital ratios following Closing that

are generally consistent with risk-to-capital ratios maintained by other active U.S. mortgage insurers who are in compliance with state minimum statutory or regulatory capital requirements (without reference to any waiver of such requirements issued by their domiciliary state's department of insurance), considered collectively, unless such acceptance or compliance with such Financial Condition and all other Financial Conditions sought to be imposed by Governmental Entities upon Purchaser, its Affiliates, PMAC or the CMG Companies, taken together, has adversely affected in any material respect, or is reasonably expected to adversely affect in any material respect, (1) the Purchaser and its Affiliates, including the Purchaser Parent, taken as a whole, (2) the CMG Companies, PMAC, the PMI Business, and the CMG Business, taken as a whole or (3) the financial benefits reasonably expected to be derived from the Transaction by Purchaser and its Affiliates.

(iv) Any condition or requirement of any Governmental Entity imposed or sought to be imposed upon Purchaser, any Affiliate of Purchaser, PMAC or any CMG Company as a condition on, to, or as part of its approval of the Transaction, the transactions contemplated by the other Transaction Documents, or the expansion of the CMG business plan to include issuing insurance policies to non-credit union customers that is inconsistent with, exceeds, or is outside the scope of the requirements and conditions which the Purchaser has agreed to accept or comply with or to use efforts to accept or comply with, pursuant to clause (ii) and clause (iii) of this Section 7.6(c) is referred to herein as an "Adverse Governmental Requirement." Anything to the contrary notwithstanding, Purchaser shall have sole and absolute discretion regarding whether or not to accept or comply with any Adverse Governmental Requirement; provided, however, that in the event the Purchaser determines not to accept or comply with an Adverse Governmental Requirement, Purchaser shall (A) provide to the Sellers a copy of such Adverse Governmental Requirement (if the Purchaser was advised of such Adverse Governmental Requirement in writing) within five (5) Business Days after such determination by Purchaser, (B) provide the Sellers with ten (10) Business Days' prior written notice of its intention to advise the applicable Governmental Entity that Purchaser will not accept or comply with such Adverse Governmental Requirement, and (C) reasonably cooperate with the Sellers during such period to determine if there are any mutually acceptable measures that may be taken to mitigate or eliminate the impact of such Adverse Governmental Requirement and otherwise satisfy the conditions to Closing hereunder.

7.7 Notification.

(a) In the event that either Seller or either Purchaser Party determines in good faith that a condition to any Party's obligation to complete the Transaction cannot be fulfilled, it will promptly notify the other Parties. In addition, if a Party has the right to waive such condition, but determines it will not waive such condition, it shall promptly notify the other Parties.

(b) The Sellers shall promptly inform the Purchaser Parties upon receiving notice of any legal, administrative, arbitration or other proceedings, demands, notices, audits or investigations (by any federal, state or local commission, agency or board) relating to the alleged

liability of any Seller under any labor or employment Law with respect to the Business Employees or the Business Contractors.

7.8 Tax Matters.

(a) PMI shall prepare or cause to be prepared and timely file or cause to be timely filed after the date of this Agreement (A) any Tax Returns, with respect to the CMG Companies, the due date of which is on or prior to the Closing Date and (B) any income Tax Returns of the CMG Companies for all periods ending on or prior to the Closing Date, and shall pay, or cause to be paid, all Taxes due with respect to such Tax Returns. To the extent reasonably requested by the Sellers, the Purchaser Parties shall cooperate with PMI in the preparation and timely filing of all such Tax Returns, which shall be prepared in a manner consistent with past practice unless otherwise required by applicable Laws. PMI shall submit such income Tax Returns, or in the case of a consolidated or combined income Tax Return, the portion of any such consolidated Tax Return that relates to the CMG Companies, to the Purchaser Parties at least twenty (20) days prior to the due date for the filing of such income or consolidated or combined income Tax Returns (taking into account any extensions) for its review and timely comment; PMI shall reflect reasonable comments from the Purchaser Parties to the extent such comments are consistent with the standard set forth in the previous sentence, provided that such comments do not increase the Sellers' Tax Liabilities with respect to any Pre-Closing Tax Period.

(b) The Purchaser Parties shall prepare or cause to be prepared and timely file or cause to be timely filed after the date of this Agreement (A) any Tax Returns of the CMG Companies for all Straddle Periods (as defined below) and (B) any non-income Tax Returns of the CMG Companies for all periods ending on or prior to the Closing Date, the due date (including extensions of time to file) of which is after the Closing Date (collectively, the "Post-Closing Tax Returns"). All such Post-Closing Tax Returns shall be prepared in a manner consistent with the past practice unless otherwise required by applicable Laws. In the event there are any non-income Tax Returns in respect of a Straddle Period ("Straddle Tax Returns"), the Purchaser Parties shall submit each such Straddle Tax Returns to the Sellers at least twenty (20) days or, in the case of non-income Tax Straddle Tax Returns, at least three (3) days prior to the due date for the filing of such Straddle Tax Returns (taking into account any extensions), and the Sellers shall have the right to review and timely comment on such Straddle Tax Returns; the Purchaser Parties shall reflect reasonable comments from the Sellers on such Straddle Tax Returns to the extent such comments are consistent with the standard set forth in the previous sentence.

(c) In the case of any claim with respect to Taxes (any such claim a "Tax Claim") associated with the CMG Companies after the Closing Date that relates solely to Taxes for which the Purchaser Parties intends to seek indemnification pursuant to Article XII, the Sellers shall control the conduct of such Tax Claim at their own expense; provided, however, that (i) the Purchaser Parties and its counsel shall have the right to fully participate in any Tax Claim at the Purchaser Parties' own expense, and (ii) the Sellers shall not discharge, settle or otherwise dispose of any such Tax Claim without the prior written consent of the Purchaser Parties, not to be unreasonably withheld, conditioned or delayed; provided, further, that if the Sellers fail to assume control of the conduct of any such Tax Claim within ninety (90) days

following the receipt of notice of such Tax Claim, the Purchaser Parties shall have the right to assume control of such Tax Claim and shall be able to discharge, settle or otherwise dispose of any such Tax Claim in its sole discretion; provided, further, that the Sellers shall in any event control the conduct of any such Tax Claim that relates to Taxes imposed on the Sellers (or that may affect Taxes of the Sellers or a member of the combined or consolidated group that includes the Sellers) or that relates to a combined or consolidated Tax Return that includes the Sellers or that relates to a consolidated or combined Tax Return that includes the CMG Companies on or prior to the Closing Date.

(d) In the case of any Tax Claim after the Closing Date with respect both to Taxes for which the Purchaser Parties intend to seek indemnification pursuant to Article XII and Taxes for which the Purchaser Parties do not intend to seek (or are not entitled to seek) indemnification pursuant to Article XII, the Purchaser Parties shall control the conduct of such Tax Action at its own expense; provided, however, that (i) the Sellers and their counsel shall have the right to fully participate in any such Tax Claim at their own expense, and (ii) the Purchaser Parties shall not discharge, settle or otherwise dispose of any such Tax Claim without the prior written consent of the Sellers, not to be unreasonably withheld, conditioned or delayed.

(e) After the Closing Date, except as provided in (c) and (d) above, the Purchaser Parties shall control and shall have the right to discharge, settle or otherwise dispose of all other Tax Claims with respect to the CMG Companies.

(f) For purposes of this Agreement, in the case of any taxable period that begins before, but ends after, the Closing Date (a "Straddle Period"), the amount of Taxes attributable to the Pre-Closing Tax Period shall be calculated as follows: the amount of any Taxes that are based upon or measured by income, receipts, profits or wages, that are imposed in connection with the sale or other transfer of property or services, or that are required to be withheld and collected, the amount of such Taxes that are attributable to the Pre-Closing Tax Period shall be determined on the basis of a closing of the books as of the end of the day before the Closing Date, and the amount of other Taxes of the Sellers attributable to the Pre-Closing Tax Period shall equal the amount of such Tax for the entire taxable period multiplied by a fraction, the numerator of which is the number of days in the taxable period through and including the day before the Closing Date, and the denominator of which is the total number of days in the taxable period.

(g) Each of the Purchaser Parties and the Sellers shall promptly notify the other Parties in writing of the commencement of any Tax Claim of which such Party or any of its respective Affiliates has been informed in writing by any Governmental Entity relating to Tax Returns of the CMG Companies for any Pre-Closing Tax Period or of any such Tax Claim that could reasonably be expected to result in an indemnification obligation under this Agreement. Such notice shall describe the asserted Tax Claim in reasonable detail and shall include copies of any notices and other documents received from any Governmental Entity in respect thereof; provided, however, that the failure of the notified Party to give the other Party notice as provided herein shall not relieve such other Party of its obligations under this Section 7.8, except to the extent that such other Party is actually and materially prejudiced thereby.

(h) All stamp, recordation, transfer, excise, documentary, sales, use, registration and other such taxes and fees (including any penalties and interest) incurred in connection with this Agreement and the Transaction (collectively, the "Transfer Taxes") shall be paid 50% by the Purchaser and 50% by the Sellers on a pro rata basis based upon each Seller's Percentage Interest as of the date hereof. The Purchaser shall properly file on a timely basis all necessary Tax Returns and other documentation with respect to any Transfer Tax and provide to the Sellers evidence of timely filing and payment of all Transfer Taxes. The Parties shall cooperate in good faith to minimize, to the fullest extent possible under applicable Law, the amount of any such Transfer Taxes.

(i) The Purchaser and the Sellers will each provide the other parties with such cooperation as may reasonably be requested in connection with the preparation of any Tax Return relating to the CMG Companies, or the audit or other examination by any Governmental Entity or judicial or administrative Proceeding relating to Liability for Taxes of the CMG Companies.

(j) Neither the Purchaser Parties, nor any of its Affiliates, nor the Sellers shall make an election with respect to the CMG Companies under Code Section 338.

(k) The Sellers shall be entitled to any credits and refunds (including interest received thereon) in respect of Taxes for a Pre-Closing Tax Period. If the Purchaser shall become aware that any of the CMG Companies is entitled to claim a refund from a Governmental Entity in respect of a Pre-Closing Tax Period, the Purchaser shall promptly notify the Sellers of the availability of such refund or credit claim and, unless in the Purchaser's reasonable judgment making such claim would be materially adverse to any CMG Company or any of their Affiliates, shall make a timely claim to such Governmental Entity for such refund. If any of the CMG Companies receives a refund (including pursuant to a claim for refund made pursuant to the preceding sentence), in respect of a Pre-Closing Tax Period, the CMG Companies shall, and the Purchaser shall cause the CMG Companies to, within fifteen (15) days of the date such receipt, pay the amount of such refund to the Sellers on a pro rata basis based upon each Seller's Percentage Interest as of the date hereof, including any interest paid by the relevant Governmental Entity with respect to such refund.

7.9 Further Assistance and Assurances. The Sellers shall, at any time and from time to time (including, for the avoidance of doubt, following the Closing), promptly, upon the reasonable request of the Purchaser, execute, acknowledge, deliver or perform all such further acts, deeds, assignments, transfers, conveyances and assurances as are reasonably necessary to effectuate the purposes of this Agreement or as may be required for the better vesting or conferring to the Purchaser of title in and to the Shares and to effect the Transaction and the other transactions contemplated by the Transaction Documents. The Purchaser shall, at any time and from time to time, promptly, upon the reasonable request of the Sellers (including, for the avoidance of doubt, reasonable requests by either Seller following the Closing), execute, acknowledge, deliver or perform all such further acts, deeds, assumption agreements, transfers and assurances as are reasonably necessary to effectuate the purposes of this Agreement and to effect the Transaction. Each Party agrees that if it receives any payment or amount after the Closing Date to which another Party is entitled, the recipient shall promptly transfer such payment or amount to the Party so entitled.

7.10 Indemnification Escrow Agreement. Any fees due and payable to the Escrow Agent under the Indemnification Escrow Agreement (the "Escrow Agent Fees") shall be paid in full on or prior to the Closing Date; it being agreed that the Purchaser shall be responsible for fifty percent (50%) of the Escrow Agent Fees and that the Sellers shall be responsible for the other fifty percent (50%) of the Escrow Agent Fees on a pro rata basis based upon each Seller's Percentage Interest as of the date hereof.

7.11 Investments. Following receipt of all Governmental Approvals and prior to the Closing, the Sellers shall take such actions as are necessary to cause the CMG Companies' Investments to consist solely of the types of investments set forth in Schedule 7.11, other than the Governmental Deposits. Without limiting the foregoing, prior to the Closing, the Sellers shall cause the CMG Companies to sell, transfer or exchange any Investments, other than Governmental Deposits, that are not the types of investments set forth on Schedule 7.11.

7.12 Termination of Joint Venture Agreements and Affiliate Transactions. At or prior to the Closing, the Sellers shall terminate the Joint Venture Agreements and all Affiliate Transactions, except as set forth on Section 7.12 of the Seller Disclosure Schedule, and each Seller and the CMG Companies shall execute, and the Sellers will cause their applicable Affiliates to execute, a termination and release agreement, which shall be in the form and substance attached as Exhibit I hereto (the "Releases"). Notwithstanding the foregoing, for a period of thirty (30) days following the Closing Date, the Sellers shall be permitted to invoice the CMG Companies for any accrued and unpaid amounts owing to Sellers or their Affiliates (other than any of the CMG Companies) pursuant to and in accordance with the Joint Venture Agreements, solely to the extent that such amounts relate to the period prior to Closing (collectively, the "Current Affiliate Obligations"). Any Current Affiliate Obligation not invoiced to the CMG Companies prior to the expiration of such thirty (30) day period shall be deemed discharged and the relevant Seller or its Affiliate shall forfeit any rights it may have to recover the same. Sellers agree not to seek and to cause their Affiliates not to seek any recovery of any such forfeited amount from the CMG Companies, Purchaser or any of their Affiliates. Purchaser shall cause the applicable CMG Companies to pay all Current Affiliate Obligations invoiced in accordance with this Section 7.12 within ten (10) Business Days following receipt of the corresponding invoice.

7.13 [Reserved].

7.14 No Solicitation.

(a) Subject to Section 7.14(b) and Section 7.14(f):

(i) each Seller shall, and shall cause its Representatives to, immediately cease any discussions or negotiations with any Persons that may be ongoing as of the date of this Agreement with respect to an Acquisition Proposal and any discussions that could reasonably be expected to lead to an Acquisition Proposal;

(ii) each Seller shall not, and shall not authorize or permit any of its Representatives to, directly or indirectly, (A) solicit, initiate or knowingly take any action to facilitate or encourage the submission of any Acquisition Proposal or the

making of any proposal that could reasonably be expected to lead to an Acquisition Proposal, (B) enter into or participate in any discussions or negotiations with, or furnish any confidential information relating to either Seller, PMAC or the CMG Companies or afford access to the business, properties, assets, books or records of any of Sellers or the CMG Companies to, any third party for the purpose of knowingly facilitating an Acquisition Proposal or any proposal that could reasonably be expected to lead to an Acquisition Proposal, (C) or approve, endorse or enter into any agreement in principle, letter of intent, term sheet, purchase agreement, merger agreement, acquisition agreement, option agreement or other similar instrument relating to an Acquisition Proposal or any proposal or offer that is intended to lead to an Acquisition Proposal or requires the Sellers to terminate this Agreement (an "Alternative Acquisition Agreement"); and

(iii) following the date on which PMI receives Court approval pursuant to a Sale Order, the Sellers shall promptly request in writing that each Previous Bidder and its Representatives return to the Sellers or destroy all confidential information and materials furnished to such Previous Bidders.

(b) Notwithstanding Section 7.14(a), if, on or prior to date on which PMI receives Court approval pursuant to the Sale Order, either Seller or any of their Representatives has received a written Acquisition Proposal from an unaffiliated third party that meets the criteria of a qualified bidder as set forth on Schedule 7.14 hereto (a "Potential Buyer"), which was not initiated or solicited in breach of this Section 7.14, then the Sellers, directly or indirectly through their Representatives, may furnish to such Potential Buyer or its Representatives non-public information relating to the Sellers, PMAC and the CMG Companies pursuant to an Acceptable Confidentiality Agreement; provided, that the Sellers shall contemporaneously make available to the Purchaser any material non-public information relating to the Sellers, PMAC and the CMG Companies that is made available to such Potential Buyer, which was not previously made available to the Purchaser; provided, however, that prior to taking any action described above in this Section 7.14(b), (i) the Receiver and the CUNA Mutual board of directors (the "CUNA Board") shall each determine in good faith, after consultation with outside legal counsel, that the failure to take such action would be reasonably likely to violate their respective fiduciary duties under applicable Law, (ii) in the event the Potential Buyer is a Previous Bidder, each of the Receiver and the CUNA Board shall also determine in good faith, based on the information then available and after consultation with their financial advisor and outside legal counsel, that such Acquisition Proposal constitutes a Superior Proposal and (iii) Sellers shall have notified Purchaser of their intention to take such action. The Sellers shall provide any commercially sensitive non-public information to such Potential Buyer in connection with the actions contemplated by this Section 7.14(b) in a manner consistent with the Sellers' past practice in dealing with the disclosure of such information during the process leading to this Agreement. The Sellers shall require any Person submitting an unsolicited Acquisition Proposal to provide a copy of this Agreement and the Asset Purchase Agreement (together, the "Purchase Agreements") marked to show any proposed changes to the terms of the Purchase Agreements that such Person would require to be included in the definitive agreements under which such proposal is to be consummated.

(c) Following the execution of an Acceptable Confidentiality Agreement, the Sellers shall not engage in any discussions or negotiations, or execute an Alternative Acquisition Agreement, with a Potential Buyer if a Superior Proposal is received after the earlier of (i) the date that is three (3) weeks from the date such Acceptable Confidentiality Agreement is fully executed and (ii) the date that is one (1) week prior to PMI's hearing with the Court to seek approval of the Transaction.

(d) In the event (i) each of the Receiver and the CUNA Board determine in good faith, based on the information then available and after consultation with its independent financial advisor and outside legal counsel, that an Acquisition Proposal from a Potential Buyer, whether or not a Previous Bidder, constitutes a Superior Proposal and (ii) each of the Receiver and the CUNA Board determine in good faith, after consultation with its financial advisor and outside legal counsel, that failure to do so would be reasonably likely to violate its fiduciary obligations under applicable Law, the Sellers, directly or indirectly through their Representatives, may enter into or participate in discussions or negotiations with such Potential Buyer and its Representatives and may enter into an Alternative Acquisition Agreement with such Potential Buyer, subject to compliance with Section 7.14(f).

(e) The Sellers shall notify the Purchaser orally and in writing promptly (and, in any event, within 48 hours) after any Seller Representative Individual (i) receives any Acquisition Proposal or any offer or proposal that would be an Acquisition Proposal but for the Sellers' determination that such offer or proposal does not constitute a bona fide economic proposal, (ii) receives any request for discussions regarding an Acquisition Proposal or any inquiry that specifically references or unambiguously implies the reasonable prospect of an Acquisition Proposal, or (iii) provides a confidentiality agreement or non-disclosure agreement, or any non-public information relating to the Assets to a Potential Buyer, which notice shall identify the Person or Potential Buyer making such Acquisition Proposal, request or inquiry, the nature of such inquiry or request, or, in the case of an Acquisition Proposal, the material terms and conditions of such Acquisition Proposal (including, if applicable, copies of any written requests, proposals or offers, including proposed agreements). The Sellers shall keep the Purchaser reasonably informed on a prompt basis of any material developments, discussions or negotiations regarding any Acquisition Proposal (including any amendments thereto and any change in the Sellers' intentions as previously notified) and shall provide copies of all correspondence and other written materials sent or provided to such Seller Representative Individual relating to any such material developments, discussions or negotiations. For purposes of this Section 7.14(e), a Seller Representative Individual shall not be deemed to have received any such offer, proposal, request or inquiry, unless such offer, proposal, request or inquiry was specifically directed to such Seller Representative Individual or such Seller Representative Individual otherwise receives, or gains actual knowledge of, such offer, proposal, request or inquiry, in which case, such Seller Representative Individual shall be deemed to have received such offer, proposal, request or inquiry at the time such Seller Representative Individual receives, or gains actual knowledge of, such offer, proposal, request or inquiry.

(f) The Sellers shall not terminate this Agreement pursuant to Section 11.1(d) to enter into an Alternative Acquisition Agreement with respect to any Acquisition Proposal, unless (i) each of the Receiver and the CUNA Board have determined in good faith, after consultation with its financial advisor and outside legal counsel, that such Acquisition Proposal

constitutes a Superior Proposal, (ii) each of the Receiver and the CUNA Board have determined in good faith, after consultation with its financial advisor and outside legal counsel, that failure to do so would be reasonably likely to violate its fiduciary obligations under applicable Law, (iii) the Sellers shall have complied with their obligations under this Section 7.14 with respect to such Superior Proposal and (iv) the Sellers promptly notify the Purchaser in writing, at least five (5) Business Days before taking such action (the "Notice Period"), of the Sellers' determination that such Acquisition Proposal constitutes a Superior Proposal and of their intention to take such action. The requirements of Section 7.14(d) shall apply during the pendency of the Notice Period. During the Notice Period, Sellers shall, and shall cause their Representatives to, negotiate with Purchaser in good faith to make such adjustments to the terms of this Agreement and/or the Asset Purchase Agreement and the other Transaction Documents (within the meaning hereof and within the meaning of the Asset Purchase Agreement) as may make such Acquisition Proposal cease to constitute a Superior Proposal, if Purchaser, in its sole direction proposes any such adjustments. If, after the commencement of the Notice Period, there is any material revision to the terms of such Acquisition Proposal, including any revision in price, the Notice Period shall be extended, if applicable, to ensure that at least three (3) Business Days remain in the Notice Period subsequent to the time the Sellers notify the Purchaser of any such material revision (it being agreed that, subject to the remaining provisions hereof, multiple extensions are possible). If the Purchaser proposes any adjustment to the terms of this Agreement and/or the Asset Purchase Agreement and the other Transaction Documents (within the meaning hereof and within the meaning of the Asset Purchase Agreement) (a "Revised Proposal"), the Sellers shall not be permitted to enter into an Alternative Acquisition Agreement with respect to such Acquisition Proposal unless, after taking into account such Revised Proposal, (x) each of the Receiver and the CUNA Board have determined in good faith, after consultation with its financial advisor and outside legal counsel, that such Acquisition Proposal continues to constitute a Superior Proposal, (y) each of the Receiver and the CUNA Board have determined in good faith, after consultation with its financial advisor and outside legal counsel, that failure to do so would be reasonably likely to violate its fiduciary obligations under applicable Law and (z) the Sellers shall have complied with its obligations under this Section 7.14 during the Notice Period (as extended, if applicable). Notwithstanding the foregoing, in the event that the Notice Period has been extended at least twice and the Purchaser submits one or more Revised Proposals during the Notice Period, as so extended, that result in such Acquisition Proposal ceasing to constitute a Superior Proposal and the Potential Buyer makes a further revision to such Acquisition Proposal that results in such Acquisition Proposal constituting a Superior Proposal, as determined by the Sellers in accordance with the foregoing clauses (x) and (y), then (1) the Notice Period shall be extended for an additional period of not less than five (5) Business Days following the Sellers' notice to the Purchaser of such further revised Acquisition Proposal, (2) each of the Purchaser and such Potential Buyer shall be given the opportunity to submit, prior to the end of such extended Notice Period, a "best and final" proposal, incorporating any modifications to the Purchaser's most recent proposal and such Acquisition Proposal, as applicable, that the Purchaser or such Potential Buyer elects to make in its sole discretion and (3) the Sellers shall select between such "best and final" proposals, it being understood that Sellers shall not enter into an Acquisition Agreement with respect to such Potential Buyer's revised Acquisition Proposal unless the requirements of the foregoing clauses (x) through (z) have been satisfied in respect thereof.

(g) Each Seller agrees that in the event any of its Representatives takes any action which, if taken by such Seller, would constitute a breach of this Section 7.14, then such Seller shall be deemed to be in breach of this Section 7.14.

(h) As used in this Agreement:

(i) "Acceptable Confidentiality Agreement" means a confidentiality agreement that contains provisions that are no less favorable in the aggregate to the Sellers than those contained in the Confidentiality Agreement.

(ii) "Acquisition Proposal" means any bona fide economic proposal or offer received by the Sellers or any of their Representatives from any unaffiliated third party that involves the acquisition of all of the Purchased Assets (as defined in the Asset Purchase Agreement), other than a de minimis portion thereof, PMAC and the CMG Companies (collectively, the "Assets"). In determining whether a proposal or offer is a bona fide proposal or offer, the Sellers shall take into consideration, among other items, (i) the financial capabilities of such unaffiliated third party and the terms and likelihood of receipt of any required third party financing, (ii) the likelihood of the consummation of the transactions to be consummated in connection with such proposal or offer, including the conditions contemplated by such proposal or offer, the additional due diligence required by such third party, if any, and the likelihood of such third party receiving all required Governmental Approvals and other required consents for such proposed transactions in a timely manner and (iii) the aggregate consideration to be paid by such unaffiliated third party to the Sellers in connection with such proposal or offer.

(iii) "Previous Bidder" means a Potential Buyer that at any time since March 14, 2012 (i) signed a confidentiality agreement in contemplation of its possible submission of a proposal for PMI, any or all of PMI's assets or any or all of the CMG Companies, regardless of whether a proposal was actually submitted, (ii) was provided a confidentiality agreement with an opportunity to gain access to non-public information relating to any or all of PMI, PMAC or the CMG Companies and did not sign such confidentiality agreement, (iii) was given access to non-public information regarding any or all of PMI, PMAC or the CMG Companies in connection with such Potential Buyer's consideration of a proposal for PMI, any or all of PMI's assets or any or all of the CMG Companies, (iv) was otherwise offered the opportunity to sign a confidentiality agreement and advised the Sellers' financial advisors that they declined the opportunity to do so, or (v) submitted a proposal for PMI or any or all of PMI's assets or any or all of the CMG Companies.

(iv) "Seller Representative Individual" means (i) any director or officer of a Seller with the title ranking not less than senior vice president, (ii) Joseph M. Hennelly, Jr. of Hennelly & Steadman, PLC, (iii) any partner or officer of Lazard Fréres & Co. LLC, (iv) any partner or officer of any other financial advisors engaged by the Receiver to assist with the Transaction, and (v) the Special Deputy Receiver of PMI; provided, that, with respect to clauses (iii) and (iv), such partner or officer is involved in the representation of a Seller for the purposes of the Transaction.

(v) "Superior Proposal" means an unsolicited, bona fide, written Acquisition Proposal received from a Potential Buyer that (A) the Receiver concludes in good faith to be more favorable from a financial point of view than the Transaction and the transactions contemplated by the Transaction Documents and the Asset Purchase Agreement and the Transaction Documents defined therein, considered in their entirety, including the Break-Up Fee contemplated herein and in the Asset Purchase Agreement that would be payable if such Superior Proposal were pursued, and (B) the CUNA Board concludes in good faith to be more favorable from a financial point of view than the Transaction and the transactions contemplated by the Transaction Documents, considered in their entirety, including the Break-Up Fee contemplated herein that would be payable if such Superior Proposal were pursued, and that in each case contains terms that are no less favorable to each of PMI and CUNA Mutual than those set forth in the Purchase Agreements, (i) after receiving the advice of its financial advisors, (ii) after taking into account the likelihood of consummation of such transaction on the terms set forth therein, giving due consideration to all of the conditions contemplated therein and the likelihood of receipt of all required Governmental Approvals and other third party consents (iii) after taking into account all legal (with the advice of outside counsel), financial (including the financing terms of any such proposal and the conditions to any required third party financing), regulatory and other aspects of such proposal (including any expense reimbursement provisions and conditions to closing) and any other relevant factors permitted under applicable Law, (iv) after considering the ability of the Potential Buyer to perform its obligations under any services or other agreements to be performed after consummation of such Acquisition Proposal and (v) after taking into account any revisions to the terms of the Purchase Agreements proposed by the Potential Buyer, as contemplated by Section 7.14(b).

7.15 Termination of the Surplus Notes. On or prior to the Closing Date, the Sellers shall cause the Surplus Notes to be exchanged for equity in the form of paid in capital.

7.16 Purchaser Acknowledgments. Notwithstanding anything to the contrary contained herein, neither Seller nor any of their respective Affiliates makes any representation or warranty with respect to, and nothing contained in this Agreement, the Transaction Documents or any other agreement, document or instrument to be delivered in connection with the transactions contemplated hereby or thereby is intended or shall be construed to be a representation or warranty (express or implied) of either Seller or any of their respective Affiliates, for any purpose of this Agreement, the Transaction Documents or any other agreement, document or instrument to be delivered in connection with the transactions contemplated hereby or thereby, with respect to: (i) the adequacy or sufficiency of any of the Insurance Reserves with respect to the CMG Business, (ii) other than as set forth in Section 5.16, whether or not such Insurance Reserves were determined in accordance with any actuarial, statutory or other standard, (iii) the future profitability of the CMG Business or (iv) the effect of the adequacy or sufficiency of such Insurance Reserves on any "line item" or asset, liability or equity amount. Furthermore, each of the Purchaser Parties acknowledges and agrees that no fact, condition, development or issue relating to the adequacy or sufficiency of the Insurance Reserves may be used, directly or indirectly, to demonstrate or support the breach of any representation, warranty, covenant or agreement contained in this Agreement, the Transaction Document or any other agreement,

document or instrument to be delivered in connection with the transactions contemplated hereby and thereby.

7.17 Management of the Business During the Earnout Period.

(a) From the Closing Date until the earlier of (a) the sixth (6^{th}) anniversary of the Closing Date, or, if applicable, until the final day of any extension effected in accordance with Section 2.7(e)), and (b) any earlier anniversary of the Closing Date in respect of which the final Deferred Consideration Payment is payable (such period, the "Purchaser Covenant Period"), Purchaser shall (i) act in good faith and not take any action which Purchaser intends, and the primary purpose of which is, to reduce the Deferred Consideration Payments hereunder and (ii) unless otherwise required by Applicable Law, GAAP or SAP, or otherwise agreed to in writing by the Sellers, utilize the same premium collection and recognition practices with respect to the Pre-Closing Portfolio as Purchaser and its Affiliates use in respect of their mortgage insurance businesses generally. The Parties agree and acknowledge that, except as set forth in the foregoing provisions of this Section 7.17(a), the Purchaser and its Affiliates shall be free to conduct their businesses, including the CMG Businesses and the Pre-Closing Portfolio in any manner they see fit and in their sole and absolute discretion and the Sellers hereby expressly deny any implied covenant at law or in equity that may impose any obligation on the Purchaser or its Affiliates that is inconsistent with the foregoing. In addition, in the event that any CMG Company settles any loss relating to the Pre-Closing Portfolio that is tendered but not covered by a policy comprising the Pre-Closing Portfolio (an "Ex Gratia Payment"), the amount of such Ex Gratia Payment shall not be deducted for purposes of calculating the Deferred Compensation Payment for the period during which such settlement was paid. Anything to the contrary notwithstanding, Ex Gratia Payments will not include settlements of losses that are reasonably determined by the Purchaser to be within the terms of coverage under a policy comprising the Pre-Closing Portfolio, nor settlements made to avoid costs that could be incurred in connection with potential or actual litigation relating to coverage issues arising under the policies comprising the Pre-Closing Portfolio.

(b) In the event that, during the Purchaser Covenant Period, the Purchaser, other than through reinsurance, sells, or otherwise transfers the Pre-Closing Portfolio (whether directly or by merger, consolidation, exchange or sale (of all or a substantial portion) of assets or equity or otherwise), then the Purchaser shall (i) cause the Person acquiring the Pre-Closing Portfolio to assume the Purchaser's obligations hereunder that relate specifically to the Pre-Closing Portfolio (including under Section 2.7 and this Section 7.17 hereof) and (ii) if such acquiring Person is not an Affiliate of the Purchaser Parent cause a Qualifying Guarantor to guaranty such acquiring Person's assumed obligations under Section 2.7 in a manner consistent with Article XIII hereof and, in the case of a transfer to a non-Affiliate of the Purchaser Parent and if so requested by the Sellers, take one of the actions set forth in Section 13.2(b)(iii) or (iv). Solely upon the Purchaser's compliance with its obligations under the foregoing clauses (i) and (ii), the Purchaser shall automatically cease to have any obligation under or in respect of Section 2.7 or this Section 7.17. In the case of a transfer to a non-Affiliate of the Purchaser Parent, solely upon the Purchaser's compliance with its obligations under the foregoing clauses (i) and (ii), the Purchaser Parent shall automatically cease to have any obligation under or in respect of Section 2.7 hereof or this Section 7.17, by virtue of Section 13.1 or otherwise.

(c) The Purchaser agrees that, during the Purchaser Covenant Period, the Purchaser shall (i) maintain such books of record and account of CMG MI's dealings and transactions in relation to the Pre-Closing Portfolio as are reasonably necessary to verify Purchaser's calculations of Adjusted Book Value pursuant to this Agreement and within ninety (90) days following each March 31 and September 30 following the delivery of the Closing Statement pursuant to Section 2.6, deliver to the Sellers (A) a calculation in reasonable detail of the Adjusted Book Value as of the last day of the prior calendar quarter, as well as each component of the Adjusted Book Value, as contemplated by the definition thereof, with such supporting details of the calculation as may be reasonably requested by the Sellers and (B) documentation relating to the utilization of net operating loss carryforwards of the CMG Companies during such period, if applicable.

7.18 Notice of Seller Capital Contributions. From the date hereof until the Closing, in the event that either Seller determines that the aggregate amount of the Seller Capital Contributions will exceed $10,000,000, such Seller agrees to promptly provide the Purchaser with written notice of such determination and each Seller Capital Contribution such Seller makes to a CMG Company. Following any such notice, if requested by Purchaser, the Sellers shall promptly meet with the Purchaser to discuss the anticipated capital requirements of the CMG Companies.

7.19 Consultation. The Sellers agree to consult with the Purchaser in connection with the implementation of the strategic plans and the ongoing operations of the CMG Companies, including, without limitation, disclosing to and discussing with the Purchaser any material deviation from such plans prior to implementation of such deviation. The Sellers agree to consider in good faith the Purchaser's views regarding the proposed plans and any material deviation from such plans.

ARTICLE VIII

COURT MATTERS

8.1 Court Matters.

(a) Following the execution of this Agreement, PMI shall file a petition, including any supporting declarations, affidavits and other documents or information seeking entry by the Court of the Sale Order.

(b) The Purchaser agrees to promptly take, and to cause the Purchaser Parent to promptly take, such actions as are reasonably requested by PMI to assist in obtaining entry of the Sale Order and any other order of the Court reasonably necessary to consummate the transactions contemplated by this Agreement, including furnishing declarations, affidavits or other documents or information for filing with the Court and providing necessary assurances of performance by the Purchaser Parties under this Agreement; provided, however, in no event shall the Purchaser Parties or any other Party be required to agree to any amendment of this Agreement.

(c) PMI shall provide CUNA Mutual and the Purchaser with copies of all motions, applications, pleadings, notices, proposed orders and other court filings relating to the Shares, this Agreement or the transactions contemplated therein, at least two (2) business days prior to the filing thereof, unless the exigencies of time prevent the period from being that long, with the Court so as to allow the Purchaser to provide reasonable comments for incorporation into same.

(d) In the event the Sale Order is appealed, the Purchaser Parties and the Sellers shall cooperate and work diligently and in good faith to defend such appeal at each such Party's own cost and expense.

(e) PMI further covenants and agrees that, after the entry of the Sale Order, the terms of any rehabilitation, liquidation or other plan or other petition it submits to the Court, or any other court for confirmation or sanction, shall not conflict with, supersede, abrogate, nullify or restrict the terms of this Agreement or the Sale Order, or in any way prevent or interfere with the consummation or performance of the transactions contemplated by this Agreement.

(f) The Parties acknowledge that (i) PMI will not be permitted to consummate the Closing or to perform its other obligations to be performed at Closing without the approval of the Court pursuant to the Sale Order and (ii) PMI's guaranty under Section 11.2(d) hereof or PMI's performance thereof shall not be enforceable without the approval of the Court pursuant to the Sale Order.

(g) In the event the Sale Order is not approved, PMI shall use its reasonable best efforts to obtain approval of the Court for PMI's guaranty under Section 11.2(d) and PMI's performance thereof.

ARTICLE IX

CLOSING CONDITIONS

9.1 Conditions to Each Party's Obligations under this Agreement. The respective obligations of each Party under this Agreement shall be subject to the fulfillment at or prior to the Closing Date of the following conditions, none of which may be waived:

(a) Injunctions. None of the Parties shall be subject to any order, decree or injunction of a court or agency of competent jurisdiction, no statute, rule or regulation shall have been enacted, entered, promulgated, interpreted, applied or enforced by any Governmental Entity or Insurance Regulator, that enjoins or prohibits the consummation of the Transaction and none of the foregoing shall be pending.

(b) Court Approval. The Court shall have entered the Sale Order and such order shall be a Final Order.

(c) Governmental Approvals. All Governmental Approvals specified on Schedule 9.1(c) shall have been obtained and shall remain in full force and effect and all waiting periods relating thereto shall have expired.

9.2 Conditions to the Obligations of the Purchaser under this Agreement. The obligations of the Purchaser under this Agreement shall be further subject to the satisfaction of the conditions set forth in this Section 9.2 (which may be waived by the Purchaser, in its sole discretion, in whole or in part) at or prior to the Closing Date.

(a) Representations and Warranties. Each of the representations and warranties of CUNA Mutual and PMI set forth in this Agreement shall be true and correct (in each case without giving effect to any qualifications as to materiality, Material Adverse Effect or similar qualifications) in all respects as of the date of this Agreement and as of the Closing Date with the same effect as though all such representations and warranties had been made as of the Closing Date (except to the extent such representations and warranties speak as of an earlier date, in which case they shall be true and correct as though made on and as of such specified date), except where any failure of such representations and warranties to be true and correct (in each case without giving effect to any qualifications as to materiality, Material Adverse Effect or similar qualifications), individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect; provided, however, that, notwithstanding the foregoing, each of the CMG Fundamental Representations, the CUNA Mutual Fundamental Representations and the PMI Fundamental Representations shall be true and correct in all respects as of the date of this Agreement and as of the Closing Date with the same effect as though all such representations and warranties had been made as of the Closing Date. Each of CUNA Mutual and PMI shall have delivered to the Purchaser a certificate to the effect of the foregoing, dated as of the Closing Date, in form and substance reasonably acceptable to the Purchaser, signed by an officer of such Party.

(b) Agreements and Covenants. Each Seller shall have performed in all material respects all obligations and complied in all material respects with all agreements or covenants to be performed or complied with by such Seller pursuant to this Agreement, other than Section 7.2, at or prior to the Closing Date, and the Purchaser shall have received a certificate, dated as of the Closing Date, in form and substance reasonably acceptable to the Purchaser, to such effect signed by an officer of such Seller. For the avoidance of doubt, the execution and delivery of the Distribution Services Agreement and the CUNA Mutual Quota Share Reinsurance Agreement (including effectiveness of the Guaranty) by the parties thereto shall be a condition to the Purchaser Parties' obligations under this Agreement unless the parties thereto have not obtained approval from Fannie Mae and Freddie Mac or any other Governmental Approval required for the CUNA Mutual Quota Share Reinsurance Agreement on or prior to the Closing. In the event that such Governmental Approvals required for the CUNA Mutual Quota Share Reinsurance Agreement are not obtained on or prior to the date on which all other conditions to Closing have otherwise been satisfied (other than those conditions that by their nature are to be satisfied at Closing), then the execution and delivery of the CUNA Mutual Quota Share Reinsurance Agreement and the Distribution Services Agreement by the parties thereto shall not be a condition to Closing.

(c) No Material Adverse Effect. From the date of this Agreement to the Closing, there shall not have occurred a Material Adverse Effect or any event, circumstance, development, occurrence or change that would reasonably be expected to have a Material Adverse Effect.

(d) Asset Purchase Agreement. The First Closing (as defined in the Asset Purchase Agreement) shall have occurred.

(e) Governmental Approvals. All of the Governmental Approvals specified on Schedule 9.2(e) shall have been obtained. None of the Governmental Approvals shall include, require or involve an Adverse Governmental Requirement.

(f) No Bankruptcy or Receivership of CUNA Mutual. Neither CUNA Mutual nor any other Person shall have filed any petition or commenced any Proceeding with respect to CUNA Mutual under any provision or chapter of the United States Bankruptcy Code or any other similar federal or state law relating to insolvency, bankruptcy, rehabilitation, liquidation or reorganization, CUNA Mutual shall have not have made a general assignment for the benefit of their respective creditors and no Order for relief shall have been entered against CUNA Mutual under any state law relating to insolvency, bankruptcy, rehabilitation, liquidation or reorganization of CUNA Mutual. CUNA Mutual shall not be subject to any Order appointing a custodian, trustee or receiver for CUNA Mutual or all or any material portion of its assets or authorizing the taking of possession of the assets of CUNA Mutual.

9.3 Conditions to the Obligations of the Sellers under this Agreement. The obligations of the Sellers under this Agreement shall be further subject to the satisfaction of the conditions set forth in this Section 9.3 (which may be waived by the Sellers, in their sole discretion, in whole or in part) at or prior to the Closing Date.

(a) Representations and Warranties. Each of the representations and warranties of the Purchaser set forth in this Agreement shall be true and correct (in each case without giving effect to any qualifications as to materiality, material adverse effect or similar qualifications) in all respects as of the date of this Agreement and as of the Closing Date with the same effect as though all such representations and warranties had been made as of the Closing Date (except to the extent such representations and warranties speak as of an earlier date, in which case they shall be true and correct as though made on and as of such specified date), except where any failure of such representations and warranties to be true and correct (in each case without giving effect to any qualifications as to materiality, material adverse effect or similar qualifications), individually or in the aggregate, would not reasonably be expected to have a material adverse effect on the Purchaser Parties' ability to consummate the Transaction or perform their obligations hereunder; provided, however, that, notwithstanding the foregoing, each of the Purchaser Fundamental Representations shall be true and correct in all respects as of the date of this Agreement and as of the Closing Date with the same effect as though all such representations and warranties had been made as of the Closing Date. The Purchaser shall have delivered to the Sellers a certificate to the effect of the foregoing, dated as of the Closing Date, in form and substance reasonably acceptable to the Sellers, signed by an officer of the Purchaser.

(b) Agreements and Covenants. Each of the Purchaser Parties shall have performed in all material respects all obligations and complied in all material respects with all agreements or covenants to be performed or complied with by it pursuant to this Agreement at or prior to the Closing Date, and the Sellers shall have received a certificate, dated as of the Closing Date, in form and substance reasonably acceptable to the Sellers, to such effect signed by an officer of the Purchaser. For the avoidance of doubt, the execution and delivery of the

Distribution Services Agreement and the CUNA Mutual Quota Share Reinsurance Agreement (including effectiveness of the Guaranty) by the parties thereto shall be a condition to the Sellers' obligations under this Agreement unless the parties thereto have not obtained approval from Fannie Mae and Freddie Mac or any other required Governmental Approval for the CUNA Mutual Quota Share Reinsurance Agreement on or prior to the Closing. In the event that such Governmental Approvals required for the CUNA Mutual Quota Share Reinsurance Agreement are not obtained on or prior to the date on which all other conditions to Closing have otherwise been satisfied (other than those conditions that by their nature are to be satisfied at Closing), then the execution and delivery of the CUNA Mutual Quota Share Reinsurance Agreement and the Distribution Services Agreement by the parties thereto shall not be a condition to Closing.

(c) No Bankruptcy or Receivership. Neither of the Purchaser Parties nor any other Person shall have filed any petition or commenced any Proceeding with respect to the Purchaser Parties under any provision or chapter of the United States Bankruptcy Code or any other similar federal or state law relating to insolvency, bankruptcy, rehabilitation, liquidation or reorganization, the Purchaser Parties shall have not have made a general assignment for the benefit of their respective creditors and no Order for relief shall have been entered against either of the Purchaser Parties under any state law relating to insolvency, bankruptcy, rehabilitation, liquidation or reorganization of a Purchaser Party. The Purchaser Parties shall not be subject to any Order appointing a custodian, trustee or receiver for either of the Purchaser Parties or all or any material portion of its assets or authorizing the taking of possession of the assets of either of the Purchaser Parties.

(d) Asset Purchase Agreement. The closing of the transactions contemplated by the Asset Purchase Agreement shall have occurred.

ARTICLE X

CLOSING DELIVERIES

10.1 Closing Deliveries.

(a) Deliveries by the Sellers. At or prior to the Closing, the Sellers shall deliver, or cause to be delivered, to the Purchaser:

(i) a receipt for payment of the Closing Date Payment;

(ii) certificates on behalf of each of the Sellers, containing the certifications contemplated by Section 9.2(a) and Section 9.2(b), each executed by an officer of the applicable Seller;

(iii) certificates representing all of the Shares, accompanied by stock powers duly executed in blank or duly executed instruments of transfer, in each case, in form and substance reasonably acceptable to the Purchaser;

(iv) subject to Section 9.2(b) and Section 9.3(b), all Transaction Documents to which either Seller or any of its Affiliates is a party, dated as of the Closing Date and duly executed by the Sellers or such Affiliates, as applicable;;

(v) the canceled Surplus Notes;

(vi) evidence of the release of all Liens, other than Permitted Liens;

(vii) a certificate of non-foreign status as described in Section 1.1445-2(b)(2) of the Treasury Regulations, in substantially the form of substance attached as Exhibit J hereto (a "FIRPTA Certificate");

(viii) except as otherwise specified by the Purchaser, resignations from each officer and director of each of the CMG Companies, in form and substance reasonably acceptable to Purchaser; and

(ix) such other agreements, certificates, instruments and documents as the Purchaser may reasonably request in order to fully consummate the transactions contemplated by and carry out the purposes and intent of this Agreement.

(b) Deliveries by the Purchaser. At or prior to the Closing, the Purchaser shall deliver, or cause to be delivered, to the Sellers:

(i) the Closing Date Payment by wire transfer to the account or accounts designated by the Sellers in the Flow of Funds Memorandum;

(ii) evidence of the funding of the Indemnification Escrow Amount;

(iii) a certificate executed by an officer of the Purchaser, containing the certifications contemplated by Section 9.3(a) and Section 9.3(b);

(iv) subject to Section 9.2(b) and Section 9.3(b), all Transaction Documents to which the Purchaser or any of its Affiliates is a party, dated as of the Closing Date and duly executed by the Purchaser or such Affiliates, as applicable; and

(v) such other agreements, certificates, instruments and documents as the Sellers may reasonably request in order to fully consummate the transactions contemplated by and carry out the purposes and intent of this Agreement.

ARTICLE XI

TERMINATION

11.1 Termination Events. This Agreement may be terminated, by written notice given at any time prior to the Closing Date:

(a) subject to the final paragraph of this Section 11.1, (i) by the Purchaser if a material breach of any provision of this Agreement has been committed by either Seller or if any representation or warranty of either Seller herein is breached (and such breach has not been waived by Purchaser in writing) and such breach or inaccuracy would reasonably be expected to result in the conditions to Closing set forth in Section 9.2 not being satisfied or (ii) by either Seller if a material breach of any provision of this Agreement has been committed by either of

the Purchaser Parties or if any representation or warranty of the Purchaser Parties herein is breached (and such breach has not been waived) and such breach or inaccuracy would reasonably be expected to result in the conditions to Closing set forth in Section 9.3 not being satisfied; provided, that if such breach is capable of being cured a Party may not terminate this Agreement under this Section 11.1(a) until a period of sixty (60) days has expired from the date of notice of such breach without such breach having been cured;

(b) by mutual consent of the Purchaser and the Sellers;

(c) subject to the final paragraph of this Section 11.1, by the Purchaser or either Seller if the Closing has not occurred on or before the Termination Date;

(d) by joint action of the Sellers, if the Sellers have received a Superior Proposal and in accordance with Section 7.14 of this Agreement have entered into an Alternative Acquisition Agreement with respect to the Superior Proposal; or

(e) by the Purchaser if either Seller or any CMG Company has have entered into an Alternative Acquisition Agreement.

Notwithstanding anything in this Section 11.1 to the contrary, no Party may terminate this Agreement pursuant to paragraphs (a) or (c) above if its failure to perform any of its obligations or covenants, or the inaccuracy of any of its representations or warranties, under this Agreement or under the Asset Purchase Agreement has been the principal cause of, or has resulted in, the event or condition purportedly giving rise to a right to terminate this Agreement under such paragraph.

11.2 Effect of Termination.

(a) Except as otherwise set forth herein, if this Agreement is terminated pursuant to Section 11.1, all further obligations of the Parties under this Agreement shall terminate without liability of any party (or any stockholder, member, partner, director, manager, officer, employee, agent, consultant or representative of such party) to the other parties to this Agreement, except that (i) the obligations in Section 7.1(b), this Section 11.2 and Article XIII will survive such termination and (ii) nothing herein shall relieve any Party from Liability for its fraud or intentional breach of its covenants or agreements contained in this Agreement. For this purpose, "intentional" means an action or omission that the breaching Party takes or omits to take with the intent of breaching of this Agreement.

(b) Upon termination of this Agreement in accordance with Section 11.1(a)(ii), each Seller's pro rata portion of the Deposit, based upon such Seller's Percentage Interest as of the date hereof, will be released to such Seller.

(c) Upon termination of this Agreement pursuant to Section 11.1(d) or Section 11.1(e), (i) CMG MI shall pay the Purchaser the Break-Up Fee within five (5) Business Days following such termination by wire transfer of immediately available funds to an account designated by Purchaser and (ii) receipt of the Break-Up Fee shall be the sole and exclusive remedy of the Purchaser Parties for such termination.

(d) Each Seller, severally in accordance with its respective Percentage Interest as of the date hereof, hereby absolutely, irrevocably and unconditionally guarantees to the Purchaser the due and punctual payment by CMG MI of the Break-Up Fee, as and when due and payable pursuant to Section 11.2(c), and each Seller shall immediately pay its pro rata share of such Break-Up Fee, based on such Seller's Percentage Interest as of the date hereof, upon written demand made at any time by the Purchaser from and after the date the Break-Up Fee is due and payable by CMG MI but remains unpaid. The foregoing obligation of the Sellers constitutes a continuing guaranty of payment and not of collection and is and shall be absolute and unconditional under any and all circumstances, including without limitation circumstances which might otherwise constitute a legal or equitable discharge of a surety or guarantor. Except as set forth in this Agreement, the obligation of the Sellers hereunder shall not be discharged, impaired, delayed or otherwise affected by the failure of the Purchaser to assert any claim or demand against the Sellers or to enforce or pursue any remedy hereunder. The Sellers agree that their guaranty under this Section 11.2(d) shall continue to be effective or be reinstated, as the case may be, if at any time the payment of the Break-Up Fee, or any part thereof, by or on behalf of CMG MI under this Agreement is rescinded or must otherwise be restored upon the insolvency, bankruptcy or reorganization of CMG MI or otherwise. The Sellers agree to pay all expenses of the Purchaser (including the reasonable fees and expenses of its counsel) for the enforcement of the rights of the Purchaser against the Sellers under this Section 11.2(d), except to the extent that a court of competent jurisdiction determines such enforcement to have been invalid.

ARTICLE XII

INDEMNIFICATION; REMEDIES

12.1 Survival of Representations, Warranties and Covenants.

(a) The representations and warranties of the Parties contained in this Agreement shall survive for eighteen (18) months after the Closing Date, except that (i) each CUNA Mutual Fundamental Representation, each PMI Fundamental Representation, each CMG Fundamental Representation and each Purchaser Fundamental Representation shall survive for five (5) years after the Closing Date and (ii) the representations and warranties set forth in Section 5.10 (Tax Matters) shall survive the Closing and continue until thirty (30) calendar days after the expiration of the applicable statute of limitations. Neither the Purchaser nor the Sellers shall have any obligation to indemnify any Seller Indemnified Party or Purchaser Indemnified Party, as the case may be, with respect to any claim for breach of any representation or warranty first asserted in accordance with this Article XII after the expiration of the survival period specified therefor in this Section 12.1(a).

(b) The Parties' covenants and agreements hereunder shall survive Closing in accordance with their terms, subject to this Section 12.1(b). Neither the Purchaser nor the Sellers shall have any obligation to indemnify any Seller Indemnified Party or Purchaser Indemnified Party, as the case may be, with respect to any claim for breach of any covenant or agreement contained in Article VII of this Agreement that is to be performed prior to the Closing unless such claim is first asserted in accordance with this Article XII within ninety (90) days following the Closing.

(c) No Seller Indemnified Party or Purchaser Indemnified Party shall be entitled to be indemnified or held harmless pursuant to this Article XII unless such party delivers written notice of its claim for indemnification to the Party from whom indemnification is sought on or prior to the expiration of the applicable survival period set forth above. Any claims for indemnification asserted in writing prior to the end of the applicable periods set forth above shall survive until the final resolution thereof.

12.2 Indemnification by PMI. Subject to the limitations set forth in this Article XII, from and after the Closing, PMI shall indemnify, defend and hold harmless the Purchaser Parties, their Affiliates and their respective officers, directors, employees and agents (collectively, the "Purchaser Indemnified Parties") from and against any Covered Losses incurred by such Purchaser Indemnified Party as a result of or arising out of:

(a) any breach or inaccuracy of any representation or warranty of PMI contained in Article III of this Agreement or in the certificates provided by PMI pursuant to Section 9.2(a) and Section 9.2(b) and any breach of Section 7.2;

(b) any failure by PMI to comply with any covenant or agreement in this Agreement, other than Section 7.2, which is to be performed by PMI before the Closing;

(c) any failure by PMI to comply with any covenant or agreement in this Agreement which is to be performed by PMI after the Closing

12.3 Indemnification by CUNA Mutual. Subject to the limitations set forth in this Article XII, from and after the Closing, CUNA Mutual shall indemnify, defend and hold harmless the Purchaser Indemnified Parties from and against any Covered Losses incurred by such Purchaser Indemnified Party as a result of or arising out of:

(a) any breach or inaccuracy of any representation or warranty of CUNA Mutual contained in Article IV of this Agreement or in the certificates provided by CUNA Mutual pursuant to Section 9.2(a) and Section 9.2(b) and any breach of Section 7.2;

(b) any failure by CUNA Mutual to comply with any covenant or agreement in this Agreement, other than Section 7.2, which is to be performed by CUNA Mutual before the Closing; or

(c) any failure by CUNA Mutual to comply with any covenant or agreement in this Agreement which is to be performed by CUNA Mutual after the Closing.

12.4 Indemnification by the Sellers. Subject to the limitations set forth in this Article XII, from and after the Closing, the Sellers shall, indemnify, defend and hold harmless the Purchaser Indemnified Parties from and against any Covered Losses incurred by such Purchaser Indemnified Party as a result of or arising out of:

(a) any breach or inaccuracy of any representation or warranty of the Sellers contained in Article V of this Agreement or in the certificates provided by the Sellers pursuant to Section 9.2(a) and Section 9.2(b) and any breach of Section 7.2, provided, however, any obligation of the Sellers to indemnify the Purchaser Indemnified Parties for Covered Losses

based upon a breach or inaccuracy of any CMG Fundamental Representations, shall be several and not joint liabilities of the Sellers allocated among the Sellers on a pro rata basis based upon each Seller's Percentage Interest as of the date hereof;

(b) any failure by either of the Sellers to comply with any covenant or agreement in this Agreement, other than Section 7.2, which is to be performed by the Sellers before the Closing;

(c) the Action disclosed as Item 1 in Section 5.6 of the Seller Disclosure Schedule; or

(d) the non-payment of or otherwise with respect to any (i) Taxes of the CMG Companies for any Pre-Closing Tax Period except to the extent such Taxes were reflected and taken into account as current Liabilities in the calculation of the Closing Book Value, (ii) Taxes of any member of any affiliated group as defined in Section 1504 of the Code (or any analogous combined, consolidated or unitary group defined under state, local or foreign income Tax law) of which a CMG Company (or any predecessor of the foregoing) is or was a member on or prior to the Closing Date (other than with respect to a group for which CMG MA was the parent), including pursuant to Treasury Regulation Section 1.1502-6 (or any analogous or similar state, local, or foreign law or regulation) and (iii) Taxes of any Person imposed on a CMG Company as a transferee, successor or by contract; provided, however, that any obligation of the Sellers to indemnify the Purchaser Indemnified Parties for amounts contemplated by this Section 12.4(d) shall be several and not joint liabilities of the Sellers, allocated among the Sellers on a pro rata basis based upon each Seller's Percentage Interest as of the date hereof.

12.5 Indemnification by the Purchaser. Subject to the limitations set forth in this Article XII, from and after the Closing the Purchaser shall indemnify, defend and hold harmless the Sellers, their Affiliates and their respective officers, directors, employees and agents (collectively, the "Seller Indemnified Parties") from and against any Covered Losses incurred by such Seller Indemnified Party as a result of or arising out of:

(a) any breach or inaccuracy of any representation or warranty of the Purchaser contained in Article VI of this Agreement or in the certificates provided by the Purchaser pursuant to Section 9.3(a) and Section 9.3(b);

(b) any failure by the Purchaser to comply with any covenant or agreement in this Agreement which is to be performed by the Purchaser before the Closing;

(c) any failure by the Purchaser to comply with any covenant or agreement in this Agreement which is to be performed by the Purchaser after the Closing

12.6 Limitations on Indemnification Obligations of the Sellers. Notwithstanding any other provision of this Agreement:

(a) neither PMI nor CUNA Mutual shall be liable under Section 12.2(a), Section 12.3(a) or Section 12.4(a), until the aggregate amount of Covered Losses under such sections for which notice was timely received in accordance with Section 12.1 exceeds two million dollars ($2,000,000) (the "Basket Amount"), at which time the Sellers shall be liable for

such Covered Losses (including all Covered Losses included within such Basket Amount) in accordance with the provisions hereof, except that claims related to any breach of or inaccuracy in (i) the PMI Fundamental Representations, (ii) the CUNA Mutual Fundamental Representations, (iii) the CMG Fundamental Representations or (iv) the representations and warranties set forth in Section 5.10 (Tax Matters) shall not be subject to any such limits;

(b) neither PMI nor CUNA Mutual shall be liable under Section 12.2(a), Section 12.3(a), or Section 12.4(a) or for any Covered Loss under such sections (including any series of related Covered Losses) unless such Covered Loss (including any series of related Covered Losses) equals or exceeds $25,000.00 (the "De Minimis Threshold"), nor shall any Covered Loss under such sections that does not meet the De Minimis Threshold be considered in determining whether the Basket Amount has been met; provided, however, that claims related to any claims based upon a breach of or inaccuracy in (i) the PMI Fundamental Representations, (ii) the CUNA Mutual Fundamental Representations, (iii) the CMG Fundamental Representations or (iv) the representations and warranties set forth in Section 5.10 (Tax Matters) shall not be subject to the De Minimis Threshold;

(c) subject to the terms hereof, other than with respect to claims related to any breach of or inaccuracy in (i) the PMI Fundamental Representations, (ii) the CUNA Mutual Fundamental Representations, (iii) the CMG Fundamental Representations (iv) the representations and warranties set forth in Section 5.10 (Tax Matters), (v) the covenants and agreements set forth in Article VIII (Court Matters), or (vi) the covenants and agreements set forth in Section 7.8 (Tax Matters), the aggregate liability of the Sellers for Covered Losses arising pursuant to Section 12.2(a) and Section 12.2(b), Section 12.3(a) and Section 12.3(b) and Section 12.4(a), Section 12.4(b) and Section 12.4(c) is and shall be, limited to an aggregate amount (the "Sellers' Indemnification Cap") equal to twenty million dollars ($20,000,000) and, except with respect to claims related to breaches or inaccuracies in the provisions contemplated in clauses (i) through (vi) above, the Purchaser Parties, on behalf of themselves, their Affiliates and all Purchaser Indemnified Parties, agree (A) not to seek indemnification for the portion of any Covered Losses arising pursuant to Section 12.2(a) or Section 12.2(b), Section 12.3(a) or Section 12.3(b) or Section 12.4(a), Section 12.4(b) or Section 12.4(c), that exceeds the Sellers' Indemnification Cap for any and all such Covered Losses sustained or incurred by any and all Purchaser Indemnified Parties, (B) that all claims for such Covered Losses are payable solely from the Indemnification Escrow Fund and (C) that, after the exhaustion of the Indemnification Escrow Amount, all claims against either Seller with respect to such Covered Losses shall be extinguished and shall not thereafter revive and no Purchaser Indemnified Party shall have any further claim thereafter against either Seller for any shortfall;

(d) notwithstanding the foregoing, the Parties agree (i) that any claims related to any breach of the covenants and agreements set forth in Article VIII (Court Matters) must be brought directly against PMI and may not be brought against CUNA Mutual, shall not be payable from the Indemnification Escrow Fund, and shall not count towards the Sellers' Indemnification Cap and (ii) that any claims related to any breach of the covenants and agreements set forth in Section 7.8 (Tax Matters) must be brought directly against PMI and may not be brought against CUNA Mutual, and shall be payable from the Indemnification Escrow Fund in accordance with Section 12.6(e);

(e) with respect to claims related to any breach of or inaccuracy in (i) the PMI Fundamental Representations, (ii) the CUNA Mutual Fundamental Representations, (iii) the CMG Fundamental Representations, (iv) the representations and warranties set forth in Section 5.10 (Tax Matters) and (v) the covenants and agreements set forth in Section 7.8 (Tax Matters), the Purchaser Parties, on behalf of themselves, their Affiliates and all Purchaser Indemnified Parties, agree to first seek indemnification for such Covered Losses from the Indemnification Escrow Fund and following exhaustion of the Indemnification Escrow Amount, directly from the applicable Seller or, if applicable, the Sellers;

(f) in the event that any fact, event or circumstance results in payment to the Purchaser of any amount in connection with the adjustment of the Closing Date Payment pursuant to Section 2.6, and such fact, event or circumstance would also constitute a breach of or inaccuracy in any of either Seller's representations or warranties under this Agreement, Sellers shall have no obligation to indemnify any Purchaser Indemnified Parties with respect to such breach or inaccuracy to the extent such amount is paid pursuant to Section 2.6;

(g) notwithstanding any provision of this Agreement to the contrary, any Covered Losses arising from fraud, intentional misrepresentation based on the representations and warranties set forth in Article III, Article IV and Article V or willful and malicious breaches of this Agreement by a Seller shall not be subject to this Section 12.6 or any other limitation set forth in this Agreement; and

(h) in determining whether a representation or warranty has been breached for purposes of the Sellers' obligations to indemnify the Purchaser Indemnified Parties under Section 12.2(a), 12.3(a) and 12.4(a) and determining the amount of any Covered Losses, "materiality", "Material Adverse Effect" and other similar materiality qualifiers contained in any such representation or warranty shall be disregarded; provided, however, that the foregoing shall not apply to the following sections: Section 5.7 (Financial Statements), Section 5.16 (Reserves) and Section 5.27(a) (No Material Adverse Effect); provided, further, that the lack of materiality shall not impact the use of dollar thresholds in any representation herein nor shall the lack of materiality impact the definition or use of the phrase "Material Contract" in Section 5.9 or any other representation herein. The right to indemnification, payment of Covered Losses or any other remedy based on the breach of any representations, warranties, covenants or agreements will not be affected by any investigation conducted with respect to the accuracy or inaccuracy of or compliance with any such representation, warranty, covenant or agreement; provided, however, that a Purchaser Indemnified Party may not seek indemnification with respect to matters set forth on the PMI Disclosure Schedule, the CUNA Mutual Disclosure Schedule or the Seller Disclosure Schedule. Notwithstanding the foregoing, the express waiver of any condition based upon the accuracy of any representation or warranty set forth in Section 9.2 or the performance of or compliance with any covenant will not affect the right of Purchaser Indemnified Parties to indemnification, payment of Covered Losses or other remedy based upon such waiver.

12.7 Limitations on Indemnification Obligations of the Purchaser. Notwithstanding any other provision of this Agreement:

(a) the Purchaser shall not be liable under Section 12.5(a) until the aggregate amount of Covered Losses under Section 12.5(a) for which notice was timely received in accordance with Section 12.1 exceeds the Basket Amount, at which time the Purchaser shall be liable for all such Covered Losses (including all Covered Losses included within such Basket Amount) in accordance with the provisions hereof, except that claims related to any breach of or inaccuracy in the Purchaser Fundamental Representations shall not be subject to any such limits;

(b) the Purchaser shall not be liable under Section 12.5(a) for any Covered Loss (including any series of related Covered Losses) unless such Covered Loss (including any series of related Covered Losses) equals or exceeds the De Minimis Threshold, nor shall any Covered Loss that does not meet the De Minimis Threshold be considered in determining whether the Basket Amount has been met; provided, however, that claims related to any breach of or inaccuracy in the Purchaser Fundamental Representations shall not be subject to the De Minimis Threshold;

(c) subject to the terms hereof, other than with respect to claims related to any breach of or inaccuracy in the Purchaser Fundamental Representations, the aggregate liability of the Purchaser for Covered Losses arising pursuant to Section 12.5(a) and Section 12.5(b) is, and shall be, limited to an aggregate amount equal to twenty million dollars ($20,000,000) (the "Purchaser's Liability Amount") and the Sellers, on behalf of themselves, their respective Affiliates and all Seller Indemnified Parties, agree not to seek indemnification for any Covered Losses arising pursuant to Section 12.5(a) and Section 12.5(b) in excess of the Purchaser's Liability Amount;

(d) notwithstanding any provision of this Agreement to the contrary, any Covered Losses arising from fraud, intentional misrepresentation based on the representations and warranties set forth in Article VI or willful and malicious breaches of this Agreement by the Purchaser shall not be subject to this Section 12.7 or any other limitation set forth in this Agreement; and

(e) in determining whether a representation or warranty has been breached for purposes of the Purchaser's obligations to indemnify the Seller Indemnified Parties under Section 12.5(a) and determining the amount of any Covered Losses, "materiality", "Material Adverse Effect" and other similar materiality qualifiers contained in any such representation or warranty shall be disregarded. The right to indemnification, payment of Covered Losses or any other remedy based on the breach of any representations, warranties, covenants or agreements will not be affected by any investigation conducted with respect to the accuracy or inaccuracy of or compliance with, any such representation, warranty, covenant or agreement; provided, however, that a Seller Indemnified Party may not seek indemnification with respect to matters set forth on the Purchaser Disclosure Schedule or the Seller Disclosure Schedule. Notwithstanding the foregoing, the express waiver of any condition based upon the accuracy of any representation or warranty set forth in Section 9.3 or the performance of or compliance with any covenant will not affect the right of Seller Indemnified Parties to indemnification, payment of Covered Losses or other remedy based upon such waiver.

12.8 Notice of Non-Third Party Claims. As promptly as is reasonably practicable after becoming aware of a claim for indemnification under this Agreement that does not involve

a Third Party Claim, the indemnified party shall give written notice to the indemnifying party of such claim, which notice shall specify the provision of this Agreement pursuant to which indemnity is sought, the facts alleged to constitute the basis for such claim (taking into account the information then available to the indemnified party), the representations, warranties, covenants or agreements alleged to have been breached (if applicable) and the amount (if then determinable) that the indemnified party seeks hereunder from the indemnifying party. Subject to Section 12.1, the failure of an indemnified party to promptly notify the indemnifying party will not affect the indemnification provided hereunder except to the extent that the indemnifying party's defense or other rights available to it is actually prejudiced as a result of such failure, and then only to the extent of such prejudice.

12.9 Notice of Third Party Claims; Assumption of Defense.

(a) If a claim or Action by a Person who is not a Party or an Affiliate thereof (a "Third Party Claim") is made or brought against any Seller Indemnified Party or Purchaser Indemnified Party (an "Indemnified Party") and such Indemnified Party intends to seek indemnification under this Article XII with respect to such claim or Action, such Indemnified Party shall give notice as promptly as is reasonably practicable, and in no event later than ten (10) Business Days, after receiving notice thereof, to the Party obligated to provide such indemnification under this Article XII (the "Indemnifying Party"). Such notice shall specify the provision of this Agreement pursuant to which indemnity is sought, the facts alleged to constitute the basis for such claim, the identity of the Persons bringing such claim or Action, the representations, warranties, covenants or agreements or provision of Law or Contract alleged to have been breached, as applicable, and the amount (or, to the extent not then determinable, the Indemnified Party's good faith estimate thereof) that the Indemnified Party intends to seek from the Indemnifying Party hereunder. Subject to Section 12.1, the failure to promptly give such notification will not affect the indemnification provided hereunder except to the extent the Indemnifying Party's defense or other rights available to it is actually prejudiced as a result of such failure, and then only to the extent of such prejudice.

(b) The Indemnifying Party shall have the sole power, at its option, to assume the conduct and control of the settlement or defense of any Third Party Claim for which indemnification may be sought, at its own expense through counsel of its own choosing (which counsel shall be reasonably acceptable to the Indemnified Party), by giving written notice thereof to the Indemnified Party; provided, that the Indemnifying Party must notify the Indemnified Party of its election to assume such conduct and control within thirty (30) days following the Indemnifying Party's receipt of notice of such Third Party Claim; provided further, that the Indemnifying Party shall thereafter consult with the Indemnified Party upon the Indemnified Party's reasonable request for such consultation from time to time with respect to such Third Party Claim. If the Indemnifying Party assumes the conduct and control of such settlement or defense, the Indemnified Party shall cooperate with the Indemnifying Party in connection therewith, and the Indemnified Party shall have the right (but not the obligation) to participate in (but not control) such settlement or defense and to employ counsel, at its own cost and expense, separate from the counsel employed by the Indemnifying Party; provided, however, that, if the Indemnified Party shall have reasonably concluded joint representation presents a material conflict of interest because of the availability of different or additional defenses to such Indemnified Party or other facts and the conflict of interest cannot be resolved to the reasonable

satisfaction of the Indemnified Party by the consent of the Indemnifying Party and the Indemnified Party to the joint representation, then such Indemnified Party shall have the right to select separate counsel, reasonably satisfactory to the Indemnifying Party, to participate in the defense of such action on its behalf, and the reasonable fees and expenses of the Indemnified Party's counsel shall be at the expense of the Indemnifying Party. The assumption of the conduct and control of such settlement or defense shall not be deemed to be an admission or assumption of liability by the Indemnifying Party. So long as the Indemnifying Party is using its commercially reasonable efforts to contest any such Third Party Claim in good faith, the Indemnified Party shall not pay or settle any such claim. If the Indemnifying Party elects not to assume the conduct and control of the settlement or defense of such Third Party Claim, then, subject to Section 12.9(c) below, the Indemnified Party shall have the right to pay or settle such claim.

(c) Notwithstanding anything in this Agreement to the contrary, whether or not the Indemnifying Party shall have assumed the conduct or control of the defense or settlement of a Third Party Claim, no Indemnified Party shall admit any liability with respect to, or settle, compromise or discharge, any Third Party Claim without the prior written consent of the Indemnifying Party (which shall not be unreasonably withheld, conditioned or delayed). If the Indemnifying Party does not notify the Indemnified Party the time period contemplated by Section 12.9(a) that it elects to assume the conduct or control of the defense or settlement thereof, the Indemnified Party shall have the right to contest, settle or compromise the claim and shall not thereby waive any right to indemnity therefor pursuant to this Agreement. The Party who assumes the defense of any Third Party Claim pursuant to Section 12.9(b), Section 12.9(c) or Section 12.9(d) is referred to herein as the "Controlling Party" and the other party with respect to any such Third Party Claim is referred to herein as the "Non-Controlling Party".

(d) If a Third Party Claim is a criminal claim (a "Criminal Third Party Claim"), the subject of such Criminal Third Party Claim may elect to assume the defense of such claim. If a Seller Indemnified Party and a Purchaser Indemnified Party are each subjects of such Criminal Third Party Claim, each such Party may elect to defend the claims against it, no Party shall be deemed to be the Controlling Party and no Party shall have the right to make any settlement, compromise or offer to settle or compromise such Criminal Third Party Claim as it relates to the other Party.

(e) Other than with respect to Criminal Third Party Claims, any Non-Controlling Party may become the Controlling Party with respect to any Third Party Claim either (i) if the other Party fails to assume the conduct and control of the defense of such Third Party within the time period contemplated by Section 12.9(b) or fails to conduct such defense in a commercially reasonable manner, which failure remains uncured ten (10) Business Days following notice by the Non-Controlling Party thereof, or (ii) by releasing the initial Controlling Party from any and all indemnification obligations under this Article XII with respect to such Third Party Claim; provided, however, that if a Third Party Claim alleges wrongdoing by the Controlling Party or its Affiliates or involves other reputational matters relating to the Controlling Party or its Affiliates, the Non-Controlling Party may only become the Controlling Party with the consent of the initial Controlling Party, which consent shall not be unreasonably withheld.

(f) The Parties shall reasonably cooperate in the defense or prosecution of any Third Party Claim in respect of which indemnity may be sought hereunder and each Party (or a duly authorized representative of such Party) shall (and shall cause its Affiliates to) furnish such records, information and testimony, and attend such conferences, discovery proceedings, hearings, trials and appeals, as may be reasonably requested in connection therewith.

12.10 Settlement or Compromise. The Controlling Party with respect to any Third Party Claim shall have the right to make any settlement, compromise, judgment or offer to settle or compromise such Third Party Claim with the prior written consent of the Non-Controlling Party (which shall not be unreasonably withheld), binding upon such Non-Controlling Party in the same manner as if a final judgment or decree had been entered by a court of competent jurisdiction in the amount of such settlement or compromise; provided, however, that such written consent of the Non-Controlling Party shall not be required in the event (i) such settlement, compromise, judgment or offer to settle or compromise such Third Party Claim does not (A) involve any finding or admission of any violation of Law or admission of any wrongdoing by the Non-Controlling Party or (B) materially encumber any of the assets of any Non-Controlling Party or adversely affect in any material respect the post-Closing operation of the business of the Non-Controlling Party or its Affiliates in any manner, and (ii) the Controlling Party shall (A) pay or cause to be paid all amounts required to be paid by it under this Article XII arising out of such settlement or judgment upon the effectiveness of such settlement or judgment, and (B) obtain, as a condition of any settlement, compromise, judgment or offer to settle or compromise, or other resolution, an appropriate release of each Non-Controlling Party from any and all corresponding liabilities in respect of such Third Party Claim or the applicable portion thereof.

12.11 Distribution of the Escrow Amount.

(a) The Parties shall cause the Escrow Agent, including by providing jointly written instructions to the Escrow Agent, to distribute the amounts remaining in the Indemnification Escrow Fund from time to time in accordance with the following, subject to Section 12.11(b) and the terms of the Indemnification Escrow Agreement: (i) in the event of an indemnification claim by a Purchaser Indemnified Party that is uncontested and due and payable, or has been ordered by a court of competent jurisdiction to be paid, to the Purchaser Indemnified Party pursuant to this Article XII, an amount required to satisfy such claim (or the balance contained in the Indemnification Escrow Fund (if less)) shall be released to such Purchaser Indemnified Party; (ii) fifty percent (50%) of such amounts remaining in the Indemnification Escrow Fund as of the date that is the later of (i) the one (1) year anniversary of the Closing Date and (ii) three (3) months following the date on which the Purchaser Indemnified Party receives a final report of the independent auditors of the CMG Companies in respect of the first audit of the CMG Companies completed following the Closing Date shall be released to the Sellers pro rata based upon each Seller's Percentage Interest as of the date hereof; and (iii) all amounts remaining in the Indemnification Escrow Fund as of the date that is eighteen (18) months following the Closing Date shall be released to the Sellers pro rata based upon each Seller's Percentage Interest as of the date hereof; provided, however, that the amount to be released to the Sellers pursuant to each of clause (ii) and (iii) shall be reduced by an amount that would be necessary, as determined by the Purchaser Indemnified Parties' claim notices or as otherwise reasonably agreed by the Parties in good faith, to satisfy any and all then pending and unsatisfied

or unresolved claims specified in any notice of claim delivered to the Escrow Agent prior to such time (such amounts, in the aggregate, the "Retained Escrow Amount").

(b) In any event, the Retained Escrow Amount shall be retained in the Indemnification Escrow Fund until the claims related thereto have been fully resolved and are no longer subject to appeal. As soon as all such claims have been resolved and related amounts, if any, paid out of the Retained Escrow Amount, the Escrow Agent shall as soon as practicable distribute any remaining Retained Escrow Amount not required to satisfy such claims to the Sellers pro rata based upon each Seller's Percentage Interest as of the date hereof.

12.12 No Duplication; Exclusive Remedy.

(a) Any Liability for indemnification hereunder and under any other Transaction Document shall be determined without duplication of recovery by reason of the same Loss.

(b) Prior to the Closing, other than in the case of fraud by the Sellers, the sole and exclusive remedy of the Purchaser Parties for any breach or inaccuracy of any representation or warranty contained in this Agreement or any certificate or instrument delivered hereunder shall be the refusal to close the transactions contemplated hereunder in accordance with Section 9.2(a) and the termination of this Agreement in accordance with Article XI.

(c) Subject to the final sentence of this Section 12.12(c), except in the case of fraud or where a Party seeks to obtain specific performance pursuant to Section 14.7, from and after the Closing, the sole and exclusive remedy of the Sellers, the Seller Indemnified Parties, the Purchaser Parties and the Purchaser Indemnified Parties in connection with this Agreement and the transactions contemplated hereby, whether under this Agreement or arising under common law or any other Law, shall be as provided in this Article XII and, as applicable, Section 2.5. In furtherance of the foregoing, each of the Purchaser, on behalf of itself, the Purchaser Parent, on behalf of itself, and each other Purchaser Indemnified Party, and the Sellers, on behalf of themselves and each other Seller Indemnified Party, hereby waives, from and after the Closing, to the fullest extent permitted under applicable Law, any and all rights, claims and causes of action (other than claims of, or causes of action arising from, fraud) it may have against the Sellers or any of their respective Affiliates or Representatives and the Purchaser, the Purchaser Parent or any of their Affiliates or Representatives, as the case may be, arising under or based upon this Agreement or any certificate delivered in connection herewith, whether under this contract or arising under common law or any other Law except pursuant to the indemnification provisions set forth in this Article XII and the set-off right contemplated in Section 2.5. Nothing in this Section 12.12 shall operate to interfere with or impede the operation of the provisions of any Transaction Document or the rights of either Party to seek equitable remedies to enforce any covenant of a Party to be performed after the Closing.

12.13 Net Losses; Subrogation; Mitigation; No Set Off.

(a) Notwithstanding anything contained herein to the contrary, the amount of any Covered Losses incurred or suffered by an Indemnified Party shall be calculated after giving effect to (i) any insurance proceeds received by the Indemnified Party (or any of its Affiliates)

with respect to such Losses, (ii) any recoveries actually obtained by the Indemnified Party (or any of its Affiliates) from any other third party in respect of such Covered Loss and (iii) any Tax benefits actually received with respect to such Covered Losses in the year such Covered Losses arose. If any such proceeds or recoveries are received by an Indemnified Party (or any of its Affiliates) with respect to any Covered Losses after an Indemnifying Party has made a payment to the Indemnified Party with respect thereto, the Indemnified Party (or such Affiliate) shall pay to the Indemnifying Party the amount of such proceeds or recoveries (up to the amount of the Indemnifying Party's payment). No Indemnified Party will be entitled to recover from an Indemnifying Party more than once in respect of the same Covered Losses.

(b) In the event any payment is made in respect of Covered Losses, the Indemnifying Party who made such payment will be subrogated to the extent of such payment to any related rights of recovery of the Indemnified Party receiving such payment against any third party. Such Indemnified Party (and its Affiliates) and Indemnifying Party shall execute upon request all instruments reasonably necessary to evidence or further perfect such subrogation rights. If any Indemnified Party recovers, under insurance policies or from other collateral sources, any amount in respect of a matter for which the Indemnifying Party made a payment pursuant to Section 12.2, Section 12.3, Section 12.4, or Section 12.5 as applicable, such Indemnified Party shall promptly pay over to the Indemnifying Party the amount so recovered (after deducting therefrom the amount of the expenses incurred by such Indemnified Party in procuring such recovery), but not in excess of the sum of (i) any amount previously so paid by the Indemnifying Party to or on behalf of such Indemnified Party in respect of such matter and (ii) any amount expended by the Indemnifying Party in pursuing or defending any claim arising out of such matter.

(c) Neither the Purchaser Parties nor the Seller shall have any right to set off any indemnification claim pursuant to this Article XII against any payment due pursuant to Article II or, except as set forth in Section 2.5, any Transaction Document. No Purchaser Indemnified Party shall be entitled to indemnification pursuant to Section 12.2, Section 12.3, or Section 12.4 for any Covered Loss to the extent that such Covered Loss, or the facts or basis underlying such Covered Loss, was specifically and expressly contemplated in the calculation of the Closing Date Book Value or the Adjusted Book Value.

(d) To the extent reasonably requested by the Sellers jointly and in writing, the Purchaser shall cause the applicable Purchaser Indemnified Party to use commercially reasonable efforts to mitigate any Covered Losses for which any Purchaser Indemnified Party seeks indemnification pursuant to this Agreement, which mitigation may include pursuing recoveries against third parties or insurance proceeds, in each case, to the extent commercially reasonable and reasonably requested by the Sellers. The Sellers shall reimburse the Purchaser Indemnified Parties for all costs and expenses incurred by any of them in complying with this Section 12.13(d); provided, however, that the Purchaser may not seek reimbursement for any increased insurance premiums unless the Purchaser previously disclosed to the Sellers the potential and the reasonably anticipated magnitude of such increase prior to taking the requested mitigation. Upon receipt of such notification, the Sellers may rescind their mitigation request. Anything to the contrary notwithstanding, in no event shall any breach or purported breach by Purchaser of this Section 12.13(d) obviate, reduce or limit Sellers' obligation to indemnify, defend and hold harmless the Purchaser Indemnified Parties for any Covered Loss incurred by

any Purchaser Indemnified Party, subject to and in accordance with the terms and conditions of this Agreement. Rather, Sellers' sole recourse for any breach by Purchaser of this Section 12.13(d) shall be to assert a claim for indemnification in accordance with this Agreement for any Covered Losses suffered by Sellers as a result thereof.

12.14 Treatment of Indemnity Payments. For Tax purposes, any payment pursuant to this Article XII shall be treated as an adjustment to the Purchase Price.

ARTICLE XIII

PURCHASER PARENT GUARANTY

13.1 Guaranty. The Purchaser Parent hereby absolutely, irrevocably and (except as set forth in this Agreement) unconditionally guarantees to the Sellers, the due and punctual payment and performance of each of the Purchaser's obligations and any obligations of its successors or permitted assigns under this Agreement, including without limitation the payment of all amounts due from the Purchaser under Article XII of this Agreement, as and when due and payable, and the Purchaser Parent shall immediately pay and perform all such obligations upon written demand made at any time by the Sellers from and after the date such amounts are due and payable by the Purchaser but remain unpaid. The foregoing obligation of the Purchaser Parent constitutes a continuing guaranty of payment and not of collection and is and shall be absolute and unconditional under any and all circumstances except as set forth in this Agreement, including without limitation circumstances which might otherwise constitute a legal or equitable discharge of a surety or guarantor. Except as set forth in this Agreement, the obligation of the Purchaser Parent hereunder shall not be discharged, impaired, delayed or otherwise affected by the failure of the Sellers to assert any claim or demand against the Purchaser Parent or to enforce or pursue any remedy hereunder. The Purchaser Parent agrees that its guarantee under this Section 13.1 shall continue to be effective or be reinstated, as the case may be, if at any time any payment, or any part thereof, of any amounts by or on behalf of the Purchaser under this Agreement is rescinded or must otherwise be restored upon the insolvency, bankruptcy or reorganization of the Purchaser or otherwise. The Purchaser Parent agrees to pay all expenses of the Sellers (including the reasonable fees and expenses of their respective counsel) for the enforcement of the rights of the Sellers against the Purchaser Parent under this Section 13.1, except to the extent that a court of competent jurisdiction determines such enforcement to have been invalid.

13.2 Limitation on Guarantor Transactions.

(a) In the event that at any time from the Closing Date through and including the Final Settlement Date, the Purchaser Parent: (i) consolidates with or amalgamates, combines or merges into any other Person and, immediately thereafter (A) is not the continuing or surviving corporation or entity of such consolidation, amalgamation, combination or merger and (B) is not a Qualifying Guarantor; or (ii) sells or transfers to a third party a portion of its assets (including investment assets) and the assets of its Subsidiaries, that represent seventy-five percent (75%) of more of the aggregate value of its and its Subsidiaries' assets, on a consolidated basis (whether in one transaction or a series of related transactions, including through the sale of

one or more Subsidiaries) to one or more Persons, the Purchaser must provide the Sellers written notice of such event.

(b) Following receipt of the notice described in Section 13.2(a), if the transaction described in Section 13.2(a) does not constitute a Change of Control with respect to Purchaser Parent, the Purchaser shall be required to take one or more of the following actions; provided, however, that the selection of such action shall be made by the Purchaser, at its sole option and in its sole discretion after prior written notice to and consultation with the Sellers:

(i) cause such surviving or acquiring Person(s) to cause a Qualifying Guarantor (which for the avoidance of doubt may include such Person if it is a Qualifying Guarantor) to assume, pursuant to a written instrument entered into for the benefit of, and enforceable by, the Sellers the obligations of Purchaser Parent set forth in this Article XIII, subject to the terms and conditions set forth herein;

(ii) cause an Affiliate of the Purchaser Parent with a senior debt or issuer credit rating by any rating agency that assigned a rating to the Purchaser Parent as of the Closing Date that is at least equal to the senior debt or issuer credit rating assigned to the Purchaser Parent by such rating agency as of the Closing Date to assume, by a written instrument entered into for the benefit of, and enforceable by, the Sellers the obligations of the Purchaser Parent set forth in this Article XIII, subject to the terms and conditions set forth herein;

(iii) establish and maintain an interest-bearing escrow account with a United States bank or trust company for the benefit of the Sellers to secure performance by the Purchaser Parent of its obligations under this Article XIII and deposit into such account an amount equal to the Maximum Remaining Deferred Consideration Amount. Such escrow account shall be held pursuant to an escrow agreement in customary form between Purchaser Parent, Sellers and the escrow agent and shall terminate on the Final Settlement Date, at which time any funds remaining therein shall be released to the Purchaser Parent. Notwithstanding anything in this Agreement to the contrary, such escrow account described in this clause (c) shall be the sole and exclusive recourse of Sellers for the payment of any remaining Deferred Consideration Payments, but such escrow account shall not be deemed to be the sole and exclusive remedy of any Seller Indemnified Party for any other obligation of Purchaser guaranteed by Purchaser Parent pursuant to this Article XIII; or

(iv) provide to the Sellers one or more irrevocable standby letter(s) of credit in an aggregate amount equal to the Maximum Remaining Deferred Consideration Amount issued by a United States bank entitling Sellers to draw upon such letter(s) of credit for their respective Percentage Interests, as of the date of this Agreement, of any portion of any Deferred Consideration Payment that is due and owing by Purchaser hereunder and remains unpaid. Purchaser may replace such letter(s) of credit with one or more comparable letter(s) of credit issued by the same or different United States bank(s) in an aggregate amount equal to the Maximum Remaining Deferred Consideration Amount, as reduced from time to time. Notwithstanding anything in this Agreement to the contrary, letter(s) of credit described in this clause (c) shall be the sole and exclusive

recourse of Sellers for the payment of any remaining Deferred Consideration Payments, but such letter(s) of credit shall not be deemed to be the sole and exclusive remedy of any Seller Indemnified Party for any other obligation of Purchaser guaranteed by Purchaser Parent pursuant to this Article XIII.

(c) Following receipt of the notice described in Section 13.2(a), if the transaction described in Section 13.2(a) does constitute a Change of Control with respect to Purchaser Parent, (i) the Purchaser shall be required to take one of the actions described in Sections 13.2(b)(i) or 13.2(b)(ii); provided, however, that the selection of such action shall be made by the Purchaser at its sole option and in its sole discretion after prior written notice to and consultation with the Sellers, and (ii) to the extent requested by the Sellers jointly in writing, the Purchaser shall be required to take one of the actions described in Sections 13.2(b)(iii) or 13.2(b)(iv): provided, however, that the selection of such action shall be made by the Purchaser at its sole option and in its sole discretion after prior written notice to and consultation with the Sellers.

ARTICLE XIV

MISCELLANEOUS

14.1 Confidentiality. Except as specifically set forth herein, until Closing, the Sellers and the Purchaser Parties each agree to be bound by the terms of the confidentiality agreement dated July 23, 2012, as amended by the NDA Addendum, dated September 20, 2012 (the "Confidentiality Agreement") previously executed by the Purchaser Parent and the Sellers, which Confidentiality Agreement is hereby incorporated herein by reference. The Sellers and the Purchaser Parties agree that, in the event this Agreement is terminated, such Confidentiality Agreement shall continue in accordance with its terms, notwithstanding the termination of this Agreement. In the event the Closing occurs, the Parties' respective obligations with respect to confidential information shall be as set forth in Section 7.1 The Sellers acknowledge that the Purchaser Parties are each a third party beneficiary of any and all confidentiality agreements entered into by the Sellers since March 14, 2012 similar to the confidentiality agreement between the Purchaser Parties and the Sellers.

14.2 Expenses. Except as otherwise provided herein, each of the Parties will bear its own costs and expenses (including legal fees and expenses) incurred in connection with this Agreement and the transactions contemplated hereby.

14.3 Public Announcements. The Sellers and the Purchaser shall cooperate with each other in the development and distribution of all news releases and other public disclosures with respect to this Agreement, and except as may be otherwise required by Law, neither the Sellers nor Purchaser shall issue any news release or other public announcement or communication with respect to this Agreement unless such news release or other public announcement or communication has been mutually agreed upon by the Sellers and the Purchaser; provided, that the Party drafting such news release or other public announcement or communication shall in good faith provide, to the extent possible, to each other Party reasonable advance notice and reasonable time to review and comment upon a draft of such news release or other public announcement or communication.

14.4 Notices; Certain Consents. All notices, consents, waivers and deliveries ("Notices") under this Agreement must be in writing and will be deemed to have been duly given when (i) delivered by hand (against receipt), (ii) sent by facsimile or electronic-mail (with written confirmation of receipt), (iii) when received by the addressee, if sent by a nationally recognized overnight delivery service (receipt requested) or (iv) five (5) days after being sent registered or certified mail, return receipt requested, in each case to the appropriate addresses and facsimile numbers set forth below (or to such other addresses and facsimile numbers as a Party may hereafter designate by similar Notice to the other Parties):

If to the Receiver or PMI:

Special Deputy Receiver of PMI
300 West Osborn Road, Suite 500
Phoenix, AZ 85013
Attention: Truitte D. Todd
Telephone: 602-277-4943
Fax: 602-277-7404

with a copy to:

PMI Mortgage Insurance Co.
3003 Oak Road
Walnut Creek, CA 94597
Attention: General Counsel
Telephone: 925-658-6212
Fax: 925-658-6175

and

Hennelly & Steadman PLC
Goldsworthy House
322 West Roosevelt
Phoenix, AZ 85003
Attention: Joseph M. Hennelly, Jr.
Telephone: 602-230-7000
Fax: 602-230-7707

and

Arnold & Porter LLP
399 Park Avenue
New York, NY 10022
Attention: Robert C. Azarow
Telephone: 212-715-1336
Fax: 212-715-1399

If to CUNA Mutual:

CMFG Life Insurance Company
5910 Mineral Point Road
Madison, Wisconsin 53705
Attention: General Counsel
Telephone: 608-665-7901
Fax: 608-236-7901

with a copy to:

Sidley Austin LLP
One South Dearborn
Chicago, Illinois 60603
Attention: Perry J. Shwachman
Telephone: 312-853-7061
Fax: 312-853-7036

If to either of the Purchaser Parties:

Arch Capital Group (US) Inc.
300 Plaza Three, 3rd Floor
Jersey City, New Jersey 07311
Attention: General Counsel
Phone: 201-743-4000
Fax : 914-872-3613

with a copy to:

Mayer Brown LLP
1675 Broadway
New York, NY 10019
Attention: Kenneth R. Pierce
Reb D. Wheeler
Telephone: 212- 506-2500
Fax: 212-262-1910

14.5 Disputes; Jurisdiction; Venue. Any dispute relating to this Agreement shall be brought exclusively in the Court. By execution and delivery of this Agreement, with respect to such disputes, each of the Parties knowingly, voluntarily and irrevocably (a) consents to the exclusive jurisdiction of the Court; (b) consents to the commencement of Proceedings for the Court to hear the dispute without regard to time limits or prohibitions against the commencement of actions against the Receiver or the Sellers that are specified in the Receivership Order or other orders, expect for "Order Re Petition No. 2 Governing the Administration of the Receivership" or modifications thereto, entered by the Court in Case Number CV 2011—018944; and (c) waives any immunity or objection, including any objection to personal jurisdiction or the laying

of venue or based on the grounds of forum non conveniens, which it may have from or to the bringing of the dispute in such jurisdiction, or, any immunity, defense or objection concerning the authority of the Sellers to enter into or perform this Agreement.

14.6 Further Assurances. The Parties agree (a) to furnish upon request to each other such further information, (b) to execute and deliver to each other such other documents and (c) to do such other acts and things, all as the other Party may reasonably request for the purpose of carrying out the intent of this Agreement and the transactions contemplated hereby (including conveyance and transfer of the Shares to the Purchaser).

14.7 Specific Performance. The Parties agree that irreparable damage would occur in the event that the provisions contained in this Agreement were not performed in accordance with its specific terms or were otherwise breached. It is accordingly agreed that the Parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof in any court of the United States or any state having jurisdiction, this being in addition to any other remedy to which they are entitled at law or in equity.

14.8 Amendments and Waivers. No amendment or waiver of any provision of this Agreement shall be valid unless in writing and signed by the Party to be charged with such amendment or waiver. No waiver by any Party of any default, misrepresentation or breach of warranty or covenant hereunder, whether intentional or not, shall be deemed to extend to any prior or subsequent default, misrepresentation or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence.

14.9 Entire Agreement. This Agreement supersedes all prior agreements among the Parties with respect to its subject matter and constitutes (together with the other Transaction Documents) a complete and exclusive statement of the terms of the agreement between the Parties with respect to its subject matter. The exhibits and schedules identified in and attached to this Agreement are incorporated herein by reference and shall be deemed as fully a part hereof as if set forth herein in full. In the event of any inconsistency between the statements in the body of this Agreement and those in the exhibits and schedules (other than an exception to a representation or warranty set forth in the PMI Disclosure Schedule, the CUNA Mutual Disclosure Schedule, the Seller Disclosure Schedule or the Purchaser Disclosure Schedule), the statements in the body of this Agreement will control.

14.10 Assignments, Successors and No Third-Party Rights. Neither Party may assign any of its rights or obligations under this Agreement without the prior consent of the other Parties except that the Purchaser may assign any of its rights under this Agreement to any Affiliate of the Purchaser, provided, that any such assignment shall not relieve the Purchaser of its duties and obligations hereunder. Subject to the preceding sentence, this Agreement will apply to, be binding in all respects upon and inure to the benefit of the successors and permitted assigns of the Parties. Nothing expressed or referred to in this Agreement will be construed to give any Person other than the Parties hereto any legal or equitable right, remedy or claim under or with respect to this Agreement or any provision of this Agreement.

14.11 Severability. The determination of any court that any provision of this Agreement is invalid or unenforceable shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity of the offending term or provision in any other situation or in any other jurisdiction. Upon such a determination, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

14.12 No Merger or Continuation. The Parties acknowledge and agree that this Agreement and the transactions contemplated hereby shall in no way constitute a merger or consolidation of the Purchaser and the Sellers or any of them. Subject to the terms and conditions herein and in the other Transaction Documents the Sellers shall be responsible for the operation of their respective businesses from and after the Closing Date, and the Purchaser shall not be a continuation of the Sellers or any Affiliates of the Sellers.

14.13 Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF ARIZONA WITHOUT REGARD TO RULES GOVERNING CONFLICT OF LAWS THEREIN.

14.14 Counterparts; Facsimile. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute one and the same instrument. Original signatures hereto and to other Transaction Documents may be delivered by facsimile or .pdf which shall be deemed originals.

14.15 Disclosure Schedules. Any disclosure with respect to a section of any Disclosure Schedule shall be deemed to be disclosed for purposes of other sections of such Disclosure Schedule to the extent that such disclosure sets forth facts in sufficient detail so that the relevance of such disclosure would be reasonably apparent to a reader of such disclosure. Matters reflected in any section of a Disclosure Schedule are not necessarily limited to matters required by this Agreement to be so reflected. Such additional matters are set forth for informational purposes and do not necessarily include other matters of a similar nature. No reference to or disclosure of any item or other matter in any section of a Disclosure Schedule shall be construed as an admission or indication that such item or other matter is material or that such item or other matter is required to be referred to or disclosed in this Agreement. Without limiting the foregoing, no such reference to or disclosure of a possible breach or violation of any Contract, applicable Law or Order shall be construed as an admission or indication that breach or violation exists or has actually occurred.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have executed and delivered this Agreement as of the date first written above.

THE RECEIVER OF PMI MORTGAGE INSURANCE CO., IN REHABILITATION, ON BEHALF OF PMI MORTGAGE INSURANCE CO.

By: _____

Print name:

Title:

CMFG LIFE INSURANCE COMPANY

By: _____

Print name:

Title:

SOLELY FOR THE LIMITED PURPOSES SET FORTH IN THE AGREEMENT

CMG MORTGAGE INSURANCE COMPANY

By: _____

Print name:

Title:

ARCH U.S. MI HOLDINGS INC.

By: _____

Print name:

Title:

SOLELY FOR THE LIMITED PURPOSES SET FORTH IN THE AGREEMENT

ARCH CAPITAL GROUP (US) INC.

By: _____

Print name:

Title:

EXHIBIT B

SERVICES AGREEMENT

by and between

The RECEIVER OF PMI MORTGAGE INSURANCE CO. IN REHABILITATION,

on behalf of

PMI MORTGAGE INSURANCE CO.,

ARCH U.S. MI SERVICES INC.

and

ARCH CAPITAL GROUP (U.S.) INC.

DATED AS OF _____, 2013

TABLE OF CONTENTS

Page

Contents

Appendices

Exhibits

SERVICES AGREEMENT

This Services Agreement (this "Agreement") is entered into as of _____, 2013, by and between the RECEIVER OF PMI MORTGAGE INSURANCE CO. IN REHABILITATION (the "Receiver") on behalf of PMI MORTGAGE INSURANCE CO., an Arizona stock insurance corporation ("PMI"), ARCH U.S. MI SERVICES INC. , a Delaware corporation (the "Provider"), and ARCH CAPITAL GROUP (U.S.) INC. , a Delaware corporation (the "Provider Parent" and, together with the Provider, the "Provider Parties"). PMI, the Provider and the Provider Parent shall be referred to herein from time to time collectively as the "Parties" and individually as a "Party."

WHEREAS, PMI, the Provider and the Provider Parent are parties to that certain Asset Purchase Agreement dated as of _____, 2013 (the "Purchase Agreement"), pursuant to which PMI agreed to sell and the Provider agreed to purchase certain assets of PMI, as well as all of the issued and outstanding shares of both PMI Mortgage Assurance Co., an Arizona corporation ("PMAC") and PMI Insurance Co., an Arizona corporation;

WHEREAS, immediately prior to the Effective Date, PMI provided for the Business all of the Services set forth in the Appendices hereto using the Purchased Assets purchased by Provider and the Assumed Contracts (as such term is defined in the Purchase Agreement) assigned to Provider pursuant to the Purchase Agreement;

WHEREAS, in connection with the transactions contemplated by the Purchase Agreement, the Provider agreed to provide support services to PMI during and for the runoff of PMI's legacy insurance portfolio, upon the terms and subject to the conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the promises and the mutual representations, covenants and agreements hereinafter set forth, the adequacy and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

ARTICLE 1

DEFINITIONS

1.1 Certain Definitions. As used in this Agreement, the following terms shall have the following meanings:

"Action" means any civil, criminal, investigative or administrative claim, demand, action, suit, charge, citation, complaint, notice of violation, litigation, prosecution, audit, hearing, arbitration or inquiry by or before or otherwise involving any Governmental Entity whether at law, in equity or otherwise.

"Affiliate" means, with respect to any Person, any other Person who directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person and, without limiting the generality of the foregoing, includes any executive officer or director of such Person and any Affiliate of such executive officer or director, and the term "controls" (including the terms "controlled by" and "under common control with") means the

possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through ownership of voting securities, by contract or otherwise.

"Applicable Percentage" means, with respect to a particular Service, the fraction applied to a particular cost for such Service to be used to determine the portion of such cost included in the Fee payable by PMI.

"Business Day" means any day which is not a Saturday, Sunday or legal holiday recognized by the United States of America.

"Confidential Information" of a Party means any non-public information or data relating to, or provided by such Party or its Affiliates, customers, vendors, or other business associates disclosed in connection with this Agreement or the performance of the Services, or other related discussions, information and disclosures that are provided or disclosed to Recipient on or after the date of this Agreement, either directly or indirectly, in any form whatsoever or in or by any medium whatsoever. "Confidential Information" of Provider includes, without limitation, any information, trade or business services, discoveries, ideas, concepts, know how, techniques, designs, strategies, specifications, drawings, blueprints, designs, flow-charts, data, computer programs, econometric and pricing models, marketing plans, customer names, financial information, including historical data as well as financial projections, that are proprietary to such Party or a third party to whom such Party or its Affiliates have a duty of confidentiality. "Confidential Information" shall also include any reports, analyses, compilations, forecasts, memoranda, notes, studies, data and any other written or electronic materials or records created or otherwise prepared by or for Recipient or its Representatives to the extent such items contain or incorporate Confidential Information. "Confidential Information" of PMI shall include all PMI NPI, and all pricing models, marketing plans, customer names, financial information, including financial projections of PMI's business as operated by PMI after the Effective Date that are provided by PMI to Provider in the course of the Services after the Effective Date. For the avoidance of doubt, "Confidential Information" of Provider shall include, and the Confidential Information of PMI shall exclude, the Service Materials and any data, information or materials relating to or comprising the Purchased Assets or comprising any Business Confidential Information (within the meaning of the Purchase Agreement and the CMG Stock Purchase Agreement (as defined in the Purchase Agreement)).

"Consents" means consents, permits, approvals, waivers, authorizations, licenses and sublicenses (including modifications to or extensions, renewals or replacements of or substitutes for existing licenses or sublicenses, on equivalent terms).

"Court" means the Arizona Superior Court, Maricopa County, in Case No. CV 2011-018944.

"Designated Applications" means any of the systems that are included in the Platform and owned or licensed by Provider, and listed in Exhibit I (and replacements for such applications), to the extent used by Provider to provide the Services under this Agreement.

"Direct Costs" means all of the costs paid or payable by Provider or its Affiliates to licensors, vendors, suppliers or other third party product or service providers, and reasonably incurred in the performance of the Services, including for the following: training and business seminars; tuition reimbursement; dues and memberships; office supplies; travel; meals; telephone; storage; postage and couriers; third party software licenses and maintenance services; computing equipment maintenance; depreciation associated with computing equipment acquired after the Effective Date (as described in Appendix L – General IT Infrastructure and Management); incremental liability insurance related to providing the Services; information security services; business continuity services; shared data center services; telecommunications services; building rent (including for PMI Plaza as described in Appendix X – Overhead); facilities costs (including for PMI Plaza as described in Appendix X – Overhead); and non-IT data processing services; provided, however, that Direct Costs shall exclude the following: (a) fees for licenses to Provider-owned Software; (b) depreciation (except for computing equipment acquired after the Effective Date as described in Appendix L – General IT Infrastructure and Management); (c) amortization; (d) profit on services provided by Affiliates; and (e) to the extent specific to Provider and not related to PMI or the Services, (i) business liability insurance unrelated to coverage associated with Provider's undertaking of the Services; (ii) premium taxes; (iii) statutory filing fees; (iv) Governmental Entity fees; (v) travel for customer visits; and (vi) external audit fees.

"Discloser" means a Party that discloses its Confidential Information to a Recipient.

"Effective Date" means the Closing Date.

"Excluded Services" means the services, functions, activities and tasks that are set forth in Exhibit E.

"FHFA" means the Federal Housing Financing Agency.

"Force Majeure Event" means, with respect to a Party, any act of God, fire, earthquake, hurricane, tornado, natural disaster, flood, storm or explosion; any strike, lockout or other labor disturbance; any riot, war, act of terror, rebellion or insurrection; acts, decrees or orders of governmental, regulatory or military authorities (including restraining orders and injunctions) not the result of any violation of law by such Party (or any Person for whom such Party is responsible under this Agreement acting on its behalf); changes in law or regulations, or legal or regulatory actions, but only to the extent that the same prohibit, or materially prevent, frustrate, hinder or delay, the provision of the Services (it being understood that increases in costs alone shall not be deemed to prohibit, prevent, frustrate, hinder or delay the provision of the Services); any embargo or fuel or energy or utility shortage; any interruption in telecommunications, Internet, transport, HVAC, power or utilities services; any failure of suppliers or third party providers; and any other event or cause that is beyond the control of such Party (or any Person acting on its behalf).

"GLB" means the Gramm-Leach Bliley Act, 15 U.S.C. § 6801 et seq.

"Governmental Entity" means any federal, state, local, municipal, foreign or other governmental or quasi-governmental authority, including without limitation any administrative, executive, judicial, legislative, regulatory or taxing authority of any nature of any jurisdiction

(including without limitation, any governmental agency, branch, department, official or entity and any court or other tribunal), any Insurance Regulator, the FHFA, Fannie Mae and Freddie Mac.

"GSEs" means Fannie Mae and Freddie Mac.

"Insurance Regulator" means any state insurance supervisory department or officials having jurisdiction over any part of the business of PMI or Provider.

"Intellectual Property" means, whether arising under the Laws of the United States, any state or other political subdivision thereof, any other country or political subdivision thereof or any international treaty regimes or conventions, all (i) registered and unregistered trademarks, trade dress, service marks, logos, trade names, slogans and other indicia of origin, in each case including applications and registrations and renewals of the same, and the goodwill associated therewith and symbolized thereby; (ii) inventions and patents and patent applications thereon, including divisionals, continuations and continuations-in-part, and any renewals, reexaminations, extensions and reissues thereof and provisional applications relating thereto; (iii) trade secrets, confidential or proprietary information, inventions (to the extent not disclosed in published patent applications and whether or not patentable or reduced to practice), methods, processes, formulae, technology, algorithms, models, vendor lists, customer lists and know-how and any information meeting the definition of a trade secret under the Uniform Trade Secrets Act; (iv) works of authorship, and registered and unregistered copyrights, the registrations and applications therefor, and any renewals, extensions, restorations and reversions thereof; (v) Internet domain names and registrations thereof; (vi) Software; (vii) databases and sui generis database rights; and (viii) any other type of intellectual property or proprietary right or intangible asset of any kind, including remedies against infringements or misappropriation thereof.

"Law" means any federal, state, local, municipal, foreign, international, multinational or other statute, law, Order, decree, constitution, rule, regulation, ordinance, principle of common law, treaty or other requirement of any Governmental Entity.

"Legacy Provider" means any (i) contractor, outsourcer, licensor or other third party that is providing services to PMI in connection with the Business as of the Effective Date, or (ii) any contractor, outsourcer, licensor or other third party that during the Term or any Transition Period provides services to PMI, or provides services to Provider so that Provider can provide services to PMI (where PMI approves or selects such contractor, outsourcer, licensor or other third party).

"Non-Proprietary Format" means a data format that may be read by commercially available software.

"NPI" means "Non Public Personal Information," as defined in Title V of GLB and its implementing regulations, regarding borrowers, co-borrowers or mortgage insurance applicants, including any data attributes or fields that represent any part of a borrower, co-borrower or mortgage insurance applicant's name, full street address (excluding city, state and zip code), account number, social security number or any other government issued identification, as well as any data attribute which, in combination any non-NPI, would otherwise cause the non-NPI to become a prohibited disclosure under any federal or state privacy Laws.

"Order" means any law, rule, regulation, award, decision, injunction, judgment, order, decree, ruling, subpoena or verdict entered, issued, made or rendered by any court, administrative agency or other Governmental Entity or by any referee, arbitrator or mediator.

"Out-of-Pocket Expenses" means out-of-pocket expenses incurred by Provider Personnel that are reimbursable to such Personnel by Provider or Affiliate under Provider's or Affiliate's expense reimbursement policies and that are reasonably incurred in the performance of the Services.

"Permits" means all material licenses (including insurance licenses), franchises, permits, privileges, immunities, certificates, variances, orders, consents, approvals and other authorizations (including authorizations to write mortgage insurance as a non-admitted or unlicensed insurance carrier) issued by a Governmental Entity.

"Person" means any individual, corporation, general or limited partnership, limited liability company, joint venture, estate, trust, association, organization, labor union or other entity or Governmental Entity.

"Personnel" of a Party means any and all managers, officers, employees, agents, consultants, advisors, contractors and subcontractors (or employees thereof) of such Party or its Affiliate, provided that PMI Personnel shall not include Provider Personnel who are alleged or deemed to be PMI employees on the grounds that PMI is a joint employer of such Provider Personnel, and further provided that PMI shall not utilize any Provider Competitor as any PMI Personnel.

"Platform" or "PMI Platform" means the "PMI Platform" as defined in the Purchase Agreement, together with all versions, updates, corrections, enhancements and modifications thereto.

"PMI Customers" means holders of PMI's master policies of mortgage insurance or, purchasers of, or investors in, mortgage loans insured under such master policies and their respective agents including mortgage loan servicers.

"PMI Data" means (i) all data pertaining to the operation of the Run-Off, whether in electronic form or otherwise, that is provided to Provider by PMI or PMI Customers and processed or stored on Provider's systems as part of the Services, and all reports and output files and other data pertaining to the Run-Off that are generated from such data on behalf of PMI by Provider under this Agreement; provided, however, that PMI Data shall not include any data that pertains to or comprises any of the Purchased Assets (as defined in the Purchase Agreement) or Business Confidential Information (within the meaning of the Purchase Agreement and the CMG Stock Purchase Agreement (as defined in the Purchase Agreement)) or pertains to the internal services, business activities or customers of Provider, its Affiliates or Personnel.

"PMI Database" has the meaning given in Section 2.6.

"PMI Indemnified Parties" means PMI, its Affiliates and their respective officers, directors, employees and agents.

"PMI Marks" means the trademarks, service marks and designs set forth on Schedule 1.1(e) of the Purchase Agreement.

"PMI Materials" means all document templates, manuals, protocols, data, software, technology, equipment, interfaces, systems and other materials made available to Provider or its Personnel by or on behalf of PMI in connection with the Services; provided, however, that PMI Materials shall not include any materials owned by Provider, including materials acquired pursuant to the Purchase Agreement.

"PMI NPI" means the PMI Data consisting of NPI of any borrower or co-borrower whose mortgage is or was insured under the Retained Policies, or any natural person whose mortgage loan application was reviewed by PMI in connection with an application for mortgage insurance submitted to PMI by a lender customer, but excluding any data that comprises Purchased Assets or Business Confidential Information as well as city, state and zip code information (in isolation) relating to the Retained Policies.

"PMI Premises Equipment" means all equipment provided by Provider for use by PMI Personnel on location at (or working remotely from) the Walnut Creek, California premises occupied by PMI as of the Effective Date, including desktop and laptop computers, routers, switches, network wiring, power conditioning units, telephone instruments and consoles, security monitoring and intrusion control devices and associated wiring, and similar items, together with associated software that is installed on such equipment.

"Post-Term Run-off" means the activities to be undertaken by PMI following termination of this Agreement that are reasonably necessary in the opinion of the Receiver for the administration, servicing and disposition of the Retained Policies, until PMI no longer has any current or foreseeable obligations to any insured under such Retained Policies. Such activities include: required policy renewals, billing and collection of premiums, and processing of claims by insured parties, in each case with respect to Retained Policies only; filing tax returns; Court proceedings; complying with regulatory and customer reporting obligations; and ancillary business operations required for the continuance of PMI's employment, infrastructure and external relations.

"Provider Competitor" means (a) any Person that provides products or services in the mortgage insurance industry that compete, directly or indirectly, with the products or services of Provider or any Affiliate of Provider, or (b) any Affiliate of any Person described in clause (a) above.

"Provider Indemnified Parties" means the Provider Parties, their Affiliates and their respective officers, directors, employees and agents.

"Qualifying Losses" means any and all actual losses, claims, fines, damages (excluding contingent liabilities), assessments, penalties, judgments, awards, payments, costs and expenses (including interest and penalties due and payable with respect thereto and reasonable attorneys' and accountants' fees and any other reasonable out-of-pocket expenses incurred in investigating, defending or settling any Action or enforcing any right to indemnification under this Agreement),

in each case that are due and payable (whether payable in cash, property or otherwise) ("Losses"), excluding (i) any consequential, incidental, special, indirect, punitive or speculative damages or lost profits, except to the extent such damages are recovered by third parties in connection with claims made by such third parties that are indemnified under this Agreement, and (ii) any Loss arising from any operational, record keeping, procedural or other requirement (other than payment of money damages, fines or civil monetary penalties) imposed as a result of any Action, agreed to as part of the settlement of any Action or pursuant to any applicable Laws.

"Recipient" means a Party that receives Confidential Information of Discloser.

"Required Consents" means (i) the Consents required to permit Provider and its Personnel to access, use and/or relocate the PMI Data, Platform, PMI Materials and Assumed Contracts, (ii) the Consents required to grant PMI, to the extent provided in this Agreement, the right to use and/or access any third party technology, software, equipment, systems and materials made available by Provider, its Affiliates or their respective Personnel in connection with the Services, and (iii) all other Consents required from third parties in connection with the provision of, and PMI's receipt of, the Services.

"Retained Policy" means any policy of insurance in effect and binding on PMI as of the Effective Date, provided that PMI continues to hold such policy of insurance.

"Risk in Force" means the aggregate amount of exposure arising from the Retained Policies calculated, with respect to primary insurance, by multiplying the unpaid principal balance of each mortgage loan by the coverage percentage for each such loan, and, with respect to pool insurance and other non-primary insurance, in conformity with PMI's methodology and past practice.

"Run-Off" means the activities during the Term that are reasonably necessary in the opinion of the Receiver for the administration, servicing and disposition of the Retained Policies, until PMI no longer has any current or foreseeable obligations to any insured under such Retained Policies, and ancillary business operations.

"Senior Executive" means, in the case of PMI, the Special Deputy Receiver, and in the case of Provider, David Gansberg or a successor with substantially equivalent authority as is designated by notice to PMI.

"Service Area" means one of the named services itemized in the Appendices hereof.

"Service Levels" means the quantitative performance levels for the Services specified in Exhibit A.

"Services Personnel" means, with respect to a given Service Area and time period, those Provider employees, independent contractors and other Provider Personnel who are engaged in performing Services within such Service Area during such period.

"Software" means (a) all computer programs and computer programming, network software, programs, code (including without limitation, operational code and code stored as

dynamic data within databases), data definitions and schemas, and applications in any form, including source code, object code, operating systems, database management code, utilities, libraries, scripts, graphical user interfaces, application program interfaces, menus, images, icons, forms, software engines, and all other code, whether in human readable form or otherwise, and all copies of the foregoing in any and all formats or media, and (b) with respect to the foregoing items, all versions, updates, patches, corrections, customizations, enhancements and modifications thereto.

"Source Code" means, with respect to any software, the human and machine readable versions of such software needed by reasonably skilled information technology professionals to compile, make, build, and create an executable form of such software, together with available specifications, design documents, test scripts, and installation scripts, and written lists of all third party compilers and other tools used, and written instructions as to how to compile, make, build, install and test the executable version of such software.

"Source Code Escrow Holder" means Iron Mountain or another escrow agent reasonably acceptable to both Parties.

"Tax" or "Taxes" means any and all taxes, fees, levies, duties, tariffs, imposts and governmental impositions or charges of any kind in the nature of (or similar to) taxes, payable to any federal, state, provincial, local or foreign taxing authority, including, without limitation, (i) income, franchise, profits, gross receipts, ad valorem, net worth, value added, sales, use, service, real or personal property, special assessments, capital stock, license, payroll, withholding, employment, social security, workers' compensation, unemployment compensation, utility, severance, production, excise, stamp, occupation, premiums, windfall profits, transfer and gains taxes and (ii) interest, penalties, additional taxes and additions to tax imposed with respect thereto.

"Term" means the period commencing on the Effective Date and ending upon the expiration or earlier termination of this Agreement.

"Total Payroll and Related Costs" means, for any Services Personnel, (i) in the case of employees of Provider (or its Affiliates), all salary, wages, bonuses and incentive compensation (when paid, but excluding compensation in the form of equity), overtime pay, payroll taxes, costs associated with the provision of health and welfare benefits, retirement benefits, workers compensation benefits, vacation and sick leave or other paid time off benefits or social security payments, paid or payable by Provider to or in respect of such employee, provided, however, that Total Payroll and Related Costs shall not include any severance, separation or termination benefits, and provided, further, that Total Payroll and Related Costs for such Services Personnel shall be consistent with the Total Payroll and Related Costs for Provider's (or for its Affiliates' that are engaged in U.S. mortgage insurance business) other employees performing similar functions; and (ii) in the case of subcontractors or other third party independent contractor personnel, all amounts paid or payable to such subcontractors or independent contractors.

"Transition Period" means any period during which Provider is providing transition assistance to PMI, as contemplated by Section 11.4.

1.2 Index of Certain Other Definitions. The following capitalized terms used in this Agreement have the meanings located in the corresponding section or appendix referred to below:*[**NTD: To be updated prior to execution.]*

Term	**Section**
Allocated Total Payroll and Related Costs	Exhibit F
Allocated Direct Costs	Exhibit F
Consent Fee	2.11(b)
Corporate Computing Systems	Appendix F
Escrow Materials	7.2
Fee	4.1
Initial Term	11.1
Litigation Hold	2.10
Loss Management Systems or "LMS"	Appendix H
Non-Core Services	11.1
PMI Operated Systems	Appendix I
PMI Protected Information	Exhibit B
PMI Protected Systems	Exhibit B
PMI Time Allocation Percentage	Exhibit F
Policy Acquisition Systems or "PAS"	Appendix J
Policy Administration Systems	Appendix K
Provider Systems	5.2
Ramp-Up Period	Exhibit A
Release Condition	7.3
Renewal Term	11.1
Service Area Cost	4.2
Service Materials	6.8
Services	2.1
Source Code Escrow Agreement	7.1
Two-Year Renewal Term	11.1

1.3 General Interpretation The terms of this Agreement have been negotiated by the Parties and the language used in this Agreement shall be deemed to be the language chosen by the Parties to express their mutual intent. This Agreement shall be construed without regard to any presumption or rule requiring construction against the Party causing such instrument or any portion thereof to be drafted, or in favor of the party receiving a particular benefit under this Agreement. No rule of strict construction will be applied against any Person. For all purposes of this Agreement, unless otherwise expressly provided or unless the context otherwise requires:

(a) any pronouns used in this Agreement shall include the corresponding masculine, feminine or neutral forms, and the singular form of nouns and pronouns shall include the plural, and vice versa;

(b) the words "herein", "hereto" and "hereby", and other words of similar import, refer to this Agreement as a whole and not to any particular section or other subdivision of this Agreement;

(c) the use of the term "including" (and with correlative meaning "include" and "includes") means including without limitation;

(d) references to articles, sections, clauses, exhibits, schedules, appendices or other subdivisions are references to articles, sections, clauses, exhibits, schedules, appendices or other subdivisions of this Agreement;

(e) the captions, titles and headings used in this Agreement are for convenience of reference only, shall not be deemed part of this Agreement and shall not affect its construction or interpretation;

(f) any reference herein to a statute, rule or regulation of any Governmental Entity (or any provision thereof) shall include such statute, rule or regulation (or provision thereof), including any successor thereto, as it may be amended from time to time; and

(g) unless otherwise indicated, any reference herein to a year, quarter or month shall refer to a calendar year, quarter or month, as the case may be.

ARTICLE 2

PROVISION OF SERVICES

2.1 Provision of Services. Commencing on the Effective Date and continuing throughout the Term (or, in respect of certain Services, such shorter period as specified in Section 11.1), Provider shall provide to PMI the services described in the Appendices hereto (the "Services"), on the terms and subject to the conditions set forth herein.

2.2 Service Standards. Subject to the terms and conditions of this Agreement, Provider shall (i) use commercially reasonable efforts to provide the Services and perform its other obligations hereunder, and (ii) provide the Services and perform its other obligations hereunder in a non-discriminatory manner that is generally consistent, in all material respects, with the manner in which such Services or obligations are provided or performed for Provider's and its Affiliates' own U.S. mortgage insurance business operations, including with respect to compliance with applicable Law, as in effect at the time such Services are provided or such obligations are performed, except as such Services or obligations differ because of the need to follow legal corporate formalities and to keep PMI Data separate from other data. To the extent that Exhibit A sets forth a Service Level for a particular Service, after the expiration of the six (6) month period following the Effective Date, such Service Level shall be the standard of care with respect to such Service, and a Service Level Termination Event, as defined in Exhibit A, shall be the sole definition of a material breach of such standard of care. PMI represents and warrants to Provider that the Service Levels set forth in Exhibit A are below the levels of performance achieved by PMI prior to the Effective Date.

2.3 Telecommunications Services. As set forth in Appendices G and L, subject to all Required Consents (including those required to permit Provider to share such third party services

with PMI as provided in this Section 2.3) having been obtained, Provider shall use commercially reasonably efforts to arrange for and support data and public switched telephone network communications connectivity associated with the Services conducted by PMI from PMI offices in Walnut Creek, California through to any computing and communications hardware owned by Provider or PMI within such PMI offices, provided that, if requested by Provider, PMI shall remain or become the named customer in the applicable third party services agreement with respect to such services to be provided to or for PMI. The fees payable by PMI with respect to telecommunications services shall be as set forth in the applicable Appendix(ces).

2.4 Use of Subcontractors; Provider Facilities.

(a) Services provided by Provider under this Agreement may be subcontracted by Provider to any of its Affiliates or third party service providers at Provider's discretion; provided, however, that (i) any subcontracting shall be done in a non-discriminatory manner that is generally consistent, in all material respects, with the manner in which Provider and its Affiliates subcontract similar services for Provider's and its Affiliates' own U.S. mortgage insurance business operations, (ii) Provider may not subcontract the performance of any Services (other than Non-Core Services) under this Agreement to any unaffiliated third party (other than a Legacy Provider) if and to the extent doing so would adversely impact in any material way the Services or prevent PMI from complying with applicable Law, without PMI's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed, and (iii) Provider may subcontract to any non-U.S. or offshore contractor (including any Affiliate) provided that PMI consents or such contractor is prohibited from gaining access to PMI NPI. For the avoidance of doubt, Provider may (without PMI's consent) engage independent contractors to fulfill its staffing needs in the performance of the Services. Notwithstanding the foregoing, PMI specifically acknowledges and consents to the continued use of the Legacy Providers (or any of them) for the Services under the Assumed Contracts, including extensions or renewals thereof of similar scope. Except with respect to disclosures of information to Legacy Providers under Assumed Contracts, Provider shall not disclose any Confidential Information of PMI to any subcontractor unless and until such subcontractor executes a commercially reasonable confidentiality agreement with Provider or PMI applicable to such Confidential Information.

(b) Provider shall monitor the performance of all subcontractors and, if a subcontractor's performance is deficient, shall promptly take steps to remedy the situation, in a manner generally consistent, in all material respects, with Provider's monitoring and response to such deficient performance with respect to Provider's other business operations, which may include replacing the subcontractor or performing the work itself. Provider shall not be relieved of responsibility for the Services as a result of the performance of the Services by any subcontractors (including any Affiliates); provided, however, that neither Provider nor its Affiliates shall be liable for any breach or any failure to perform by any Legacy Provider under any Assumed Contract, including extensions or renewals thereof of similar scope.

(c) Provider Facilities. Provider may perform the Services in such facilities as Provider reasonably deems appropriate. While at such facilities, PMI shall, and

shall ensure that all PMI Personnel shall, comply with Provider's, its Affiliates' and its subcontractors' reasonable safety and security requirements and other relevant policies.

2.5 Regulatory Requirements. Provider shall take such reasonable actions as may reasonably be necessary to maintain the governmental approvals needed for Provider to perform the Services in full force and effect to the extent required for the Provider to perform its respective obligations hereunder. Provider shall use its reasonable best efforts to obtain and maintain those Permits necessary for the Provider to perform its obligations hereunder, including, without limitation, continuing to comply with any commitments or agreements made by it as a condition for the granting of any such governmental approval to be maintained by Provider.

2.6 Separate Instances. With the exception of PMAC Transaction Data included in any PMI database as of the Effective Date, during the Term, Provider shall operate and maintain an instance of the database supporting PMI that is separate and independent from the other databases used for Provider and Provider's other business operations, initially in the same manner as maintained by PMI as of the Effective Date (the "PMI Database"), provided that Provider may determine to do so by use of virtualization, separate database instances serviced by a shared software platform (for example, PeopleSoft and document management software), or maintenance of separate hardware or any other means, as it determines to be appropriate in its reasonable judgment. Provider may also continue to include operations of PMAC ("PMAC Transaction Data") in any database used in support of PMI for the Run-Off, provided that Provider uses commercially reasonable efforts to enable PMAC Transaction Data to be separately identified and to avoid to the extent reasonable otherwise commingling PMAC operations with Services for PMI.

2.7 Use of Provider Hardware and Software. During the Term, subject to all Required Consents therefor having been obtained, Provider shall (i) provide to PMI PMI Premises Equipment as required to conduct the Run-Off and de minimis ancillary business purposes, (ii) cause all such equipment to be refreshed in accordance with Provider's normal refresh schedule, (iii) update such software on the same schedule as applicable to its own software (provided that any material change in software shall be subject to the change management protocols provided by this Agreement), and (iv) be responsible for acquiring for PMI's use such end user license rights (other than Required Consents) as are required for PMI to use such software in connection with the Run-Off, in each instance only with respect to PMI's Walnut Creek, California location. The fees payable by PMI with respect to Provider's provision of hardware and software shall be as set forth in the applicable Appendix(ices). Upon the termination or expiration of the Term, PMI shall either make all such hardware and software available to Provider for pickup or, at its election, shall have the right to purchase such equipment and the end user licenses to the software installed on such equipment (to the extent that licenses are transferable without consent) or selected units thereof at its then fair market value.

2.8 Backup Media Storage/Risk of Loss. Subject to the terms and conditions of this Agreement, Provider shall arrange for the onsite and offsite storage of backups of all PMI Data in Provider's possession or control on portable media, in a manner similar to that arranged by Provider with respect to its own data at similar locations. Upon reasonable request by PMI from time to time, and subject to reimbursement of Provider's costs for such, Provider shall request the applicable provider to cause duplicates of such PMI Data backups and media to be created,

verified, and transmitted to such storage facility as PMI shall designate. Backups shall include both Provider's customary rapid-recovery formats specific to the respective applications, as well as files maintained in formats that may be read by reasonably priced commercially available off the shelf software. The fees payable by PMI with respect to backup media storage shall be as set forth in the applicable Appendix(ces).

2.9 Outsourced Services. To the extent that Services (or portions thereof) were provided to PMI by unrelated third parties prior to the Effective Date and contracts for such Services are "Assumed Contracts" pursuant to the Purchase Agreement and PMI Personnel previously interacted directly with account delivery staff of such third parties assigned to PMI's account, then, unless Provider replaces the applicable third party, there may continue to be comparable direct interaction between the applicable ongoing PMI Personnel after the Effective Date and such third parties, provided that such PMI Personnel shall have no authority to, and PMI ensures that such PMI Personnel do not and do not purport to have authority to, request new services or changes to existing services for or on behalf of Provider or otherwise, and any additional costs or expenses that result from such interactions will be at PMI's sole expense. The fees payable by PMI with respect to outsourced services shall be as set forth in the relevant Appendix(ces).

2.10 Litigation Holds. In the event that Provider receives notification from PMI or any agency of the possible pendency of any government investigation, regulatory action, or government or private litigation or controversy, Provider shall, at PMI's sole cost and expense, (a) immediately cease applying any document or records destruction policy as the same relates to the disclosed scope of such action, and (b) after consultation with PMI, make such arrangements to archive and preserve any information and records designated by PMI during the pendency or potential pendency of such investigation or controversy and thereafter until PMI consents to the destruction of such records ((a) and (b) collectively, "Litigation Holds").

2.11 Required Consents.

(a) Section 6.8 of the Purchase Agreement sets forth each Party's responsibilities regarding the Consents described therein, including Required Consents for the set-up, transition, preparation, establishment and completion of the Services to be provided hereunder (the "Startup Consents"). This Section 2.11 sets forth responsibilities of the Parties with respect to Required Consents (other than Startup Consents), including those Required Consents that are identified or for which the need arises during the Term or any Transition Period, and are in addition to, and not in lieu of, those responsibilities set forth in the Purchase Agreement. PMI acknowledges that Provider's ability to provide the Services is dependent upon the Required Consents having been obtained.

(b) Each Party shall be responsible for obtaining any Required Consent with respect to its own third party agreements. Each Party shall use its commercially reasonable efforts to cooperate with the other Party in obtaining such Consents. PMI shall be responsible for paying (or reimbursing Provider and its Affiliates for paying) for any fee, expense or other consideration required to be paid to a third party to obtain any Required Consent (a "Consent Fee"). However, except for Startup Consents, if and to the extent that

costs for a Required Consent are for new hardware or software functionality or features (e.g., software modules not used in or necessary for the conduct of the Business or for the provision of the Services) required by Provider (and not required due to any breach, act or omission of PMI or PMI Personnel or any Change Request submitted by PMI or any request by PMI for Provider to maintain an Unchanged Application), then such costs will be allocated equitably between the Parties as part of the Fees based on each Party's contemplated use of or benefit from such new functionality or features.

(c) If, despite using commercially reasonable efforts, a Party is unable to obtain a Required Consent for which it is responsible, it shall use commercially reasonable efforts to obtain a replacement license, product or right, as applicable. If such replacement cannot be obtained using commercially reasonable efforts, the Parties shall work together in good faith to develop a mutually acceptable alternative arrangement that is sufficient to enable Provider to provide, and PMI to receive, the Services without such Consent. In any event, if a Consent is not obtained, Provider shall have no obligation to (and no liability for failing to) perform the Services for which such Consent is required unless and until such Consent is obtained, or the Parties have agreed upon such alternative arrangement, such agreement not to be unreasonably withheld by either Party. PMI will be responsible for all reasonable fees and expenses of any such replacement or alternative arrangement, as applicable, contemplated by this Section 2.11(c).

2.12 No Delegation. Certain of the Services may involve support for PMI's business judgments, or for the performance of PMI's responsibilities imposed by statute, including support for the exercise of judgment within the legal responsibilities of corporate officers, legal counsel, auditors and those performing similar functions. Notwithstanding the provision of such support by Provider, the making of and ultimate responsibility for such judgments shall remain fully with PMI. In addition, nothing herein shall impose upon Provider any obligation of performance beyond that which it can legally perform for PMI.

ARTICLE 3
LIMITATIONS

3.1 General Limitations.

(a) Provider shall have no obligation to provide any services other than the Services to PMI in support of the Run-Off during the Term.

(b) Notwithstanding anything to the contrary herein, (i) PMI and its subsidiary PMI Europe (while still a subsidiary of PMI) will be the only entities that are entitled to have access to the Designated Applications under this Agreement, other than PMI Personnel performing services required for the Run-Off and, in the event of termination of this Agreement, in the course of the Post-Term Run-Off consistent with Section 7.4; (ii) PMI shall not, (A) directly or indirectly, resell the Services to any Person other than PMI; or (B) permit the use of any of the Services to or by any Person other than PMI and PMI Personnel,

other than use by PMI Customers with respect to matters arising from PMI obligations to them under the Retained Policies; and (iii) in no event shall PMI, its Affiliates or PMI Personnel or any PMI Customer be entitled to modify any Provider System or Software or the Services.

(c) PMI covenants and agrees that, in any calendar year during the Initial Term, it shall not, without Provider's prior written consent, sell, commute or otherwise divest more than five percent (5%) of its Risk in Force as of December 31 of the preceding calendar year.

3.2 Work Processes, Rules and Procedures. PMI shall, and shall cause all of its Personnel and Representatives to, comply with Provider's then-current work processes, policies and procedures. To the extent not already known or available to PMI, upon PMI's reasonable request, Provider shall make available to PMI such then-current work processes, policies and procedures.

3.3 Third Party Agreements. PMI acknowledges that any Services provided by Provider through third parties or using third party Intellectual Property are subject to the terms and conditions of any applicable agreements between Provider and such third parties, as well as compliance with applicable Law. PMI shall comply, and shall cause its Personnel to comply, with the terms and conditions of any such applicable third party agreements (including each Assumed Contract and associated Required Consents), to the extent applicable to PMI's receipt of the Services or performance of its obligations under this Agreement, and with applicable Law in connection with the receipt by PMI of the Services pursuant to this Agreement. To the extent not already known or available to PMI, upon PMI's request, Provider shall make available to PMI the relevant provisions of such third party agreements.

3.4 PMI Input. To the extent a Service relies upon input, instructions or policies from PMI in performing such Services (including as provided in the Appendices), PMI will timely provide such input to the Provider and Provider will comply with PMI's reasonable input, instructions or policies. In the event and to the extent that such input, instructions or policies are not timely provided to Provider, Provider shall notify PMI of the need thereof and until PMI provides such input, instructions or policies, Provider shall be excused from performing the relevant Services to the extent Provider is unable to perform without such input, instructions or policies, unless PMI elects to have Provider perform the relevant Services in accordance with Provider's applicable practices as of the date the relevant Services are to be delivered.

3.5 Additional Responsibilities of PMI. The Provider's failure to perform its obligations under this Agreement shall be excused (and any rights of PMI arising as a consequence of such failure shall not be exercised by PMI) if and to the extent such Provider non-performance is caused by PMI's failure to:

(a) Provide reasonable cooperation and assistance to Provider and its Personnel in the performance of the Services;

(b) Perform the Excluded Services;

(c) Provide Provider and its applicable Personnel with reasonable access to PMI resources and facilities as necessary or appropriate for the performance of the Services;

(d) Provide Provider and its applicable Personnel with timely, accurate and complete information and documentation as reasonably required by Provider or such Personnel to perform the Services;

(e) Ensure the accuracy of any data input into the Provider Systems by PMI or its Personnel or PMI Customers;

(f) Provide timely decisions and approvals to the extent necessary to allow Provider to perform, or cause to be performed, its obligations hereunder; or

(g) Ensure that PMI's systems and its use of the Provider Systems and Services comply with all applicable Laws.

3.6 Payments to Third Parties. Unless otherwise agreed between the Parties, PMI acknowledges that, in connection with providing the Services, Provider shall not be obligated under this Agreement to (a) use its own funds to pay amounts owed by PMI under its agreements with third parties or (b) pay any amounts to PMI or any of PMI's Personnel in respect of payroll, benefits or similar obligations.

3.7 Conflict of Interest. In the event that the Provider determines there is a conflict of interest between the Provider and PMI including in relation to the performance of Services on an issue that conflicts with the Provider's code of business conduct, the Provider shall notify PMI of such issue. The Parties will then work together in good faith, through the Committee, to resolve such issue. If the Parties are unable to resolve such issue to their mutual satisfaction within a reasonable amount of time given the nature of the issue, the Provider will not be obligated to perform the Services or tasks solely to the extent giving rise to the conflict of interest.

3.8 Excuse of Performance Due to PMI. The Provider's failure to perform its obligations under this Agreement shall be excused (and any rights of PMI arising as a consequence of such failure shall not be exercised by PMI) if and to the extent such Provider non-performance is caused by (i) any acts or omissions of PMI, any of the PMI Personnel or a third party contractor performing obligations on behalf of PMI under this Agreement, or (ii) the failure of PMI, any of the PMI Personnel or any such third party contractor to perform PMI's obligations under this Agreement or otherwise comply with the Provider's work processes, policies and procedures and any requirements under applicable Law or the Provider's third party contracts (including Assumed Contracts). PMI shall be responsible for any additional costs incurred by the Provider in connection with providing the Services as a result of such act, omission or failure. The Provider shall use commercially reasonable efforts to perform its obligations notwithstanding such act, omission or failure, provided that PMI works with the Provider through the Committee to mitigate the effects of such act, omission or failure.

3.9 Exception to Obligation to Provide Services. Notwithstanding anything to the contrary contained herein, Provider shall not be obligated to provide any Services if the provision of such Services will cause Provider or any of its Affiliates to (a) violate any applicable Law (provided that nothing in this Section 3.9 shall limit the obligation of Provider and its Affiliates to use commercially reasonably efforts to comply with all applicable Laws) or (b) cause Provider or any of its Affiliates to become subject to any third party claim of infringement or misappropriation of Intellectual Property rights including by reason of use of the PMI Intellectual Property included in the Purchased Assets. In any such event, the Parties will then work together in good faith to mutually agree upon an alternative approach to resolve the issue and for Provider to be able to provide the Services, such agreement not to be unreasonably withheld or delayed by either Party.

3.10 Force Majeure.

(a) Provider (or any Person acting on its behalf) shall not have any liability or responsibility for delay in fulfilling or failure to fulfill any obligation under or failing to comply with this Agreement and shall suffer no prejudice for such failure to perform or comply with or fulfill any obligations under this Agreement to the extent the fulfillment of such obligation or compliance with this Agreement is prevented, frustrated, hindered or delayed as a consequence of circumstances of a Force Majeure Event.

(b) Provider shall, or shall use reasonable best efforts to cause the applicable third party providers to, (A) use reasonable best efforts to resume performance of its obligations under this Agreement as soon as reasonably practicable after the situation caused by such Force Majeure Event ends, (B) use commercially reasonable efforts to remove, so far as practicable and as soon as commercially reasonable, the cause of its inability to fulfill its obligations hereunder, (C) promptly notify PMI of a Force Majeure Event, specifying the nature of the Force Majeure Event, its expected duration and the probable impact on the performance of Services, and (D) keep PMI reasonably informed on the status of the Force Majeure Event and of its ability to resume performance. PMI shall use its reasonable best efforts to mitigate or limit the adverse effects of a Force Majeure Event and any resulting damages to PMI.

ARTICLE 4

FEES

4.1 General. For the performance of the Services, PMI shall pay Provider the fees provided for in this Article 4 (the "Fees"). The Parties intend that all Fees charged or paid hereunder shall represent the cost to Provider of providing the Services without any profit margin or other markup, but without Provider incurring a loss with respect to the Services, and the methodology for calculating Fees set forth herein is intended and shall be applied in a reasonable manner to give effect to such intent.

4.2 Fee Calculation. Fees for all periods during the Term shall be calculated as set forth in this Section 4.2. The aggregate Fee for each calendar quarter shall equal the sum of the "Service Area Costs" (as defined below) for such quarter for all Service Areas.

(a) For all Service Areas (other than those for which costs are specified in the applicable Appendix(ces) as to be allocated based on time tracking), the Service Area Cost for a given Service Area and quarter shall be calculated as follows:

Service Area Cost = ((Quarterly Total Payroll and Related Costs + Quarterly Direct Costs) x Quarterly Applicable Percentage) + Quarterly Out-of-Pocket Expenses

where:

(i) "Quarterly Total Payroll and Related Costs" means the amount of Total Payroll and Related Costs for such Service Area during such quarter;

(ii) "Quarterly Direct Costs" means the amount of Direct Costs for such Service Area during such quarter;

(iii) "Quarterly Applicable Percentage" means the Applicable Percentage for such Service Area and quarter, calculated in the manner set forth in the Appendix corresponding to such Service Area based upon data from such quarter;

(iv) "Quarterly Out-of-Pocket Expenses" means the amount of Out-of-Pocket Expenses for such Service Area during such quarter; and

(b) For those Service Areas for which costs are specified in the applicable Appendix as to be allocated based on time tracking, the Service Area Cost for a given Service Area and quarter shall be calculated as follows:

Service Area Cost = Quarterly Allocated Total Payroll and Related Costs + Quarterly Allocated Direct Costs + Quarterly Out-of-Pocket Expenses

where:

(i) "Quarterly Allocated Total Payroll and Related Costs" means the sum of the following, for each Service Personnel providing Services within such Service Area during such quarter: such Service Personnel's Total Payroll and Related Costs, ***multiplied by*** such Service Personnel's Time Allocation Percentage;

(ii) "Quarterly Allocated Direct Costs" means the Allocated Direct Costs for such Service Area during such quarter;

(iii) "Quarterly Out-of-Pocket Expenses" has the same meaning given to it in Section 4.2(a)(iv); and

(iv) Time tracking will be performed as provided in Exhibit F.

4.3 Pricing and Services Reviews. PMI and Provider agree to review, in good faith, the pricing terms and scope of Services contained in this Agreement commencing on the date six (6) months after the Effective Date and at six (6) month intervals thereafter (each such interval, a "Fee Review Period") in order to gauge what adjustments, if any, should be made to such pricing terms and scope of Services. In the case of any proposed change to the pricing terms, the Party proposing such change must show, by reasonable, data-driven evidence, that the then-current allocation methodologies or the costs being allocated do not appropriately reflect or capture the actual Total Payroll and Related Costs, Direct Costs and/or Out-of-Pocket Expenses incurred by Provider in providing the Services. Failing agreement by the Parties on any change in the pricing terms proposed in accordance with the foregoing, this Agreement shall continue under the existing terms. In addition, PMI may determine that a Service should be reduced or eliminated because PMI's need for such Service has been reduced or eliminated due to the Run-Off (but not because PMI prefers an alternate provider of the Service or prefers to perform such Service itself) and, if PMI makes such determination, the scope of services shall be reduced accordingly.

4.4 Payment.

(a) Provider shall invoice PMI on a monthly basis in arrears for Fees and for Consent Fees and other amounts to be paid or reimbursed by PMI hereunder.

(b) From the Effective Date through and including the first two (2) months of the first full calendar quarter of the Term, Provider shall invoice PMI Two Million Five Hundred Thousand Dollars ($2,500,000) per month as an estimate for the Fees for such period. For the third month of the first full calendar quarter of the Term, Provider shall invoice PMI an amount equal to the aggregate Fee payable by PMI for the period since the Effective Date, less the estimated Fees invoiced to PMI since the Effective Date. Thereafter, for the first two months of each calendar quarter, Provider shall invoice PMI, as an estimate of the Fees for such period, an amount per month equal to one-third of the aggregate Fee payable in the preceding calendar quarter. For the third month of each calendar quarter, Provider shall invoice PMI an amount equal to the aggregate Fee payable by PMI in such calendar quarter, less the estimated Fees invoiced to PMI for the first two (2) months of such calendar quarter. Provider's invoices shall be in a format reasonably acceptable to PMI and shall contain reasonable detail as to the calculation of any portion of the Fee that is subject to calculation, including (for all quarterly invoices) the Total Payroll and Related Costs for each Service Area and month and the cost and operational data used to calculate each month's Fee. Provider shall deliver each monthly invoice to PMI within thirty (30) days after the end of the month, subject to any delay in the submission of charges from third parties relating to the provision of the Services. Payment shall be due and made by PMI on the fifteenth (15th) day after PMI's receipt of such invoice, for invoices with respect to the first two (2) months of each calendar quarter, and on the thirtieth (30th) day after PMI's receipt of such invoice, for invoices with respect to the third month of each calendar quarter. Any payment not made to Provider in accordance with the preceding sentence (or escrowed pursuant to Section 4.4(d)) shall accrue interest at a rate of one and one-half percent (1.5%) per month (or, if less, the

maximum rate allowed by law) from and including the date such payment is due until, but excluding, the date of payment.

(c)Provider will provide reasonable additional information to substantiate Fees and other amounts set forth on any invoice as PMI may, at any time before the due date for payment of invoices for the third month of each calendar quarter, reasonably request.

(d) If PMI reasonably and in good faith disputes any particular amount(s) set forth in an invoice (a "Disputed Amount"), PMI shall promptly, but in no event later than fifteen (15) days (in the case of invoices for the first two months of any calendar quarter) or thirty (30) days (in the case of invoices for the third month of a calendar quarter) after the receipt of such invoice, (i) provide Provider with written notice of such dispute, which notice shall describe, in reasonable detail, the reason for the dispute and the amount being withheld, (ii) deposit in an interest-bearing, segregated escrow account at a nationally recognized bank in the United States the Disputed Amount for distribution only in accordance with the resolution of the dispute for which such amounts were deposited into escrow, and (iii) pay to Provider all undisputed amounts on such invoice. Upon receipt of such notice from PMI, the Parties shall immediately refer such dispute to the Senior Executives of the Parties for expedited resolution in accordance with Section 9.4. For the avoidance of doubt, PMI may not withhold or escrow funds pursuant to this Section 4.4(d) because of dissatisfaction over the frequency, timeliness, quality, or completeness of any Service. Interest on any escrowed amounts shall be payable to the Party receiving such funds.

4.5 Sole Compensation. Except as expressly set forth elsewhere in this Agreement, the Fees shall be Provider's sole compensation for Provider's performance of the Services and Provider's other obligations hereunder, and Provider shall not be entitled to any additional compensation or reimbursement.

4.6 Tax Matters.

(a) All consideration under this Agreement is exclusive of any sales, use, transfer, premium, value-added, goods or services tax, gross receipts based tax or similar taxes (including any such taxes that are required to be withheld, but excluding any taxes based upon or calculated by reference to income) imposed against, on or with respect to the Services provided by Provider ("Sales Taxes"), and such Sales Taxes will be charged to PMI.

(b) All Sales Taxes of which Provider is aware shall be separately stated on the relevant invoice to PMI hereunder. All taxable Services (and goods, if any) of which Provider is aware for which PMI is compensating, or reimbursing, Provider hereunder shall be set out separately from non-taxable Services (and goods, if any). PMI shall be responsible for any such Sales Taxes and shall either (i) promptly remit such Sales Taxes to Provider (and Provider shall remit such amounts to the applicable Governmental Entity as required) or (ii) provide Provider with a certificate or other acceptable proof evidencing an exemption from liability for such Sales Taxes. PMI agrees to pay any penalty, interest or other such fee that may be assessed against Provider arising from PMI's failure to remit Sales Taxes to Provider

or providing evidence of an exemption from liability for such Sales Taxes in accordance with this Section 4.6.

(c) Each Party shall, and shall use commercially reasonable efforts to cause its respective Affiliates to, cooperate and reach mutual agreement with the other Party in all matters relating to (i) identification of the jurisdiction(s) in which each Service provided under this Agreement is performed or received, (ii) any allocation required by applicable Law between the site of performance and the site of receipt with respect to each such Service, and (iii) timely notifying the other Party with respect to any changes to such jurisdiction(s) with respect to each such Service.

ARTICLE 5

SECURITY, RECORDS AND AUDIT

5.1 Information Security. Throughout the Term, and for any subsequent period in which Provider has access to PMI Data, Provider shall comply in all material respects with Provider's own information security procedures and policies, or with respect to PMI NPI, the provisions of Exhibit B.

5.2 Access to Provider Systems. PMI shall, and shall cause all PMI Personnel and PMI Customers who have access to any systems of Provider or its Affiliates or third party service providers ("Provider Systems") to, limit their access to those portions of such systems for which they are authorized in connection with their receipt and use of the Services. Provider shall be responsible for activating and deactivating user authorizations in accordance with reasonable instructions from PMI, subject to the other provisions hereof. PMI shall (i) limit such authorizing instructions to those PMI Personnel who are specifically authorized by Provider to use the Services and access the applicable Provider Systems, and (ii) comply with Provider's (or its Affiliates' or any applicable subcontractors') then-current data security and privacy policies and procedures. All user identification numbers and passwords disclosed to PMI Personnel to permit such personnel to access the Provider Systems shall be deemed to be, and shall be treated as, Provider Confidential Information. As a condition to receiving access to Provider Systems, or other computer or electronic data storage systems of Provider, Provider may require PMI Personnel and PMI Customers (in a manner generally consistent in all material respects with the manner Provider utilizes with its customers) to execute agreements with Provider or otherwise confirm their agreement to comply with Provider's data security and privacy policies and procedures as a condition of their right to obtain such access.

5.3 Security Level; Additional Security Measures. Provider may, from time to time, implement such new or modified physical or information security measures with respect to the Services as Provider in its sole discretion deems necessary or appropriate, including measures that address any new security-related issues, including compliance with applicable Laws related to security and issues in connection with new technologies or threats. PMI shall provide, and shall cause the PMI Personnel to provide, all assistance reasonably requested by Provider in connection with such security measures.

5.4 Right to Deny Access. If, at any time, Provider believes or determines reasonably and in good faith (i) that any PMI Personnel has sought to violate or circumvent, or has circumvented, applicable Law or Provider's data security and privacy policies and procedures, (ii) that any unauthorized PMI Personnel has accessed the Provider Systems or (iii) that any PMI Personnel poses a risk to the Provider Systems or has engaged in activities that may lead to the unauthorized access, use, destruction, alteration or loss of data, information, software or any other form of loss or damage, Provider shall be permitted to immediately deny or terminate access to the Provider Systems by any such PMI Personnel and shall as promptly as practicable notify PMI in writing of the name(s) of such PMI Personnel and the circumstances surrounding such breach.

5.5 Notifications to Provider. PMI shall, and shall cause PMI Personnel to, (a) cooperate with Provider in investigating any apparent or suspected unauthorized access to the Provider Systems or any apparent or suspected unauthorized access or use of data or information within those Provider Systems and (b) notify Provider immediately in writing (i) if PMI has revoked the access of any PMI Personnel to PMI's own computer systems or software or data stored therein if such PMI Personnel also has access to the Provider Systems and (ii) once any PMI Personnel is no longer employed by PMI or its Affiliates or no longer has a need to access the Provider Systems so that Provider can revoke such PMI Personnel's access to the Provider Systems.

5.6 Audit and Inspection. Provider shall prepare and maintain complete, current and accurate books, records, documentation, policies, procedures, manuals, files and other information or data (collectively, the "Records") of Provider pertaining to the Services provided under this Agreement and the transactions performed in connection therewith, during the Term and for seven (7) years after the provision of the applicable Service (or such longer period as is required by applicable Law), to the extent such Records are maintained by Provider with respect to similar services that are provided for its own operations. During the period that such Records are required to be maintained, PMI and its authorized representatives (other than a Provider Competitor) shall be given reasonable access to, and the right to audit and/or inspect, at PMI's cost, at reasonable times during normal business hours and upon reasonable prior written notice, all Records of Provider pertaining to performance of this Agreement, for the purpose of verifying any Fees paid or payable hereunder and the performance of the Services, provided that (i) such audits and/or inspections shall be conducted no more frequently than once in any consecutive twelve (12) month period, (ii) with respect to audits or inspections of invoiced amounts, such audits or inspections shall be limited to review of invoices issued by Provider during the twenty-four (24) month period preceding the date of the audit or inspection and (iii) the foregoing shall not limit PMI's ability to access the Platform to monitor the performance of the Services. In addition, during the Term, PMI and its authorized representatives (other than a Provider Competitor) shall be given reasonable access to, and the right to inspect, at reasonable times during normal business hours and upon reasonable prior written notice, all facilities, equipment and premises of Provider that are used in the performance of this Agreement, for the purpose of verifying Provider's compliance herewith. The exercise by PMI of any rights under this section shall be without prejudice to any other rights or remedies it may have. Notwithstanding the breadth of the foregoing inspection and audit rights of PMI, all such inspections and audits shall be conducted in accordance with Provider's security, confidentiality and safety rules and procedures and in a manner that does not interfere with Provider's business operations, and PMI shall not be entitled to access (A) the proprietary

information of Provider's other customers or other entities (other than entities that are Provider Affiliates performing Services hereunder with respect to information pertaining to the Services), (B) Provider locations that are not used to perform the Services, (C) Provider's internal costs, except to the extent such costs are the basis upon which PMI is charged and/or are necessary to calculate the applicable Fees, or (D) information protected by the attorney-client, work product, or other privilege. In addition, as a condition to conducting any such inspection or audit, the PMI Personnel and representatives conducting such inspection or audit shall enter into a written confidentiality agreement reasonably acceptable to Provider. To the extent any Affiliate of Provider provides any Services, Provider shall provide that such Affiliate complies with the record-keeping and other obligations of Provider set forth in Sections 5.6 and 5.7, and PMI's audit and inspection rights under such Sections shall extend to such Affiliate, *mutatis mutandis*, and to the extent not otherwise covered by the Fees, such audits and inspections shall be at PMI's cost.

5.7 Access to Provider Personnel. Provider shall require its officers and employees to furnish (to PMI or any of its Affiliates, or any regulator of PMI or any of its Affiliates) all information reasonably requested by PMI, and otherwise reasonably cooperate with (including, without limitation, requiring employees to cooperate with PMI or any of its Affiliates by requiring such employees to make themselves reasonably available for trial, depositions, interviews and other litigation-related endeavors) PMI or any of its Affiliates with respect to the Services, in connection with regulatory compliance, pending or threatened litigation, financial reporting and tax matters (including financial and tax audits and tax contests); provided, however, that (i) PMI shall reimburse the Provider and its employees for reasonable and documented out-of-pocket costs and expenses incurred by them in providing such assistance and cooperation, (ii) the foregoing shall not apply with respect to any Dispute, (iii) in no event shall Provider or any of its officers or employees be required to provide (A) any Confidential Information to any party other than PMI unless such Confidential Information is protected by a protective order or a confidentiality agreement reasonably acceptable to Provider or (B) any privileged information or materials.

5.8 Audit Rights for Intellectual Property. Where Provider has given PMI access to Intellectual Property in connection with the Services, PMI shall, and shall cause its Personnel to, provide to Provider or, at Provider's request, to the third party licensors of such Intellectual Property or an independent auditor, access at reasonable hours to PMI Personnel, facilities, records and other pertinent information, as Provider or such third party licensor or independent auditor may reasonably request, to verify that the use of the Intellectual Property meets applicable licensing requirements. If any such audit or inspection results in a discovery that PMI has failed to comply with any Provider or third party contract limitations or requirements, PMI shall be responsible for any costs associated with remedying such failure (e.g., purchasing additional licenses) and shall reimburse Provider for any reasonable costs it incurs in connection with the conduct of such audit.

5.9 TPG Cost Allocation Agreement. Reference is made to that certain Second Amended and Restated Cost Allocation Agreement dated as of December 12, 2012 by and between The PMI Group, Inc. ("TPG") and the Receiver, on behalf of PMI (the "Cost Allocation Agreement"). To the extent TPG requests PMI to provide TPG with TPG information pursuant to the Cost Allocation Agreement, Provider shall, at PMI's sole cost and expense, use commercially reasonable efforts to provide such information to the extent reasonably necessary for PMI to

comply with such request. To the extent Provider does not provide PMI with the TPG information requested by PMI, Provider will, at PMI's sole cost and expense, provide TPG access to such information, subject to the terms and conditions of this Agreement.

ARTICLE 6

INTELLECTUAL PROPERTY MATTERS

6.1 Trademark License. As of the Effective Date, PMI hereby grants to Provider and the Provider Personnel a non-exclusive, worldwide, non-transferable, royalty-free, irrevocable right and license during the Term and any Transition Period to use the PMI Marks for the sole purpose of providing the Services pursuant to this Agreement. Provider shall not use the PMI Marks for any other purpose, and Provider shall not have the right to sublicense to third parties without PMI's prior written consent, which consent shall not be unreasonably delay or withheld. Provider shall cease all use of the PMI Marks upon expiration or earlier termination of the Term and any Transition Period. Except for the foregoing license, PMI retains all right, title and interest in and to the PMI Marks. Provider shall comply with all reasonable written guidelines with respect to the usage of the PMI Marks provided in advance by PMI to Provider. PMI shall have the right to monitor the use of the PMI Marks. Provider agrees that the PMI Marks and the goodwill associated with them are and shall remain the sole property of PMI and its licensors, and Provider agrees not to contest the ownership of the PMI Marks. Provider's use of the PMI Marks inures solely to the benefit of PMI and its licensors. Provider shall not seek registration in any jurisdiction of, or assert any common law right to use, PMI Marks for any reason. Provider shall execute any and all necessary or appropriate documents to confirm ownership by PMI in the PMI Marks.

6.2 NPI License. PMI hereby grants to Provider and the Provider Personnel a non-exclusive, worldwide, non-transferable, royalty-free, right and license (without the right to sublicense) during the Term and any Transition Period to copy, use and otherwise process PMI NPI for the sole purpose of performing the Services. Except for the foregoing license and right, PMI retains all right, title and interest in and to the PMI NPI, as between the Parties. Provider and PMI acknowledge and agree that PMI NPI shall be considered as Confidential Information of both Provider and PMI, and shall not be disclosed to or shared by a Party with any "Non-Affiliated Third Party" (as defined under GLB) without the prior written consent of the other Party, except as expressly authorized by this Agreement or as otherwise permitted by Law, including the regulations implementing GLB. Provider shall be entitled to retain the PMI NPI after the Term as and to the extent needed to perform Provider's obligations to PMI hereunder, and shall thereafter, at PMI's request, cause and certify the return or destruction of the PMI NPI. Notwithstanding the foregoing, (i) Provider may retain archival copies of PMI NPI in accordance with its record retention policies and procedures (a) with respect to backup media for which selective deletion of files or data is not feasible and (b) to enable it to comply with its professional standards requirements and substantiate its work in the event of a dispute, and (ii) Provider shall have the right to retain, access, copy, use and otherwise process data derived from the PMI NPI that is in an anonymized or aggregated form such that it neither identifies nor, when combined with publicly available information, may be used to identify an individual.

6.3 PMI Data. Provider and its Affiliates shall have the world-wide, royalty-free, perpetual right to copy, distribute, augment, modify and otherwise use the PMI Data (other than PMI NPI, which is addressed in Section 6.2) during and after the Term, in furtherance of the business activities of Provider and its Affiliates, without any obligation to compensate PMI.

6.4 PMI Materials License. PMI hereby grants to Provider and the Provider Personnel a non-exclusive, worldwide, royalty-free, right and license during the Term and any Transition Period to access, use, execute, reproduce, display, perform, modify and distribute the PMI Materials for the sole purpose of providing the Services.

6.5 Designated Applications License. Provider hereby grants to PMI a limited, non-exclusive, worldwide, non-transferable, royalty-free right and license, under Provider's rights in the Designated Applications, without the right to grant sublicenses, to remotely access and use the Designated Applications during the Term as operated by Provider, for the sole purpose of, and solely to the extent necessary for, receiving the Services, accessing PMI Data and performing the Excluded Services for the Run-Off, but not for any other purpose. Except for the foregoing license, Provider retains all right, title and interest in and to the Designated Applications and Platform, as between the Parties.

6.6 PMI Database License. Provider grants to PMI during the Term and thereafter for the duration of the Post-Term Run-Off a non-exclusive, worldwide, non-transferable, royalty-free right and license under Provider's rights in the PMI Database to use the PMI Database, for the limited purpose to access, copy, augment, extract therefrom PMI Data in connection with its management of the Post Term Run-Off.

6.7 Certain Restrictions. PMI shall not, and shall not permit any of the PMI Personnel to, make copies, and shall not have any right to receive copies, of any third party Software or, except as expressly set forth in Section 7.4 upon the occurrence of the Release Condition, Designated Applications. PMI shall not, and shall not permit any of the PMI Personnel to, remove any copyright or confidentiality notices from or recompile, decompile, disassemble, reverse engineer, or make or distribute any other form of, or any derivative work from, Provider's or its Affiliates' hardware or Software.

6.8 Service Materials License. From time to time during the Term, Provider shall provide to PMI document templates, manuals, protocols and other materials that are to be used by PMI in connection with the Run-Off (collectively, the "Service Materials"). Provider hereby grants to PMI a non-exclusive, worldwide, non-transferable, royalty-free, right and license, under Provider's rights in the Service Materials, without the right to grant sublicenses, during the Term and thereafter until the completion of the Run-Off, to use the Service Materials owned by Provider and/or its Affiliates that are provided to PMI in connection with the Services for the sole purpose of the Run-Off, but not for any other purpose. Subject to the foregoing license, Provider retains all right, title and interest in and to the Service Materials.

6.9 Ownership of Intellectual Property. Each Party shall be the sole owner of all Intellectual Property Rights owned by it as of the Effective Date (after giving effect to the transactions contemplated by the Purchase Agreement) or developed by it during the Term or any

Transition Period; provided, however, that as between the Parties, PMI owns all right to the PMI NPI. Without limiting the foregoing, all Intellectual Property developed or acquired by or for Provider or any of its Affiliates (including any derivative work based upon, modification to, or replacement or improvement to, the Platform, Designated Applications, Services, Source Code, Service Materials, or any portion thereof), whether created or developed by either Party or their representatives alone or jointly with others, shall be owned solely and exclusively by Provider, and PMI shall and hereby does, and shall cause its Affiliates and Personnel to, irrevocably and without further consideration, assign to Provider, upon the creation of any of the foregoing items, all right, title and interest in and to such Intellectual Property (and, to the extent copyrightable, such Intellectual Property shall be deemed to be a work made for hire for the benefit of Provider). PMI shall execute any and all necessary or appropriate documents to confirm ownership by Provider of such Intellectual Property.

6.10 No Implied Licenses. Except for the express licenses granted to PMI in this Agreement, nothing in this Agreement shall be deemed to grant to PMI, by implication, estoppel or otherwise, license rights, ownership rights or any other Intellectual Property rights in any technology, inventions, work processes, hardware, software or any other tangible or intangible assets owned, controlled or licensed by Provider or any of its Affiliates.

ARTICLE 7

SOURCE CODE ESCROW

7.1 Source Code Escrow Agreement. Prior to the execution of this Agreement, PMI entered into the Source Code Escrow Agreement set forth in Exhibit C attached hereto with the Source Code Escrow Holder ("Source Code Escrow Agreement"), with deposit obligations as follows:

(a) As of the execution of this Agreement, PMI caused the Initial Materials to be deposited with the Source Code Escrow Holder. The term "Initial Materials" means the full Source Code for all Software components of the Platform based on the Seller Owned Intellectual Property, as the same shall exist as of such date, together with the identification of any third party products (including without limitation Seller Licensed Intellectual Property) required to be acquired and installed to complete the re-creation of the Platform. PMI represents and warrants that (i) all of the Source Code included in the Initial Materials has been successfully compiled and tested by PMI using test cases that thoroughly address and test the functionality of the Platform and its components that are to be used to provide the Services and (ii) such Source Code has been migrated to and run in the production environment of the Platform as of the Effective Date so that the same version of such Source Code provided to the Source Code Escrow Holder in the Initial Materials is the same as the version running on the Platform provided to Provider pursuant to the Purchase Agreement as of the Effective Date.

(b) Within fifteen (15) days after the close of each 12-month period starting on the Effective Date during the Term or within six (6) months after Provider puts into production a new major release of the Designated Applications, Provider shall deposit

with the Source Code Escrow Holder such additional Source Code for any patches, releases or other components of the Designated Applications developed and owned by Provider as the same are required to re-create the individual functional units of the Designated Applications as the last major release of the Designated Applications put into production on or before the last day of such 12-month or 6-month period, as applicable.

PMI shall pay and be solely responsible for all fees and charges of the Source Code Escrow Holder under the Source Code Escrow Agreement.

7.2 Verification Procedure. In connection with the Source Code Escrow Agreement, the Parties shall establish protocols for verifying that the materials deposited with the Source Code Escrow Holder ("Escrow Materials") will compile and run in the Staging Environment, including without limitation, the following procedures:

(a) Provider shall maintain a testing environment ("Staging Environment") as the same is used by Provider for the purpose of testing software releases before promotion into production, loaded with such operational data (but from which NPI has been replaced with fictitious entries) and such third party Software as is required to test the individual operation of all IT components of the Platform. PMI represents and warrants that the Purchased Assets include a Staging Environment meeting the requirements of this Section.

(b) Once each year, at a time mutually agreed by the Parties, Provider shall cause a copy to be delivered back to Provider, at PMI's expense, of such Escrow Materials as are required to compile, build and install in the Staging Environment each of the functional units that have been revised since the previous annual test ("Updated Components").

(c) Within ten (10) Business Days after its receipt of the Escrow Materials for the Updated Components, PMI shall meet with Provider and Provider then shall demonstrate to PMI how the Escrow Materials are used to create and install a fully functional version of each such Updated Component in the Staging Environment.

(d) Provider shall then conduct such functional unit tests as are agreed by the Parties to demonstrate that the Updated Components (i) pass such unit tests, and (ii) are substantially identical to the versions of such Updated Components that are installed and running in the production environment operated by Provider for the purpose of providing the Services to PMI (collectively, "Escrow Tests").

(e) Any demonstration pursuant to these procedures shall be reported on completion to PMI in writing, provided that, at PMI's election, a PMI employee or other member of the PMI Personnel (other than a Provider Competitor) may observe such demonstrations and tests personally.

(f) In the event that the Escrow Materials either do not compile and build or are not substantially identical to the production version, Provider shall take steps to assure

that a copy deposited in the Source Code Escrow that does compile and build and substantially identically is installed and tested within thirty (30) calendar days after the failure to compile or run properly.

(g) If Provider does not provide for the Escrow Materials to satisfy the Escrow Tests on or before the expiration of the thirty (30) day period referred to above, Provider, shall have the right to give ninety (90) days notice to Provider to satisfy the deposit and testing requirements set forth above. If PMI provides such notice and Provider fails to satisfy the Escrow Tests within such ninety (90) day period and such failure is not otherwise excused hereunder, PMI may at any time during the 180-day period thereafter (but before Provider satisfies the Escrow Tests), declare a Provider Event of Default without further notice or opportunity to cure.

7.3 Release Condition. PMI may request that the Escrow Materials be released to PMI upon PMI's termination of this Agreement pursuant to Section 11.2 (except under Section 11.2(b)) (the "Release Condition").

7.4 Escrow Materials License. Effective upon release to PMI of the Escrow Materials, PMI shall have a non-exclusive, worldwide, non-transferable, royalty-free, limited license (without the right to sublicense, except as expressly provided otherwise in this Section 7.4 solely as required for the Post-Term Run-Off), until the completion of the Post-Term Run-Off, to use, execute, copy, modify, and make (solely for maintenance and support purposes) derivative works based upon the Escrow Materials solely to operate and maintain the Designated Applications, as applicable, for the Post-Term Run-Off, but not for any other purpose, subject to the same restrictions on use and disclosure as are contained herein with respect to Provider's Confidential Information, it being understood that PMI shall be responsible for obtaining, at PMI's sole cost and expense, any and all Required Consents and equipment, systems, software and other resources to exercise the foregoing license. Provider shall retain all right, title and interest in and to the Escrow Materials, including any modifications or derivative works thereof and all Intellectual Property inherent therein or related thereto (regardless of whether developed or created by or for PMI or Provider or any other Person), and PMI shall and hereby does, and shall causes its Personnel to, without further consideration, irrevocably assign to Provider any right, title or interest that any of them may have therein or thereto. Upon Provider's request, to be made not more frequently than once every six (6) months, and at Provider's expense for the costs of delivery and reasonably incurred costs for duplicating the same, PMI shall deliver to Provider a copy of all modifications to and derivative works based upon the Escrow Materials, together with all associated Source Code. Notwithstanding the prohibition on sublicensing set forth above in this Section 7.4, PMI may sublicense to a third party service provider solely on behalf of, and solely for the benefit of, PMI to the extent necessary for PMI to perform services required for the Post-Term Run-Off, provided that (i) such third party service provider is not a Provider Competitor, (ii) PMI requires such third party service provider to maintain the confidentiality of and acknowledge Provider's ownership of the Escrow Materials and does not impede Provider from enforcing Provider's rights in or ownership of the Escrow Materials, (iii) PMI shall be liable for any failure of such third party service provider to maintain such confidentiality, (iv) such sublicense does not purport to grant any rights beyond the scope of license granted to PMI in this Section 7.4, and (v) PMI provides to Provider a copy, and makes Provider a third party beneficiary, of any agreement

pursuant to which any of the Escrow Materials are disclosed to such third party service provider. PMI shall be solely responsible for installing and testing such Source Code in a computing environment supplied by PMI.

ARTICLE 8

CONFIDENTIALITY

8.1 Maintenance of Confidentiality. Except with the prior written consent of Discloser, Recipient will hold in confidence and keep confidential all Confidential Information of Discloser using at least the same means (including both facility physical security and electronic security) to avoid unauthorized publication, disclosure or dissemination of such Confidential Information as it uses with respect to its own confidential information of a similar nature, but in no event less than reasonable care. Recipient may use such Confidential Information only as necessary to perform its obligations under this Agreement or (in the case of PMI) only as necessary for the Run-Off (the "Purpose").

8.2 Limitations on Disclosure. Except with the prior written consent of Discloser, Recipient may disclose Confidential Information of Discloser only (i) to those of its Personnel, and the Personnel of its Affiliates, who have a need to know such Confidential Information to effectuate the Purpose and are bound by reasonable obligations of confidentiality, (ii) in a regulatory or securities law filing if required to be included therein under applicable Law or governmental orders or, subject to Section 8.3, in response to any summons, subpoena or other legal process or formal or informal investigative demand or regulatory request issued by a Governmental Entity to such Party or its representatives in the course of any litigation, investigation, inquiry or administrative proceeding, (iii) to enforce its rights under this Agreement, or (iv) with the prior written consent of PMI (in the case of disclosure by Provider) or Provider (in the case of disclosure by PMI). Recipient shall be responsible for its Personnel's compliance with the performance of the provisions of this Article 8.

8.3 Permitted Disclosure. Recipient shall not be in breach hereof if it discloses Confidential Information of Discloser pursuant to a judicial or governmental order or as required by applicable Law, provided that: (i) any such disclosure is made only to the extent so ordered or required, in Recipient's reasonable opinion; (ii) to the extent permissible under applicable Law, Recipient shall timely notify Discloser of the disclosure requirement prior to disclosure, so that Discloser may, at Discloser's expense, seek a protective order or confidential treatment, or take other appropriate measures to protect its interests, in which event Recipient will cooperate in such effort; and (iii) if timely notice cannot be given, Recipient shall, at Discloser's expense, seek to obtain a protective order or confidential treatment from the court or government for such information. In addition, PMI shall not be in breach hereof if it discloses Confidential Information of Provider to the Court, or to a creditor in PMI's receivership proceeding, provided that (i) such disclosure is reasonably necessary in order for the Receiver to fulfill a duty or obligation to or imposed by the Court (including under the Receivership Order), (ii) the scope of such disclosure is reasonable in relation to such duty or obligation, and (iii) such information is reasonably related to the performance of the Services, the fees and other liabilities of PMI hereunder, or the administration, servicing or disposition of the Retained Policies.

8.4 Exceptions. Information will not be or will cease being (as the case may be) Confidential Information of Discloser: (i) if it is already in the possession of Recipient or its Representatives on a non-confidential basis prior to its being furnished to Recipient or its Representatives pursuant hereto, provided that the source of such information was not reasonably known by Recipient or its Representatives to be bound by a confidentiality agreement with, or other contractual, legal or fiduciary obligation to, Discloser or any other party with respect to such information (provided that, in the case where PMI is the Recipient, the foregoing shall not apply to any materials, data or information comprising or relating to Purchased Assets (as defined in the Purchase Agreement) or Business Confidential Information (within the meaning of the Purchase Agreement and the CMG Stock Purchase Agreement (as defined in the Purchase Agreement)); (ii) from and after the date it is generally publicly known, or becomes such prior to any disclosure by Recipient, other than as a result of unauthorized disclosure by Recipient or its Representatives in violation of this Agreement or the Purchase Agreement; (iii) from and after the date it is or becomes available to Recipient or its Representatives on a non-confidential basis from a third party source provided that such source is not reasonably known by Recipient or its Representatives to be bound by a confidentiality agreement with or other contractual, legal or fiduciary obligation of confidentiality to Discloser or any other party with respect to such information; or (iv) if it can be demonstrated as independently developed by Recipient without the use of, reference or access to, or reliance upon any Confidential Information.

8.5 Unauthorized Disclosure or Use. Recipient shall promptly notify Discloser if Recipient becomes aware of any disclosure or use in violation of this Agreement of any Confidential Information of Discloser that is in the possession of Recipient, its Affiliates or the Personnel of either of them. Recipient shall use commercially reasonable efforts to cooperate with Discloser to minimize the effects of any such disclosure or use.

8.6 Limitation. The obligations of this Article 8 will apply after the Effective Date to any Confidential Information disclosed to Recipient before or after the Effective Date and will continue and must be maintained for a period: (i) in the case of NPI or Source Code or Purchased Assets, in perpetuity; and (ii) in the case of all other Confidential Information, for a period of ten (10) years after the receipt thereof.

ARTICLE 9

CONTRACT MANAGEMENT AND GOVERNANCE

9.1 Steering Committee. The Parties shall form a services management steering committee (the "Committee") consisting of two (2) members. Each Party shall be permitted to designate a member of the Committee and shall notify the other Party of such designee; provided, however, that each Party's designee shall have reasonable knowledge, skills and experience with respect to the Services to be provided hereunder. Subject to the immediately preceding sentence, either Party may, from time to time, remove or replace its designee on the Committee by notice to the other Party. The Committee shall be responsible for: (a) overseeing the provision of Services pursuant to this Agreement, including review of information on general planning and status of information technology, security and privacy matters related to the Services; and (b) fulfilling any such other roles and responsibilities as the Parties may determine necessary from time to time. The

Committee (together with other advisors, consultants and employees) shall meet and/or otherwise communicate (including via conference call) as frequently as is necessary to carry out these responsibilities, but not less frequently than once per month. The Committee shall develop policies and procedures for formally documenting recommendations of the Committee. The initial Committee members are:

For PMI: Tom Clancy, Senior Vice President, Policy Servicing and Loss Management
For Provider: David Gansberg or his designee

9.2 General Communications Regarding Services. The Parties shall each appoint a person who shall be available to act as the primary contact person with respect to each Service Area (who may be the same individual for multiple Service Areas) who shall receive communications and coordinate responses to questions and concerns on behalf of the respective Parties and their Affiliates with respect to such Service Area (the "Level 1 Contact"). Each Level 1 Contact shall be required to have appropriate knowledge, skills and experience with respect to the applicable Service Area in order to fulfill such person's responsibilities hereunder. In addition, the Parties shall each appoint a person who shall be available to act as the primary contact person with respect to the escalation of communications beyond the Level 1 Contacts as contemplated by Section 9.3 (the "Level 2 Contact"). Each Level 2 Contact shall be required to have appropriate knowledge, skills and experience with respect to the applicable Service Area in order to fulfill such person's responsibilities hereunder (and any such individual may be the designated Level 2 Contact for multiple Service Areas). Subject to the requirements of this Section 9.2, either Party may, from time to time, remove or replace its Level 1 Contact and/or Level 2 Contact with respect to a Service Area by notice to the other Party. To promote efficiency and good communication between the Parties and effective Dispute resolution procedures, the Parties will use reasonable efforts to cause their employees and representatives to coordinate general communications regarding the Services through the appropriate Level 1 Contacts and to escalate issues regarding the Services to the appropriate Level 2 Contacts. Notwithstanding the provisions of this Article 9, in the event of any emergency or other urgent matter relating to any Service, a Party may directly contact any person to resolve the emergency or other matter expeditiously. Each Party hereby designates its initial Level 1 Contacts and initial Level 2 Contacts as set forth in Exhibit D.

9.3 Initial Resolution of Disputes. Except with respect to a dispute regarding a Party's obligations under Article 6 (Intellectual Property Matters) or 8 (Confidentiality), and subject to Section 15.5 (Injunctive Relief), any dispute, controversy, claim or difference of any kind between the Parties arising out of or relating to this Agreement, or the breach thereof, which shall include any challenge or dispute as to the quality of performance or payment for any Service hereunder ("Dispute"), shall attempt to be settled, prior to commencement of litigation, by good faith efforts of the Parties to reach mutual agreement in accordance with this Section 9.3 and Section 9.4. The Level 1 Contacts shall meet as often as reasonably necessary in an effort to resolve Disputes without the necessity of any formal proceeding relating thereto. If the Level 1 Contacts do not resolve a Dispute within five (5) calendar days, then either Party may escalate the Dispute to its Level 2 Contact by sending written notice to the other Party with a summary of the controversy and indication that such Dispute is being escalated to the Level 2 Contacts. If the Level 2 Contacts do not resolve a Dispute within five (5) calendar days, then either Party may escalate the Dispute to

its Senior Executive by sending written notice to the other Party with a summary of the controversy and indication that such Dispute is being escalated to the Senior Executives.

9.4 Escalation. Each Party's Senior Executive shall have the authority to meet and to negotiate in good faith to resolve the Dispute and to settle the Dispute. The discussions shall be left to the discretion of the Parties' representatives who may utilize other alternative dispute resolution procedures such as mediation to assist in the negotiations. If the Senior Executives do not resolve a Dispute within twenty (20) calendar days after the Dispute is escalated to them, then either Party may pursue other remedies, including litigation. Discussions and correspondence among the representatives (including Level 1 Contacts, Level 2 Contacts and Senior Executives) for purposes of the negotiations contemplated by Sections 9.3 and 9.4: (a) shall be treated as Confidential Information developed for purposes of settlement; (b) shall be exempt from discovery and production; and (c) shall not be admissible in any lawsuit pursuant to Rule 408 of the Federal Rules of Evidence. Documents identified in or provided with such communications, which are not prepared for purposes of the negotiations, are not so exempted and may, if otherwise admissible, be admitted in evidence in a lawsuit.

9.5 Performance to Continue. Subject to the other provisions of this Agreement, unless otherwise directed by the other Party, until such time as any Dispute has been finally adjudicated by a court of competent jurisdiction or resolved by agreement of the Parties or this Agreement expires or is terminated in accordance with its terms, Provider and PMI each shall continue to perform their respective obligations, and PMI shall continue to pay all amounts due and payable, under this Agreement.

ARTICLE 10

CHANGE CONTROL

10.1 General. PMI recognizes that Provider has purchased the PMI Platform for purposes of utilizing it on an on-going basis in its business operations, and Provider and its Affiliates will use or provide to third parties services using the same software, hardware, circuits, personnel and other resources as those used to provide the Services or included in the Platform. As such, from time to time it may be necessary for Provider to make changes in such other resources and/or the PMI Platform that impact the functionality and operation of the PMI Platform in order to meet the needs and requirements of Provider. PMI agrees to work in good faith with Provider to accommodate its needs for such changes, consistent with any residual operational needs associated with the Run-Off, and the intent of this Section is to accommodate such competing needs and accommodations.

10.2 Notice of Proposed Changes.

(a) Provider shall give PMI written notice of any Material Change to the PMI Platform or to the manner of providing Services at least thirty (30) days prior to the proposed implementation of that change (or as much advance notice as practicable in the event of emergency or other urgent situation). For the purpose of these provisions, a "Material Change" shall be any change that requires any, some or all of the following: (i) material

retraining of PMI Personnel in the procedures required to use the PMI Platform related to a PMI business process in place as of the date of such notice beyond customary incremental or routine training in the ordinary course of business, (ii) material changes in any desktop or network configuration at PMI facilities, other than routine changes in the ordinary course, and scope of IT Support Services provided by Provider pursuant to this agreement, (iii) a change of the location of the Provider data center providing the IT Services, or (iv) the subcontracting or outsourcing of any significant information technology or communications function provided within the Services, or (v) a change in location of a material number of the Provider Personnel providing Services to a location more than fifty (50) miles distant from the location from which such Services are then provided.

10.3 Technical Change Control.

(a) Provider shall have the right to supplement, modify, substitute or otherwise change the Services and the PMI Platform, including Provider's associated IT infrastructure, systems, applications and technical architecture(s) from time to time based on Provider's business needs, including with respect to Provider's planned maintenance, upgrade and refresh activities, subject to the requirements of Section 10.2 and this Section 10.3. Such changes by Provider shall be performed in a manner that is generally consistent with the manner in which it makes changes with respect to similar services provided or otherwise made available by or for Provider or its Affiliates and with reasonable consultation with PMI to the extent impacting its use and operation of the PMI Platform. Subject to Section 10.3(b) and Section 10.3(c), Provider will consider PMI's good faith comments regarding the impacts of such change upon PMI, as well as any reasonable request of PMI for Provider to supplement, modify, substitute or otherwise alter any of the Services and, to the extent that Provider is not able to reasonably accommodate any such request, Provider will provide to PMI a reasonable explanation for its decision.

(b) Provider shall not make any material change to the core functionality or features of the Designated Applications that is without a reasonable workaround, substitute or replacement and that would result in the loss of or a material reduction in the functionality or features provided by such applications that are then in use by or for PMI and required for PMI to conduct the Run-Off (the "Required Run-Off Features"), without prior written notice to PMI (a "Core Change"). Prior to any Core Change, (i) the Parties will meet to discuss in good faith PMI's concerns (if any) regarding such Core Change and Provider's requirements for making such change, and negotiate in good faith and agree upon an approach for implementing such Core Change in a manner that mitigates in all material respects the adverse impact on the Required Run-Off Features while meeting Provider's requirements, and (ii) in connection with the subsequent implementation of such Core Change as agreed upon by the Parties in good faith, Provider will be solely responsible for (A) all of PMI's actual, reasonable out-of-pocket costs incurred in connection with making such Core Change, and (B) any additional costs and expenses incurred by Provider as a result of making such Core Change. Except as provided in this Section 10.3(b), Provider will have the ultimate authority and discretion to determine whether or not to implement any Core Change. Notwithstanding the foregoing, Provider may make temporary changes required by an

emergency that would otherwise call for consent hereunder but shall, if reasonably practicable, attempt to contact appropriate PMI personnel to provide notice of such changes.

10.4 Contract Change Control.

(a) From time to time during the Term PMI may request changes in or additions to the Services required for its continuation of the Run-Off activities (each such request, a "Change Request"). All Change Requests shall be subject to the procedures set forth in this Section (the "Change Control Procedures").

(b) If PMI desires to propose a change in or addition to the Services or other aspects of this Agreement required for its continuation of the Run-Off activities, it shall deliver a written Change Request to the Provider Steering Committee member describing the proposal. As part of each Change Request, PMI shall include reasonable detail regarding the scope and nature of the request, and other information as may be reasonably requested by Provider.

(c) After receiving a Change Request from PMI, Provider shall evaluate the request and respond to PMI in a reasonable period by preparing and delivering to the PMI Steering Committee member a written document (a "Change Control Document"), indicating: (i) whether Provider can reasonably and feasibly provide the requested change within the timeframe specified in the Change Request; and if not, the timeframe in which it can reasonably and feasibly provide the requested change; (ii) the anticipated effect of the Change Request, if any, on the amounts payable by PMI hereunder and the manner in which such effect was calculated (if then known); (iii) the anticipated effect of the Change Request on the Services to be provided, the manner in which Services are provided, the standards applicable to the Services as set forth in Section 2.2 (if then known); (iv) the anticipated time schedule for implementing the Change Request; and (v) any other material information then-known by Provider that is reasonably requested by PMI in the Change Request and reasonably necessary for PMI to make an informed decision regarding the Change Request.

(d) After receipt of Provider's Change Control Document, the Parties will negotiate in good faith such request, including the negotiation of (i) the increased charges for the then-current Services, (ii) the impact of such request on Provider's ability to perform and PMI's ability to exit the Services, (iii) project implementation and deployment cost estimates, (iv) a project plan and timeline, (v) a project scope document and (vi) a statement of work for such request rejecting such proposal or a written document.

(e) No change in or addition to the Services or any other aspect of this Agreement requested by PMI in a Change Request shall become effective or binding upon the Parties unless and until it has been approved and memorialized in a written statement of work executed by a duly authorized representative of each Party on terms consistent with those set forth in this Agreement. If PMI and Provider elect to agree and accept such statement of work based on a Change Control Document, as evidenced by the written approval of PMI and Provider, any changes in or additions to the Services described therein shall thereafter be deemed "Services," any other changes described in such statement of work shall be deemed to

have amended this Agreement, and such statement of work shall be deemed included within and a part of this Agreement and subject to its terms. For the avoidance of doubt, no estimate set forth in any such statement of work shall be binding upon Provider. Provider shall be entitled to charge PMI, and PMI shall reimburse Provider for, all of the costs and expenses incurred by Provider in connection with evaluating and implementing each Change Request, and shall be entitled to (i) reimbursement of the costs and expenses incurred in connection with each Change Request (including full lifecycle costs) and (ii) an increase in the charges for the Services to reflect any increases in Provider's cost of providing such Services due to a Change Request.

(f) Without limiting the foregoing or either Party's rights under this Agreement, the Parties acknowledge and agree that over the Term the nature of and requirements for the Services may change (including as a result of changes in regulatory or business environments), each Party may propose adjustments or changes to the Services to accommodate such change, and in the event of such a proposal, the Parties will negotiate such adjustments in good faith.

ARTICLE 11

TERM & TERMINATION

11.1 Term. The initial term of this Agreement shall commence on the Effective Date and, unless earlier terminated in accordance with its terms, shall continue thereafter until December 31, 2018 (the "Initial Term"). Upon the expiration of the Initial Term, at the option of PMI, this Agreement may be renewed for up to one additional period of two (2) years (the "Two-Year Renewal Term"). Upon the expiration of the Two-Year Renewal Term, at the option of PMI, this Agreement may be renewed for up to four (4) additional consecutive periods of one (1) year (the Two Year Renewal Term and each such one (1) year period, a "Renewal Term"). PMI may exercise its option to renew this Agreement by giving notice to Provider not later than one (1) year prior to the end of the Initial Term or the applicable Renewal Term. If (i) PMI opts not to renew this Agreement for the Two-Year Renewal Term, and (ii) this Agreement terminates on December 31, 2018 pursuant to the first sentence of this Section 11.1, then PMI shall pay Provider Seven Hundred Fifty Thousand Dollars ($750,000) within thirty (30) days after such date. Notwithstanding the foregoing, Provider shall have no obligation to provide the following Services ("Non-Core Services") after the expiration of the two (2) year period commencing upon the Effective Date, or such other period as may be mutually agreed upon in writing by the Parties: (i) "Core Technology Management Services" (as referenced in Appendix G); and (ii) "Payroll Services, Human Resources, Administrative Services" (as referenced in Appendix W).

11.2 Termination by PMI. PMI may terminate this Agreement by written notice to Provider upon the occurrence of any of the following (each, a "Provider Event of Default"):

(a) Provider's unexcused material breach of this Agreement and failure to cure such breach within ninety (90) days after written notice of the breach from PMI;

(b) After the expiration of the six (6) month period following the Effective Date, the occurrence of a Service Level Termination Event, as defined in Exhibit A;

(c) An unexcused failure by Provider to comply with the deposit and verification provisions of Section 7.2(g) (to the extent termination is permitted in Section 7.2(g));

(d) Either of the Provider Parties enters into a supervisory agreement with any Government Entity or enters into receivership; any petition is filed or Action is commenced with respect to either Provider Party under any provision or chapter of the United States Bankruptcy Code or any other similar federal or state law relating to insolvency, bankruptcy, rehabilitation, liquidation or reorganization either of the Provider Parties makes a general assignment for the benefit of its creditors; an Order for relief is entered against either of the Provider Parties under any state law relating to insolvency, bankruptcy, rehabilitation, liquidation or reorganization; or either of the Provider Parties becomes subject to an Order appointing a custodian, trustee or receiver for such Provider Party or all or any material portion of its assets or authorizing the taking of possession of the assets of such Provider Party;

(e) All of Provider's affiliated U.S. mortgage insurers either (i) elect to cease offering mortgage insurance policies or certificates; or (ii) are prohibited for a period of not less than ninety (90) consecutive days from continuing to offer mortgage insurance policies or certificates by the insurance department of its state of domicile.

Notwithstanding the foregoing, PMI may not terminate this Agreement under Section 11.2(a), 11.2(b) or 11.2(c) unless the matter has first been escalated to the Senior Executives pursuant to Sections 9.4 and 9.4 and such matter has not been resolved within the time frame specified in Section 9.4.

11.3 Termination by Provider. Provider may terminate this Agreement by written notice to PMI upon the occurrence of any of the following:

(a) PMI's failure to pay any invoice when due and PMI's failure to cure such non-payment within fifteen (15) Business Days after notice thereof by Provider (it being understood that PMI's deposit of disputed amounts in escrow in accordance with and pursuant to Section 4.4(d) shall not be deemed a failure to pay for purposes of this Section 11.3(a)); or

(b) Any material breach (other than as described in clause (a) above or clause (d) below) by PMI of this Agreement, and failure to cure such breach within ninety (90) days after written notice of the breach from Provider;

(c) The Receiver ceases to maintain possession and control of PMI;

(d) PMI breaches Section 3.1(c).

Notwithstanding the foregoing, Provider may not terminate this Agreement under Section 11.3(b) unless the matter has first been escalated to the Senior Executives pursuant to Sections 9.3 and 9.4

and such matter has not been resolved within the time frame specified for such escalation in Section 9.4. In the event of any termination by Provider, Provider shall make available to PMI a copy of all PMI Data that is in electronic form in Provider's possession or control in a Non-Proprietary Format or in the format then maintained by Provider. Nothing herein shall release Provider from the obligation described elsewhere in this Agreement to maintain records, or for PMI to reimburse Provider for the costs of maintaining such records, after the termination or expiration of this Agreement, whether arising directly or from a Litigation Hold.

11.4 Transition Services Remedy. Upon termination by PMI by reason of a Provider Event of Default, Provider may cease providing the Services. Upon termination by PMI by reason of a Provider Event of Default, (a) PMI may request the Source Code Escrow Holder to release to PMI the Escrow Materials and PMI will have the license specified in Section 7.4; (b) Provider will at no cost to PMI provide PMI and its consultants and advisors with Continued Access (as defined below) to the Designated Applications and all PMI Data in Provider's possession or control for up to one (1) year, solely for the purpose of transitioning the Run-Off to a new hardware platform and/or service provider; (c) Provider will at no additional cost to PMI deliver to PMI a complete copy of all PMI Data that is in electronic form in Provider's possession or control in a Non-Proprietary Format or in the format then-maintained by Provider; and (d) Provider will at no additional cost to PMI reasonably cooperate with PMI and its consultants and advisors for up to one (1) year solely for the purpose of transitioning the Run-Off to a new hardware platform and/or service provider; and (e) except in the case of a termination by PMI under Section 11.2(e), Provider will reimburse PMI for its reasonable out of pocket, third party costs actually incurred in effecting the transition from Provider (it being understood that any amounts paid or payable by Provider under this clause (e) shall be considered and counted as liabilities subject to the liability cap set forth in Section 12.8(b)); provided, however, that Provider's obligations pursuant to this Section 11.4 are contingent upon PMI (i) obtaining all Required Consents for such activities, and (ii) paying to Provider all outstanding undisputed amounts payable hereunder as of the date of such termination. Any internal costs reasonably incurred by Provider pursuant to clauses (a), (b), (c) and (d) of this Section 11.4 shall be considered and counted as liabilities subject to the liability cap set forth in Section 12.8(b), up to a maximum of Two Million Dollars ($2,000,000) of such costs. "Continued Access" means and is limited to such access as is necessary for PMI to use the Designated Applications (other than email services, internet access, print services and telephony systems) to process insurance transactions during its transition to a new service provider and to facilitate such transition, and excludes provision of any of the Services. To the extent that PMI would like Provider to continue to provide any of the Services after termination for up to one year, PMI shall request such Services in writing from Provider not less than sixty (60) days prior to the otherwise effective date of termination, and Provider shall continue to provide such Services for the fees provided for in this Agreement and all other terms and conditions of this Agreement shall continue to apply to the provision of such Services.

11.5 Effect of Termination.

(a) Expiration or termination of this Agreement shall not act as a waiver of any breach of this Agreement and shall not act as a release of either Party for any liability or obligation incurred under this Agreement through the effective date of such expiration or termination, including with respect to any Fees or expenses that accrued on or before the effective date of such expiration or termination.

(b) Any provision of this Agreement that contemplates performance or observance subsequent to any termination or expiration of this Agreement shall survive any termination or expiration of this Agreement and continue in full force and effect, including the following: Articles 4 (Fees), 6 (Intellectual Property Matters), 8 (Confidentiality), 11 (Term & Termination), 12 (Indemnification, Limitations on Liability & Insurance), 13 (Certain Employee Matters), 14 (Provider Parent Guaranty) 15 (Warranty Disclaimers), and 16 (Miscellaneous).

ARTICLE 12

INDEMNIFICATION, LIMITATIONS ON LIABILITY & INSURANCE

12.1 Indemnification of PMI. The Provider shall indemnify, defend and hold harmless each PMI Indemnified Party from and against any Qualifying Losses incurred by such PMI Indemnified Party due to a Third Party Claim to the extent arising out of or relating to the gross negligence or willful misconduct of Provider in providing the Services pursuant to this Agreement; provided, however, that to the extent and in the proportion Losses arise out of or relate to the performance (or failure to perform) by PMI of its obligations under this Agreement, or any act or failure to act of any PMI Indemnified Party, then Provider's indemnity under this Section 12.1 shall not apply.

12.2 Indemnification of Provider. Without limiting Provider's liability to PMI as provided (and limited) under this Agreement, PMI shall indemnify, defend and hold harmless each Provider Indemnified Party from and against any Qualifying Losses incurred by such Provider Indemnified Party due to a Third Party Claim arising out of or relating to this Agreement, including the performance (or failure to perform) by Provider of its obligations under this Agreement and including all Losses that arise out of or are due to Provider following PMI's claims and other insurance administration policies, guidelines and procedures or other instructions or directions; provided, however, that to the extent and in the proportion Losses arise out of or relate to the gross negligence or willful misconduct of Provider, then PMI's indemnity under this Section 12.2 shall not apply.

12.3 Notice of Third Party Claims; Assumption of Defense.

(a) If a claim or Action by a Person who is not a Party or an Affiliate thereof (a "Third Party Claim") is made or brought against any PMI Indemnified Party or Provider Indemnified Party (an "Indemnified Party") and such Indemnified Party intends to seek indemnification under this Agreement with respect to such claim or Action, such Indemnified Party shall give notice as promptly as is reasonably practicable, and in no event

later than ten (10) Business Days, after receiving notice thereof, to the Party obligated to provide such indemnification under this Agreement (the "Indemnifying Party"). Such notice shall specify the provision of this Agreement pursuant to which indemnity is sought, the facts alleged to constitute the basis for such claim, the identity of the Persons bringing such claim or Action, the representations, warranties, covenants or agreements or provision of Law or contract alleged to have been breached, as applicable, and the amount (or, to the extent not then determinable, the Indemnified Party's good faith estimate thereof) that the Indemnified Party intends to seek from the Indemnifying Party hereunder. The failure to promptly give such notification will not affect the indemnification provided hereunder except to the extent the Indemnifying Party's defense or other rights available to it is actually prejudiced as a result of such failure, and then only to the extent of such prejudice.

(b) The Indemnifying Party shall have the sole power, at its option, to assume the conduct and control of the settlement or defense of any Third Party Claim for which indemnification may be sought, at its own expense through counsel of its own choosing (which counsel shall be reasonably acceptable to the Indemnified Party), by giving written notice thereof to the Indemnified Party; provided, however, that the Indemnifying Party must notify the Indemnified Party of its election to assume such conduct and control within thirty (30) days following the Indemnifying Party's receipt of notice of such Third Party Claim; provided, further, that the Indemnifying Party shall thereafter consult with the Indemnified Party upon the Indemnified Party's reasonable request for such consultation from time to time with respect to such Third Party Claim. If the Indemnifying Party assumes the conduct and control of such settlement or defense, the Indemnified Party shall cooperate with the Indemnifying Party in connection therewith, and the Indemnified Party shall have the right (but not the obligation) to participate in (but not control) such settlement or defense and to employ counsel, at its own cost and expense, separate from the counsel employed by the Indemnifying Party; provided, however, that, if the Indemnified Party shall have reasonably concluded that joint representation presents a material conflict of interest because of the availability of different or additional defenses to such Indemnified Party or other facts and the conflict of interest cannot be resolved to the reasonable satisfaction of the Indemnified Party by the consent of the Indemnifying Party and the Indemnified Party to the joint representation, then such Indemnified Party shall have the right to select separate counsel, reasonably satisfactory to the Indemnifying Party, to participate in the defense of such action on its behalf, and the reasonable fees and expenses of the Indemnified Party's counsel shall be at the expense of the Indemnifying Party, subject to the limitations in this Agreement. The assumption of the conduct and control of such settlement or defense shall not be deemed to be an admission or assumption of liability by the Indemnifying Party. So long as the Indemnifying Party is using commercially reasonable efforts to contest any such Third Party Claim in good faith, the Indemnified Party shall not pay or settle any such claim. If the Indemnifying Party elects not to assume the conduct and control of the settlement or defense of such Third Party Claim, then, subject to Section 12.4 below, the Indemnified Party shall have the right to pay or settle such claim.

(c) Notwithstanding anything in this Agreement to the contrary, whether or not the Indemnifying Party shall have assumed the conduct or control of the defense or settlement of a Third Party Claim, no Indemnified Party shall admit any liability with respect

to, or settle, compromise or discharge, any Third Party Claim without the prior written consent of the Indemnifying Party (which shall not be unreasonably withheld, conditioned or delayed). If the Indemnifying Party does not notify the Indemnified Party within thirty (30) days after the receipt of the Indemnified Party's notice of claim pursuant to Section 12.3(a) that it elects to assume the conduct or control of the defense or settlement thereof, the Indemnified Party shall have the right to contest, settle or compromise the claim and shall not thereby waive any right to indemnity therefor pursuant to this Agreement. The Party who assumes the defense of any Third Party Claim pursuant to Section 12.3(b), Section 12.3(c) or Section 12.3(d) is referred to herein as the "Controlling Party" and the other Party with respect to any such Third Party Claim is referred to herein as the "Non-Controlling Party".

(d) Anything to the contrary herein notwithstanding, if a Third Party Claim is a criminal claim (a "Criminal Third Party Claim"), the subject of such Criminal Third Party Claim may elect to assume the defense of such claim. If a PMI Indemnified Party and a Provider Indemnified Party are each subjects of such Criminal Third Party Claim, each such Party may elect to defend the claims against it, no Party shall be deemed to be the Controlling Party and no Party shall have the right to make any settlement, compromise or offer to settle or compromise such Criminal Third Party Claim as it relates to the other Party.

(e) Other than with respect to Criminal Third Party Claims, any Non-Controlling Party may become the Controlling Party with respect to any Third Party Claim either (i) if the other Party fails to assume the conduct and control of the defense such Third Party within the time period contemplated by Section 12.2(b) or fails to conduct such defense in a commercially reasonable manner, which failure remains uncured ten (10) Business Days following notice by the Non-Controlling Party thereof, or (ii) by releasing the initial Controlling Party from any and all indemnification obligations under this Agreement with respect to such Third Party Claim; provided, however, that if a Third Party Claim alleges wrongdoing by the Controlling Party or its Affiliates or involves other reputational matters relating to the Controlling Party or its Affiliates, the Non-Controlling Party may only become the Controlling Party with the consent of the initial Controlling Party, which consent shall not be unreasonably withheld.

(f) The Parties shall reasonably cooperate in the defense or prosecution of any Third Party Claim in respect of which indemnity may be sought hereunder and each Party (or a duly authorized representative of such Party) shall (and shall cause its Affiliates to) furnish such records, information and testimony, and attend such conferences, discovery proceedings, hearings, trials and appeals, as may be reasonably requested in connection therewith.

12.4 Settlement or Compromise. The Controlling Party with respect to any Third Party Claim shall have the right to make any settlement, compromise, judgment or offer to settle or compromise such Third Party Claim with the prior written consent of the Non-Controlling Party (which shall not be unreasonably withheld), binding upon such Non-Controlling Party in the same manner as if a final judgment or decree had been entered by a court of competent jurisdiction in the amount of such settlement or compromise; provided, however, that such written consent of the Non-Controlling Party shall not be required in the event (i) such settlement, compromise,

judgment or offer to settle or compromise such Third Party Claim does not (A) involve any finding or admission of any violation of Law or admission of any wrongdoing by the Non-Controlling Party or (B) materially encumber any of the assets of any Non-Controlling Party or adversely affect in any material respect the post-Closing operation of the business of the Non-Controlling Party or its Affiliates in any manner, and (ii) the Controlling Party shall (A) pay or cause to be paid all amounts required to be paid by it under the indemnification provisions of this Agreement arising out of such settlement or judgment upon the effectiveness of such settlement or judgment, and (B) obtain, as a condition of any settlement, compromise, judgment or offer to settle or compromise, or other resolution, an appropriate release of each Non-Controlling Party from any and all corresponding liabilities in respect of such Third Party Claim or the applicable portion thereof.

12.5 Net Losses; Subrogation; Mitigation; No Set-Off.

(a) Notwithstanding anything contained herein to the contrary, the amount of any Qualifying Losses incurred or suffered by an Indemnified Party shall be calculated after giving effect to (i) any insurance proceeds received by the Indemnified Party (or any of its Affiliates) with respect to such Losses, (ii) any recoveries actually obtained by the Indemnified Party (or any of its Affiliates) from any other third party in respect of such Qualifying Loss and (iii) any tax benefits actually received with respect to Qualifying Losses in the year such Qualifying Losses arose. If any such proceeds or recoveries are received by an Indemnified Party (or any of its Affiliates) with respect to any Qualifying Losses after an Indemnifying Party has made a payment to the Indemnified Party with respect thereto, the Indemnified Party (or such Affiliate) shall pay to the Indemnifying Party the amount of such proceeds or recoveries (up to the amount of the Indemnifying Party's payment). No Indemnified Party will be entitled to recover from an Indemnifying Party more than once in respect of the same Qualifying Losses.

(b) In the event any payment is made in respect of Qualifying Losses, the Indemnifying Party who made such payment will be subrogated to the extent of such payment to any related rights of recovery of the Indemnified Party receiving such payment against any third party. Such Indemnified Party (and its Affiliates) and Indemnifying Party shall execute upon request all instruments reasonably necessary to evidence or further perfect such subrogation rights. If any Indemnified Party recovers, under insurance policies or from other collateral sources, any amount in respect of a matter for which the Indemnifying Party made a payment pursuant to the indemnification provisions of this Agreement, such Indemnified Party shall promptly pay over to the Indemnifying Party the amount so recovered (after deducting therefrom the amount of the expenses incurred by such Indemnified Party in procuring such recovery), but not in excess of the sum of (i) any amount previously so paid by the Indemnifying Party to or on behalf of such Indemnified Party in respect of such matter and (ii) any amount expended by the Indemnifying Party in pursuing or defending any claim arising out of such matter.

(c) Neither the Provider nor PMI shall have any right to set off any indemnification claim pursuant to this Agreement against any payment due pursuant to this Agreement.

(d) To the extent reasonably requested by PMI, the Provider shall cause the applicable Provider Indemnified Party to use commercially reasonable efforts to mitigate any Qualifying Losses for which any Provider Indemnified Party seeks indemnification pursuant to this Agreement, which mitigation may include pursuing recoveries against third parties or insurance proceeds, in each case, to the extent commercially reasonable and reasonably requested by PMI. PMI shall reimburse the Provider Indemnified Parties for all costs and expenses incurred by any of them in complying with this Section 12.5(d); provided, however, that the Provider may not seek reimbursement for any increased insurance premiums unless the Provider previously disclosed to PMI the potential and the reasonably anticipated magnitude of such increase prior to taking the requested mitigation. Upon receipt of such notification, PMI may rescind its mitigation request. Anything to the contrary notwithstanding, in no event shall any breach or purported breach by the Provider of this Section 12.5(d) obviate, reduce or limit PMI's obligation to indemnify, defend and hold harmless the Provider Indemnified Parties for any Qualifying Loss incurred by any Provider Indemnified Party, subject to and in accordance with the terms and conditions of this Agreement. PMI's sole recourse for any breach by the Provider of this Section 12.5(d) shall be to assert a claim for indemnification in accordance with this Agreement for any Qualifying Losses suffered by PMI as a result thereof.

12.6 Insurance.

(a) Provider and PMI will each maintain in full force and effect during the Term (and for two (2) years thereafter if written on a claims made basis), with a reputable insurer rated A- or better by A.M. Best, insurance of the type and in amounts that are customary for the performance of such Party's obligations hereunder, including: (a) workers' compensation covering its employees throughout the term of this Agreement to the extent required by applicable Law; (b) employment practices liability insurance covering the hiring and dismissal of such Party's employees; (c) commercial general liability insurance on a per-occurrence-basis; (d) automotive liability insurance; (e) commercial crime insurance coverage for theft (including by computer and funds transfer fraud); (f) errors and omissions liability insurance; and (g) umbrella insurance in commercially reasonable amounts in excess to and independent from the insurance described above.

(b) Each indemnified Party shall be named as an additional insured on the commercial general liability, automotive liability and umbrella polices of the indemnifying Party as appropriate to cover the express indemnification obligations hereunder. Any deductible or similar obligation under such insurances policies shall be the sole responsibility of the providing Party. The insurance required by this Section shall be primary insurance and any other valid and collectible insurance existing for the indemnified Party's benefit shall be excess of such primary insurance and shall not contribute with it. Each policy shall be endorsed to state that coverage shall not be suspended, voided or canceled, or reduced in coverage or limits, except after thirty (30) days' prior written notice to the indemnified Party. To the extent commercially available, Provider shall include its subcontractors as insureds under such policies or require them to comply with the requirements of this Section. Promptly following the Effective Date, and annually thereafter, each Party shall provide the other with certificates of insurance evidencing compliance with

this Section, signed by authorized representatives of the respective insurers. The obligation of each Party to provide the insurance specified herein shall not limit such Party's indemnification or other obligations set forth elsewhere in this Agreement.

12.7 Receivership Assets; Administrative Expenses. Notwithstanding any other provision of this Agreement and without limiting PMI's obligations hereunder or Provider's rights to payments, all payments to be made by PMI pursuant to this Agreement, in respect of Fees, indemnification obligations or otherwise, shall be made solely from the Receivership Assets, as defined in the Order for Appointment of Receiver and Injunction filed March 14, 2012 in Maricopa County, Arizona Superior Court, Case No. CV2011-018944. PMI acknowledges and agrees that, notwithstanding any other provisions of applicable Law, Fees and other and amounts due to Provider under this Agreement constitute costs and expenses in connection with administration of the current delinquency proceedings against PMI within the meaning of A.R.S. Section 20-269.A.11.

12.8 Limitations of Liability. Notwithstanding any other provision of this Agreement, the Parties agree that, to the maximum extent permitted by applicable Law:

(a) Neither Provider, nor any other Provider Indemnified Party, shall have any liability under this Agreement to PMI, or any other PMI Indemnified Party, whether in contract, tort (including negligence) or otherwise, for or in connection with this Agreement, the Services performed or to be performed for PMI pursuant to this Agreement, Provider's systems (including the Platform), or any Provider Indemnified Party's actions or inactions in connection therewith (collectively, "Provider's Actions or Inactions"), except if and to the extent that PMI or any other PMI Indemnified Party suffers a loss that results from a Provider Indemnified Party's gross negligence or willful misconduct in connection with this Agreement, any such Services, or Provider's Actions or Inactions, and even then, subject to the limitations set forth in Section 12.8(b), provided, however, that nothing in this Section 12.8(a) shall limit (i) PMI's right to terminate this Agreement pursuant to Section 11.2, (ii) PMI's rights or remedies under Section 11.4, or (iii) Provider's indemnification obligation under Section 13.3;

(b) Subject to Section 12.8(f), the total aggregate liability of the Provider Indemnified Parties under or in connection with this Agreement or any of Provider's Actions or Inactions, regardless of the form of the action or the theory of the recovery, whether in contract, tort (including negligence) or otherwise, will not exceed, in the aggregate, the lesser of (i) Ten Million Dollars ($10,000,000) or (ii) the aggregate Fees paid to Provider under this Agreement for the six (6) month period immediately prior to the first occurrence of the event giving rise to such claim.

(c) Provider and PMI each agree to, and shall use reasonable best efforts to cause the Provider Indemnified Parties and PMI Indemnified Parties, respectively, to use commercially reasonable efforts to mitigate and otherwise minimize its and their respective losses, whether direct or indirect, due to, resulting from or arising in connection with any failure by a Provider Indemnified Party or PMI Indemnified Party, as applicable, to perform fully any obligations under, and to comply with, this Agreement.

(d) Any claim by PMI with respect to any Service will be deemed waived if not made in writing to Provider before the day that is one hundred eighty (180) days after the date upon which the Service giving rise to such claim was terminated or otherwise ceased to be provided hereunder; provided, however that the foregoing shall not apply with respect to claims by PMI for indemnification under Section 12.1 or Section 13.3.

(e) The limitations and disclaimers of Provider's liability in Articles 12 and 14 shall apply to all Provider Indemnified Parties.

(f) NO PROVIDER INDEMNIFIED PARTY SHALL BE LIABLE TO OR OTHERWISE RESPONSIBLE TO PMI OR ANY OTHER PMI INDEMNIFIED PARTY FOR EXEMPLARY, CONSEQUENTIAL, INDIRECT, SPECIAL, INCIDENTAL, TREBLE OR PUNITIVE DAMAGES OR FOR DAMAGES BASED ON LOST PROFITS, LOST SALES, LOST SAVINGS, BUSINESS INTERRUPTION OR LOST BUSINESS THAT ARISE OUT OF OR RELATE TO THIS AGREEMENT OR THE PERFORMANCE (OR FAILURE TO PERFORM) HEREUNDER, REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE OR A PROVIDER INDEMNIFIED PARTY HAD BEEN APPRISED OF THE LIKELIHOOD THEREOF; PROVIDED THAT THE FOREGOING SHALL NOT APPLY WITH RESPECT TO SUCH DAMAGES TO THE EXTENT RECOVERED BY THIRD PARTIES IN CONNECTION WITH CLAIMS THAT ARE THE SUBJECT OF INDEMNIFICATION UNDER SECTION 12.1 OR SECTION 13.3.

ARTICLE 13

CERTAIN EMPLOYEE MATTERS

13.1 Independent Contractor. Nothing in this Agreement is intended to, or shall be construed to, create a partnership, agency, joint venture or employment relationship between PMI and Provider or between either Party and the other Party's Personnel. Each Party is and shall perform its respective obligations under this Agreement as an independent contractor and, as such, shall have and maintain complete control over all its Personnel and its own operations. Provider may receive direction from PMI as to the end results to be accomplished, but Provider shall have sole control over the manner and means of accomplishing the work to be performed. Except as expressly set forth in this Agreement or agreed in writing by a Party, neither Party nor any Personnel of such Party shall be authorized to make any representation, contract or commitment on behalf of the other Party.

13.2 No Entitlement to Benefits. All employees other than PMI Personnel involved in the performance of the Services shall be employees of Provider (or its affiliate or third party contractor) exclusively. No Provider Personnel shall be eligible for or receive any compensation or benefits that may accrue to PMI employees, including health and welfare benefits, retirement benefits, stock option or equity benefits, workers compensation benefits, or vacation and sick leave or other paid time off benefits applicable to the period following the Effective Date. Provider expressly waives any claim it may have or acquire to such compensation or benefits. Provider accepts exclusive liability for the payment or withholding of all such Taxes or

contributions that are measured by the wages, salaries or other remuneration paid to Provider Personnel (including, but not limited to federal, state and local income and employment Taxes) applicable to the period following the Effective Date, and to reimburse and indemnify PMI for such Taxes or contributions or penalties which PMI may be compelled to pay, and to reimburse PMI for any reasonable attorneys' fees PMI may be forced to pay in defending any such claim by any Person. Provider also agrees to comply with all valid administrative regulations respecting the assumption of liability for such Taxes and contributions. In addition, Provider accepts exclusive liability for any leaves of absence or health or welfare benefits required by federal or state law with respect to the Provider Personnel applicable to the period following the Effective Date.

13.3 Joint Employer. Provider shall indemnify, defend and hold harmless each PMI Indemnified Party from and against any Qualifying Losses incurred by such PMI Indemnified Party in connection with any claim or Action (A) asserted by any Provider Personnel applicable to the period after the Effective Date (or, if earlier, the date on which such Personnel become Provider Personnel), unless such claim or Action relates exclusively to Excluded Liabilities described in Section 2.3(b) of the Purchase Agreement, or (B) asserted by any Provider Personnel or Governmental Entity applicable to the period after the Effective Date alleging that PMI is an employer or joint employer, except in each of (A) or (B) (i) to the extent that such claims or Actions that are alleged to be the result of the fault of PMI or PMI Personnel, and (ii) in the event that such claims or Actions that are alleged to be the joint fault of PMI and/or PMI Personnel, on the one hand, and any other party, on the other, PMI shall be responsible for its proportionate share of such fault based on the principles of comparative fault. For purposes of the foregoing, PMI Personnel shall not include any Provider Personnel as to whom PMI is (as of the relevant time) alleged or deemed to be a joint employer, and the fault of PMI or PMI Personnel shall not include any fault imputed to or alleged to be imputed to PMI or PMI Personnel on the grounds that PMI is (as of the relevant time) a joint employer of such Provider Personnel. Sections 12.3 through 12.5 shall apply to claims for indemnification under this Section 13.3. For the avoidance of doubt, nothing in Section 13.2 or this Section 13.3 is intended to make Provider liable for any Excluded Liabilities.

ARTICLE 14

PROVIDER PARENT GUARANTY

14.1 Guaranty. The Provider Parent hereby absolutely, irrevocably and unconditionally guarantees to PMI, as principal obligor and not merely as surety, the due and punctual payment of each of the Provider's payment obligations under this Agreement, and the Provider Parent shall immediately pay all such obligations upon written demand made at any time by PMI from and after the date such payment obligations are due and payable by the Provider but remain unpaid. The foregoing obligation of the Provider Parent constitutes a continuing guaranty of payment and not of collection and is and shall be absolute and unconditional under any and all circumstances except as set forth in this Agreement, including without limitation circumstances which might otherwise constitute a legal or equitable discharge of a surety or guarantor. Except as set forth in this Agreement, the obligation of the Provider Parent hereunder shall not be discharged, impaired, delayed or otherwise affected by the failure of PMI to assert any claim or demand against the Provider Parent or to enforce or pursue any remedy hereunder. The Provider Parent agrees that its

guarantee under this section shall continue to be effective or be reinstated, as the case may be, if at any time any payment, or any part thereof, of any amounts by or on behalf of the Provider under this Agreement is rescinded or must otherwise be restored upon the insolvency, bankruptcy or reorganization of the Provider or otherwise. The Provider Parent agrees to pay on demand all expenses of PMI (including the reasonable fees and expenses of its counsel) for the protection or enforcement of the rights of PMI against the Provider Parent under this section, except to the extent that a court of competent jurisdiction determines such enforcement to have been invalid.

ARTICLE 15

DISCLAIMER OF WARRANTIES

15.1 Basic PMI Warranty. PMI warrants and represents that (i) PMI has all necessary rights and authority to grant the rights and licenses granted hereunder and to provide to Provider the PMI Materials that PMI provides to Provider in connection with this Agreement, and (ii) such materials, and the use thereof by Provider to provide the Services, and the provision of the Services to PMI or to an Affiliate of PMI (including the use of or access to the Platform) does not and shall not infringe or misappropriate the Intellectual Property rights of any third party.

15.2 Disclaimer. Except as expressly set forth in Section 2.2, subject to Article 12, PMI (on behalf of itself and its Affiliates) acknowledges and agrees that the Services, Provider Systems, Service Materials, Designated Applications and Platform are provided as is and as available, that PMI (on behalf of itself and its Affiliates) assumes all risks and liabilities arising from or relating to its use of and reliance thereupon, and that Provider (on behalf of itself and its Affiliates) makes no representation or warranty with respect thereto. EXCEPT AS EXPRESSLY SET FORTH IN SECTION 2.2, PROVIDER (ON BEHALF OF ITSELF AND ITS AFFILIATES) HEREBY EXPRESSLY DISCLAIMS ALL REPRESENTATIONS, WARRANTIES AND CONDITIONS REGARDING THE SERVICES, THE PROVIDER SYSTEMS AND DESIGNATED APPLICATIONS, WHETHER EXPRESS OR IMPLIED OR STATUTORY, INCLUDING ANY REPRESENTATION OR WARRANTY IN REGARD TO QUALITY, SECURITY, RELIABILITY, PERFORMANCE, NONINFRINGEMENT, COMMERCIAL UTILITY, MERCHANTABILITY OR FITNESS OF THE SERVICES FOR A PARTICULAR PURPOSE, AVAILABILITY OR ERROR-FREE OPERATION OR SOFTWARE DEFECTS. PMI and its Affiliates shall be solely responsible for their compliance with applicable Law, and nothing in this Agreement shall be construed as a representation or warranty by Provider that any Service or other items provided in connection therewith complies with or is sufficient to satisfy any of PMI's obligations under any applicable Law.

ARTICLE 16

MISCELLANEOUS

16.1 Public Announcements. PMI and the Provider shall cooperate with each other in the development and distribution of all news releases and other public disclosures with respect to this Agreement, and except as may be otherwise required by law, neither PMI nor Provider shall issue any news release or other public announcement or communication with respect to this

Agreement unless such news release or other public announcement or communication has been mutually agreed upon by PMI and the Provider; provided, however, that the Party drafting such news release or other public announcement or communication shall in good faith provide, to the extent possible, to the other Party reasonable advance notice and reasonable time to review and comment upon a draft of such news release or other public announcement or communication.

16.2 Notices; Certain Consents. All notices, consents, waivers and deliveries ("Notices") under this Agreement must be in writing and will be deemed to have been duly given when (i) delivered by hand (against receipt), (ii) sent by facsimile or electronic mail (with written confirmation of receipt), (iii) when received by the addressee, if sent by a nationally recognized overnight delivery service (receipt requested) or (iv) five (5) days after being sent registered or certified mail, return receipt requested, in each case to the appropriate addresses and facsimile numbers set forth below (or to such other addresses and facsimile numbers as a Party may hereafter designate by similar Notice to the other Parties):

If to the Receiver or PMI:

Special Deputy Receiver of PMI
300 West Osborn Road, Suite 500
Phoenix, AZ 85013
Attention: Truitte D. Todd
Telephone: 602-277-4943
Fax: 602-277-7404

with copies to:

PMI Mortgage Insurance Co.
3003 Oak Road
Walnut Creek, CA 94597
Attention: General Counsel
Telephone: 925-658-6212
Fax: 925-658-6175

and

Hennelly & Steadman PLC
Goldsworthy House
322 West Roosevelt
Phoenix, AZ 85003
Attention: Joseph M. Hennelly, Jr.
Telephone: 602-230-7000
Fax: 602-230-7707

and

Arnold & Porter LLP
399 Park Avenue

New York, NY 10022
Attention: Robert C. Azarow
Telephone: 212-715-1336
Fax: 212-715-1399

If to either of the Provider Parties:

Arch Capital Group (U.S.) Inc..
300 Plaza Three, Third Floor
Jersey City, NJ 07311
Attention: General Counsel
Telephone 201-743-4000
Fax: 914-872-3613

with a copy to:

Mayer Brown LLP
1675 Broadway
New York, NY 10019
Attention: Kenneth R. Pierce
Reb D. Wheeler
Telephone: 212- 506-2500
Fax: 212-262-1910

16.3 Disputes; Jurisdiction; Venue. Subject to the procedures set forth in Article 9, any Dispute relating to this Agreement shall be brought exclusively in the Court. By execution and delivery of this Agreement, with respect to such disputes, each of the Parties knowingly, voluntarily and irrevocably: (a) consents to the exclusive jurisdiction of the Court; (b) consents to the commencement of Actions for the Court to hear the dispute without regard to time limits or prohibitions against the commencement of actions against the Receiver or PMI that are specified in the Receivership Order or other orders, except for "Order Re Petition No. 2 Governing the Administration of the Receivership" or modifications thereto, entered by the Court in Cause Number CV 2011—018944; and (c) waives any immunity or objection, including any objection to personal jurisdiction or the laying of venue or based on the grounds of *forum non conveniens*, which it may have from or to the bringing of the dispute in such jurisdiction, or, any immunity, defense or objection concerning the authority of PMI to enter into or perform this Agreement. Neither Party may bring any dispute in the Court to enforce this Agreement unless the matter has first been escalated to the Senior Executives pursuant to Sections 9.3 and 9.4 and such matter has not been resolved within the time frame specified in Section 9.4.

16.4 No Implied Waiver. No delay in exercising, failure to exercise, or course of dealing with respect to any right, power, remedy or privilege under this Agreement, or provided by statute or at law or in equity or otherwise, shall impair, prejudice or constitute a waiver of such right, power, remedy or privilege, nor shall any single or partial exercise of any such right, power, remedy or privilege preclude any other or further exercise thereof, or the exercise of any other

right, power, remedy or privilege. The remedies in this Agreement are cumulative and are not exclusive of any other remedies provided at law, in equity or otherwise.

16.5 Specific Performance. The Parties agree that irreparable damage could occur in the event that the provisions contained in this Agreement were not performed in accordance with its specific terms or were otherwise breached. It is accordingly agreed that the Parties shall be entitled to seek an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof in any court of the United States or any state having jurisdiction, this being in addition to any other remedy to which they are entitled at law or in equity.

16.6 Amendments and Waivers. No amendment or waiver of any provision of this Agreement shall be valid unless in writing and signed by the Party to be charged with such amendment or waiver. No waiver by any Party of any default, misrepresentation or breach of warranty or covenant hereunder, whether intentional or not, shall be deemed to extend to any prior or subsequent default, misrepresentation or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence.

16.7 Entire Agreement. This Agreement supersedes all prior agreements among the parties with respect to its subject matter and constitutes (together with the other Transaction Documents) a complete and exclusive statement of the terms of the agreement between the parties with respect to its subject matter. The appendices, exhibits and schedules identified in and attached to this Agreement are incorporated herein by reference and shall be deemed as fully a part hereof as if set forth herein in full. In the event of any inconsistency between the statements in the body of this Agreement and those in the appendices, exhibits and schedules, the statements in the body of this Agreement will control.

16.8 Assignments, Successors and No Third-Party Rights. Neither Party may assign any of its rights or obligations under this Agreement without the prior consent of the other Parties except that the Provider may, without PMI's consent, assign any of its rights under this Agreement to any Affiliate of the Provider, provided, that any such assignment shall not relieve the Provider of its duties and obligations hereunder. Subject to the preceding sentence, this Agreement will apply to, be binding in all respects upon and inure to the benefit of the successors and permitted assigns of the Parties. Nothing expressed or referred to in this Agreement will be construed to give any Person other than the Parties any legal or equitable right, remedy or claim under or with respect to this Agreement or any provision of this Agreement.

16.9 Severability. The determination of any court that any provision of this Agreement is invalid or unenforceable shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity of the offending term or provision in any other situation or in any other jurisdiction. Upon such a determination, the parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

16.10 Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF ARIZONA, WITHOUT REGARD TO RULES GOVERNING CONFLICT OF LAWS THEREIN.

16.11 Counterparts; Facsimile. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute one and the same instrument. Original signatures hereto may be delivered by facsimile or .pdf which shall be deemed originals.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement as of the date first written above.

The RECEIVER FOR PMI MORTGAGE INSURANCE CO. IN REHABILITATION, on behalf of PMI Mortgage Insurance Co.

By: _____
Name:
Title:

ARCH U.S. MI SERVICES INC.

By: _____
Name:
Title:

ARCH CAPITAL GROUP (U.S.) INC.

By: _____
Name:
Title:

PMI – PROVIDER SERVICES AGREEMENT – APPENDICES A - X

Appendices A through X are being submitted under separate cover as Confidential Supplements to the Form A.

EXHIBITS A-I

Exhibits A through I are being submitted under separate cover as Confidential Supplements to the Form A.

EXHIBIT C

QUOTA SHARE REINSURANCE AGREEMENT

by and among

THE RECEIVER OF PMI MORTGAGE INSURANCE CO. IN REHABILITATION,

on behalf of

PMI MORTGAGE INSURANCE CO.

and

ARCH REINSURANCE LTD.

TABLE OF CONTENTS

EXHIBITS AND SCHEDULES

PMI MORTGAGE INSURANCE CO. IN REHABILITATION

QUOTA SHARE REINSURANCE AGREEMENT

THIS QUOTA SHARE REINSURANCE AGREEMENT (this "Agreement"), dated [Closing Date], is made and entered into by and among THE RECEIVER OF PMI MORTGAGE INSURANCE CO. IN REHABILITATION (the "Receiver") on behalf of PMI MORTGAGE INSURANCE Co., an Arizona domiciled insurance company (the "Company"), and ARCH REINSURANCE LTD., a Bermuda domiciled insurance company (the "Reinsurer"). The Company and the Reinsurer are sometimes referred to herein individually as a "Party" and collectively as the "Parties."

WHEREAS, on March 14, 2012, the Arizona Superior Court, Maricopa County, in Case Number CV 2011—018944 (the "Receivership Court"), entered an Order for Appointment of Receiver and Injunction (the "Receivership Order") appointing the Arizona Director of Insurance as Receiver of the Company and directing her to rehabilitate the Company;

WHEREAS, effective as of the date hereof ('the "Closing Date"), (a) the Company is selling certain of its business assets and its shares of PMI Mortgage Assurance Co. pursuant to an Asset Purchase Agreement (the "Asset Purchase Agreement") between the Receiver, on behalf of the Company, Arch U.S. MI Services Inc., and Arch Capital Group (US) Inc. (solely for the purposes expressly set forth therein), and (b) the Company and CMFG Life Insurance Company ("CUNA Mutual") are selling the shares of CMG Mortgage Insurance Company and CMG Mortgage Reinsurance Company pursuant to a Stock Purchase Agreement (the "CMG Stock Purchase Agreement") between the Receiver, on behalf of the Company, CUNA Mutual, CMG Mortgage Insurance Company (solely for the purposes expressly set forth therein), Arch U.S. MI Holdings Inc., and Arch Capital Group (US) Inc. (solely for the purposes expressly set forth therein);

WHEREAS, also on the Closing Date, the Company and Arch U.S. MI Services Inc. (the "Reinsurer's Affiliate") are entering into a services agreement (the "Services Agreement"), pursuant to which the Reinsurer's Affiliate will provide services to the Company for the runoff of the Company's legacy insurance portfolio including the Policies reinsured hereunder;

WHEREAS, the Company desires to cede to the Reinsurer, and the Reinsurer desires to reinsure, all premiums and losses arising from the Policies (as defined herein) from and after the Effective Date, subject to the terms and conditions of this Agreement including, but not limited to, the Limit of Liability pursuant to Article II.

NOW, THEREFORE, in consideration of the premises and the mutual representations, covenants and agreements hereinafter set forth, the adequacy and sufficiency of which are hereby acknowledged, the Parties hereto hereby agree as follows:

ARTICLE I

BUSINESS REINSURED

Section 1.01 Business Reinsured. The reinsurance provided hereunder applies to residential lenders mortgage guaranty insurance policies or certificates, including any endorsements, supplements and riders thereto, (1) issued by the Company with an insurance effective date on or after January 1, 2009 until and including December 31, 2011, (2) insuring Loans that were not in default on the Effective Date, and (3) underwritten in accordance with the

Company's written underwriting guidelines in effect at the time the risk was underwritten and (4) not reinsured, as of the Effective Date, by a lender owned or controlled captive reinsurance company (the "Policies"). For purposes of this reinsurance, a Loan shall be considered to be in default on the Effective Date if it was or should have been designated on the Company's books and records on the Closing Date as delinquent as of the Effective Date based on two or more consecutively missed payments, provided that at least the first missed payment occurred on or prior to the Effective Date. A master policy authorizing insurance of individual Loans under separate policies or certificates shall not be considered a Policy, but the individual policies or certificates issued pursuant thereto shall be considered Policies. Any insurance policy or certificate that qualifies as a Policy shall not cease to be a Policy due to a subsequent Loan modification on or after the Effective Date approved or accepted by the Company. An insurance policy or certificate covering a Loan modified prior to the Effective Date will be a covered Policy only if the Reinsurer consented to such modification prior to the Closing Date. The Company hereby warrants and represents that it shall not undertake any efforts, directly or indirectly, to cause the commutation or other termination of any or a group of the Policies on or prior to their natural expiration or termination pursuant to the terms of the Policies.

Section 1.02 Schedule of Policies Included in Business Reinsured. On [●], 2013, the Company has prepared and delivered to the Reinsurer a CD-ROM or other agreed electronic media containing a listing of all Policies as defined herein. If any Party discovers a Policy that was incorrectly included or not included on this list, it shall promptly notify the other. The Parties will cooperate with each other in determining whether any such Policy constitutes Business Reinsured under Section 1.01. If the Parties are unable to reach agreement within 60 days after the notification of the error, they shall engage the services of an accountant or attorney employed by a nationally recognized accounting or law firm and having at least ten (10) years of experience with mortgage insurance or reinsurance and/or mortgage banking, who shall make a determination based on a written submission by each of the Parties. The determination of the accountant or attorney shall be final, conclusive and binding upon the Parties. The cost of the accountant or attorney shall be borne equally by the Company and the Reinsurer. Each of the Company and Reinsurer shall provide the accountant or attorney with such information and documents it may reasonably request for the purpose of evaluating the submissions of the Parties. The Parties shall treat the Policy which was incorrectly included or excluded as if it had been excluded or included, as the case may be, on and from the Effective Date, and the Parties shall adjust the payment at the next monthly settlement pursuant to Section 9.02 as if the Policy had been included or excluded on the list on and from the Effective Date.

ARTICLE II

COVERAGE AND LIMIT OF LIABILITY

Section 2.01 Coverage. Subject to the terms of this Agreement, the Company shall cede to the Reinsurer, and the Reinsurer shall accept and reinsure, on an indemnity reinsurance basis, a 100% quota share percentage participation in the Business Reinsured subject to the Limit of Liability.

Section 2.02 Limit of Liability. The Reinsurer's aggregate limit of liability for Loss under this Agreement shall be equal to 75% of the total Ceded Premium (as defined in Section 6.02 below) received by the Reinsurer (the "Limit of Liability"). For the avoidance of doubt, it is understood and agreed that additional Ceded Premium during successive reporting periods shall increase the Limit of Liability hereunder and the Company shall, with respect to each

successive reporting period, be entitled to reimbursement for unreimbursed Loss from that reporting period and all prior reporting periods up to the increased Limit of Liability.

ARTICLE III

TERM AND TERMINATION

Section 3.01 Term**.** The term (the "Term") of this Agreement will commence on the Closing Date and shall continue in force until the date that is the earliest of (a) the date of expiration of all liability hereunder, (b) a date mutually agreed upon in writing by the Parties, and (c) termination pursuant to Section 3.02.

Section 3.02 Termination. The Company may, at its option, terminate this Agreement immediately upon written notice to the Reinsurer if the Reinsurer has failed to make any deposit, payment or delivery of a letter of credit, as the case may be, in the full amount of the Reinsurer's Obligations as required under Article XVII and such failure has not been cured 30 days after delivery of notice of such failure by the Company to the Reinsurer. Upon termination, the Reinsurer shall return the unearned portion of any premiums paid hereunder and shall transfer, convey and assign back to the Company all of the Company's right, title and interest in Net Written Premium transferred to the Reinsurer under Section 6.02. Upon completion of such return, transfer, conveyance and assignment of such amounts, the Reinsurer shall have no further obligation for Losses for defaults under Loans which occur after the effective date of termination; provided, however, that the Reinsurer shall remain liable, and this Agreement shall remain in full force and effect, with respect to all Loss arising from defaults which occurred prior to such date.

ARTICLE IV

TERRITORY

The territorial scope of this Agreement will follow that of the Policies.

ARTICLE V

DEFINITIONS

Section 5.01 The following definitions will apply to this Agreement:

(a) "Affiliate" means, with respect to any person, any other person who directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such person and, without limiting the generality of the foregoing, includes any executive officer or director of such person, and the term "controls" (including the terms "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such person, whether through ownership of voting securities, by contract or otherwise.

(b) "Business Reinsured" means the reinsured Policies described in Article I.

(c) "Confidential Information" of a Party means any non-public information relating to, or provided by such Party or its Affiliates, customers, vendors, or other business associates disclosed in connection with this Agreement, or other related discussions,

information and disclosures that are provided or disclosed to Recipient on or after the date of this Agreement, either directly or indirectly, in any form whatsoever or in or by any medium whatsoever.

(d) "Discloser" means a Party that discloses Confidential Information of such Party.

(e) "Effective Date" means July 1, 2012.

(f) "Extra Contractual Obligations" means any liability arising out of or in connection with the Business Reinsured (whether in relation to claims handling, loss mitigation, arrears management or otherwise) imposed on the Company including, without limitation, any settlement, judgment or award against the Company for any amount that is not within the terms or conditions of a covered Policy (including in excess of policy limits) in favor of an insured lender or in favor of any other claimant.

(g) "Governmental Entity" means any federal, state, local, municipal, foreign or other governmental or quasi-governmental authority, including without limitation any administrative, executive, judicial, legislative, regulatory or taxing authority of any nature of any jurisdiction (including without limitation, any governmental agency, branch, department, official or entity and any court or other tribunal), any state insurance supervisory department or officials having jurisdiction over any part of the Business Reinsured, the Federal Housing Finance Agency, the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation.

(h) "Gross Written Premium" means the original gross premium written with respect to the Policies.

(i) "Loans" mean loans secured by a mortgage, deed of trust or other instrument that constitutes a first lien or first legal charge on residential properties located in the United States (including the District of Columbia, Puerto Rico and the other territories and possessions of the United States).

(j) "Loss" means the sum paid or payable for any claim by the Company in settlement of losses for which it is liable under and in accordance with the terms of the Policies, after making deductions for all recoveries, salvages, and/or subrogations which are actually recovered plus 100% of any Post-Closing Date ECO. For the avoidance of doubt, Loss shall not include, and the Reinsurer shall not be liable for, any Extra Contractual Obligations other than Post-Closing Date ECO.

(k) "Net Written Premium" means the Gross Written Premium less any applicable return premium for cancellations, rescissions and reductions.

(l) "Post-Closing Date ECO" means Extra Contractual Obligations arising out of claims handling, loss mitigation or other arrears management performed after the Closing Date in respect of the Business Reinsured, but not including any liability arising out of any act or omission of the Company, the Receiver or any of their respective directors, officers, employees, agents or contractors (but not including the Reinsurer or Reinsurer's Affiliate or any agent or contractor engaged by either of them).

(m) "Recipient" means a Party that receives Confidential Information of Discloser.

ARTICLE VI

REINSURANCE PREMIUM

Section 6.01 Initial Premium. As initial consideration for the reinsurance provided hereunder, on or before the Closing Date, the Company will transfer to the Reinsurer an amount equal to: (i) 100% of the unearned premium reserve held by the Company as of the Effective Date attributable to all of the Policies; plus (ii) 100% of Net Written Premium received by the Company between the Effective Date and the Closing Date in respect of the period on and after the Effective Date unless already included in the unearned premiums reserve paid in (i) (the "Initial Premium"). For the avoidance of doubt, the calculation Net Written Premium in item (ii) above shall include a reduction for all return premiums for cancellations, rescissions and reductions attributable to the Policies paid by the Company during the period between the Effective Date and the Closing Date with respect to unearned premiums on and after the Effective Date; provided, for the further avoidance of doubt, that there shall be no reduction from Net Written Premium for any premiums with respect to cancellations, rescissions or reductions unless the Company actually makes a payment of the return premiums with respect thereto.

Section 6.02 Future Premium. The Reinsurer shall be entitled to premium hereon equal to 100% of Net Written Premium received by the Company during the Term in respect of the period commencing on the Effective Date unless already included in the unearned premiums reserve paid in Section 6.01 (i) (together with the Initial Premium, "Ceded Premium") . The Company hereby transfers, conveys and assigns to the Reinsurer all of its right, title and interest in all Net Written Premium collected on and after the Closing Date, and the Parties agree that all such amounts shall be transferred in accordance with Section 9.04. It is understood and agreed that (a) the Reinsurer will bear the risk of uncollected premium solely to the extent that the failure to collect is a direct result of any act or omission of the Reinsurer or the Reinsurer's Affiliate and (b) the Reinsurer shall not be entitled to premium not collected by the Company due to lender or servicer fraud.

Section 6.03 Priority Status of Reinsurance Premiums. The Company and the Receiver acknowledge and agree that the payment of reinsurance premiums and any other amounts due to the Reinsurer under this Agreement shall be accorded first priority distribution rights for claims against the Company under Section 20-629(A)(1) of the Arizona Insurance Code as costs and expenses of administration incurred in the ongoing and any future delinquency proceedings against the Company notwithstanding any other provisions of the applicable laws and regulations.

ARTICLE VII

CEDING COMMISSION

Section 7.01 Fixed Ceding Commission. The Reinsurer shall pay the Company a fixed ceding commission of ninety million U.S. dollars ($90,000,000). The fixed ceding commission shall become due and shall be paid simultaneously with the payment of the Initial Premium.

Section 7.02 Variable Ceding Commission. The Reinsurer shall pay the Company a variable ceding commission equal to ten and one-half percent (10.5%) of all Ceded Premiums.

The variable ceding commission shall become due and shall be paid to the Company simultaneously with the Company's payment of Ceded Premiums to the Reinsurer. For the avoidance of doubt, the Variable Ceding Commission due with respect to the Initial Premium (the "Initial Variable Ceding Commission") shall be offset against the Initial Premium, such that only the net amount shall be paid on the Closing Date.

ARTICLE VIII

LOSS

Section 8.01 Initial Loss Payment. Concurrent with the Company's payment to the Reinsurer of the Initial Premium as set forth in Section 6.01, the Reinsurer shall indemnify the Company for any Losses payments made by the Company between the Effective Date and the Closing Date ("Initial Loss Payment"). For the avoidance of doubt, this Initial Loss Payment shall be offset against the Initial Premium, such that only the net amount shall be paid on the Closing Date.

Section 8.02 Future Loss. On and after the Closing Date, the Reinsurer shall promptly reimburse the Company, in accordance with Section 9.04, for all Loss paid or payable by the Company in respect of the Business Reinsured subject to the Limit of Liability.

ARTICLE IX

REPORTS AND REMITTANCES

Section 9.01 Quarterly Reports. Within 45 calendar days following the end of each calendar quarter, the Company shall provide the Reinsurer an electronic report that sets forth a loan by loan data file in respect of the Policies, substantially in the form attached as Exhibit A (each, a "Loan Report") or as otherwise agreed by the Parties, containing the following, as of the end of such calendar quarter:

(a) Loan attributes, original loan balance, LTV, coverage amount;

(b) Gross Written Premium cumulative from the Effective Date;

(c) Unearned premium reserves;

(d) Delinquency status and date of delinquency;

(e) Paid Losses; and

(f) such additional information as the Reinsurer may reasonably request.

Section 9.02 Monthly Reports. Within 45 calendar days following the end of each calendar month, the Company shall provide the Reinsurer a report substantially in the form attached as Exhibit B or as otherwise agreed by the Parties (each, a "Monthly Report"), containing the following, as of the end of such calendar month:

(a) Cumulative Gross and Net Written Premium collected;

(b) Cumulative Paid Losses;

(c) Contingency Reserves;

(d) Loss Reserves; and

(e) Ceding Commissions.

Section 9.03 Initial Reports. The Company has supplied the Reinsurer with (1) a Loan Report and a Monthly Report, both as of the Effective Date, and (2) an estimated Loan Report and Monthly Report, both as of the Closing Date (the "Closing Date Report"). The Closing Date Report also includes an estimate of the Initial Premium and Initial Loss Payment.

Section 9.04 Settlements. All amounts due to be paid to the Company or the Reinsurer under this Agreement shall be determined on a net basis, giving full effect to Article XIX, and shall be settled in cash. Subject to Sections 16.03 and 16.04, the amounts due as shown on the Closing Date Report and the initial ceding commission pursuant to Section 7.01 shall be paid by the Reinsurer to the Company, or by the Company to the Reinsurer, as applicable, on the Closing Date and each net amount as shown on a Monthly Report as being due with respect to each calendar month ending after the Closing Date and any other amount becoming due under this Agreement during said calendar month shall be paid by the Reinsurer to the Company, or by the Company to the Reinsurer, as applicable, in each case taking into account any Net Written Premium received and held by the Reinsurer for such period under Section 6.02, no later than 15 calendar days following the delivery of the Monthly Report.

ARTICLE X

FOLLOW THE FORTUNES; POLICY ADMINISTRATION

Section 10.01 Loss Adjustment and Settlement. Subject to Section 10.02 below, the Company will have the right and the obligation to adjust, settle or compromise all claims under the Policies and all Loss settlements made by the Company shall be binding upon the Reinsurer; provided they are within the terms of the Policies (as interpreted reasonably and in good faith by the Company). The Reinsurer shall have the right to associate with the Company, at the Reinsurer's expense, in claims coverage decisions made by the Company and the handling of any disputes arising out of the Business Reinsured.

Section 10.02 Services Agreement. On the Closing Date, the Company will delegate servicing of the Business Reinsured to the Reinsurer's Affiliate pursuant to the Services Agreement. All loss settlements made by the Reinsurer's Affiliate and all expenses paid pursuant to the Services Agreement shall be binding upon the Reinsurer hereunder. The Reinsurer's Affiliate shall be responsible under the terms and conditions of the Services Agreement for billing and collecting all premiums, fees and other amounts payable with respect to each Policy. The risk of loss, theft or destruction of premiums with respect to the Policies shall be borne solely by the Reinsurer, except with respect to such premiums that come into the possession of the Company's officers or employees until such time as such amounts are received by the Reinsurer or the Reinsurer's Affiliate. The Reinsurer shall cause the Reinsurer's Affiliate to provide such periodic reports to the Company and the Reinsurer as are required to be provided by the Company under this Agreement and will make all payments on the Company's behalf called for in such reports, and the Reinsurer shall have no claim for a breach by the Company of its reporting obligations hereunder, nor shall it dispute any report prepared by the Reinsurer's Affiliate, unless the Company caused the Reinsurer's Affiliate to change a report or gave instructions to the Reinsurer's Affiliate that resulted in the error. Should the

Services Agreement terminate for any reason during the Term of this Agreement, the Company shall consult with the Reinsurer regarding the delegation of the servicing of the Business Reinsured following the termination of the Services Agreement and shall not assign or delegate such servicing without the Reinsurer's prior written consent, which consent shall not be unreasonably withheld.

Section 10.03 Follow the Fortunes. With respect to the Business Reinsured, the Reinsurer's liability will attach simultaneously with that of the Company, and all cessions to the Reinsurer by virtue of this Agreement will be subject in all respects to the same risks, terms, conditions, interpretations, assessments, waivers, modifications, alterations and cancellations as the respective insurance of the Company to which the cessions relate, the true intent of this Agreement being that the Reinsurer will, in every case to which this Agreement applies and in the proportions specified herein, follow the fortunes of the Company in respect of risk the Company has accepted under the Policies.

ARTICLE XI

SALVAGE AND SUBROGATION

Unless the Company and the Reinsurer agree to the contrary, and subject to Section 10.02, the Company will use commercially reasonable efforts to recover, and pursue its right to salvage and/or subrogation in accordance with its standard practices in effect as of the Closing Date and shall do so without regard to whether the Reinsurer will indemnify the Company in relation thereto. The Reinsurer will be credited with salvage and/or subrogation in respect of claims and settlements under this Agreement, less recovery expense. If the amount recovered exceeds the recovery expense, such expense will be borne by each Party in proportion to its benefit from the recovery. If the recovery expense exceeds the amount recovered, the amount recovered (if any) will be applied to the reimbursement of recovery expense and the remaining expense will be borne by each Party in proportion to its liability for Loss before recovery was attempted. The provisions of this Article shall survive the termination of this Agreement.

ARTICLE XII

ACCESS TO RECORDS

From the date of this Agreement and continuing until the termination of this Agreement in accordance with its terms, the Company shall permit the Reinsurer and their attorneys, accountants, employees, officers, agents and other authorized representatives (collectively, "Representatives"), upon 10 business days' prior notice, reasonable access to the Company's offices, and shall disclose and make available to the Reinsurer during normal business hours all of its books, papers and records, in each case to the extent they relate to the Policies; provided, however, that the Company shall not be required to take any action that would result in the waiver by the Company of the privilege protecting communications between the Company and any of its counsel or that would be contrary to any law applicable to the Company; provided further, however, that the Reinsurer shall reimburse the Company for reasonable and documented out-of-pocket costs and expenses incurred by them in providing such access. The Reinsurer and its Representatives shall use commercially reasonable efforts to minimize any interference with the Company's regular business operations during any such access to the Company's property, books and records.

ARTICLE XIII

REPRESENTATIONS AND COVENANTS

Section 13.01 Pursuant to the [order dated [●]][1] of the Receivership Court, the Company has the necessary power and authority to execute and deliver this Agreement. Pursuant to the [order dated [●]] of the Receivership Court, this Agreement has been duly authorized, executed and delivered by the Company and assuming due authorization, execution and delivery by the other Parties, this Agreement constitutes the legal, valid and binding obligation of the Company enforceable against it in accordance with its terms, except to the extent that enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws affecting creditors' rights generally and by principles of equity regarding the availability of remedies.

Section 13.02 The Company represents that the information provided by the Company to the Reinsurer relating to the Business Reinsured was accurate and complete in all material respects as of November 1, 2012. It is understood and agreed that (1) the Company and the Reinsurer may have differing views about the future performance of the Business Reinsured, including without limitation expectations as to future persistency of the Policies and the Company makes no representation or warranty regarding the accuracy of any projections included in such information or the future performance of the Reinsured Business, and (2) the information provided to the Reinsurer includes information provided to the Company by lenders and Loan servicers or derived from such information and no breach of the foregoing representation shall occur to the extent that any inaccuracy or omission in information provided to the Reinsurer was in information provided by a lender or Loan servicer.

Section 13.03 The Company represents that it has cancelled, on or prior to the Closing Date, any other reinsurance applicable to the Policies and warrants that it will not purchase any other reinsurance for the Policies while this Agreement is in effect.

Section 13.04 The Reinsurer has the necessary power and authority to execute and deliver this Agreement. This Agreement has been duly authorized, executed and delivered by the Reinsurer and assuming due authorization, execution and delivery by the other Parties, this Agreement constitutes the legal, valid and binding obligation of the Reinsurer enforceable against it in accordance with its terms, except to the extent that enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws affecting creditors' rights generally and by principles of equity regarding the availability of remedies.

ARTICLE XIV

CONFIDENTIALITY AND PRIVACY

Section 14.01 Maintenance of Confidentiality. Except with the prior written consent of Discloser, Recipient will hold in strict confidence and keep confidential all Confidential Information of Discloser. Recipient will use at least the same degree of care (including both facility physical security and electronic security) to avoid publication, disclosure or dissemination of such Confidential Information as it uses with respect to its own confidential information of a similar nature, but in no event less than reasonable care. Recipient may use such Confidential Information only as necessary to perform its obligations under this Agreement (the "Purpose").

[1] Date of Sale Order to be incorporated prior to execution.

Section 14.02 Limitations on Disclosure. Except with the prior written consent of Discloser, Recipient will disclose Confidential Information of Discloser only to those of its personnel, and the personnel of its Affiliates, who have a need to know such Confidential Information to effectuate the Purpose, who are informed of the confidential nature of such Confidential Information, and who are bound by obligations no less restrictive than those set forth herein applicable to such Confidential Information. Recipient hereby guarantees the performance of the provisions of this Article XIV by each such person obtaining Confidential Information of Discloser directly or indirectly from Recipient.

Section 14.03 Permitted Disclosure. Recipient shall not be in breach hereof if it discloses Confidential Information of Discloser pursuant to a judicial or governmental order or as required by applicable law or any subpoena, information request, data call, examination or audit by any Governmental Entity, provided that: (i) any such disclosure is made only to the extent so ordered or required; (ii) Recipient shall timely notify Discloser of the disclosure requirement prior to disclosure, so that Discloser may seek a protective order or confidential treatment, or take other appropriate measures to protect its interests, in which event Recipient will cooperate in such effort; and (iii) if timely notice cannot be given, Recipient shall seek to obtain a protective order or confidential treatment from the court or government for such information.

Section 14.04 Exceptions. Information will not be or will cease being (as the case may be) Confidential Information of Discloser: (i) if it is already in the possession of Recipient or its Representatives on a non-confidential basis prior to its being furnished to Recipient or its Representatives pursuant hereto, provided that the source of such information was not reasonably known by Recipient or its Representatives to be bound by a confidentiality agreement with, or other contractual, legal or fiduciary obligation to, any other party with respect to such information; (ii) from and after the date it is generally publicly known, or becomes such prior to any disclosure by Recipient, other than as a result of unauthorized disclosure by Recipient or its Representatives in violation of this Agreement; (iii) from and after the date it is or becomes available to Recipient or its Representatives on a non-confidential basis from a third party source provided that such source is not reasonably known by Recipient or its Representatives to be bound by a confidentiality agreement with or other contractual, legal or fiduciary obligation of confidentiality to Discloser or any other party with respect to such information; or (iv) if it can be demonstrated as independently developed by Recipient without the use of, reference to, or reliance upon any Confidential Information.

Section 14.05 Unauthorized Disclosure or Use. Recipient shall promptly notify Discloser if Recipient becomes aware of any disclosure or use in violation of this Agreement of any Confidential Information of Discloser that is in the possession of Recipient, its Affiliates or the Personnel of either of them. Recipient shall use commercially reasonable efforts to cooperate with Discloser to minimize the effects of any such disclosure or use.

Section 14.06 Limitation. The obligations of this Article XIV will apply on and after the Effective Date to any Confidential Information disclosed to Recipient before or after the Effective Date and will continue and must be maintained for a period: (i) in the case of Personally Identifiable Information in perpetuity; and (ii) in the case of all other Confidential Information, for a period of ten (10) years from receipt.

Section 14.07 Privacy Requirements. Reinsurer acknowledges that, pursuant to Privacy Laws, it is required to provide certain undertakings to the Company with respect to the privacy, use and protection of Personally Identifiable Information (as defined below). Notwithstanding anything to the contrary contained herein, Reinsurer covenants that, with respect to any

Personally Identifiable Information, Reinsurer, its Affiliates and their respective subcontractors shall each (a) comply with all applicable Privacy Laws; (b) keep all Personally Identifiable Information confidential and not disclose or use any Personally Identifiable Information except to the extent necessary to exercise its rights or perform its obligations hereunder; (c) when acting as a data processor, only process Personally Identifiable Information in accordance with the instructions of the Company; (d) except with respect to the provision of services under the Services Agreement or as otherwise agreed by the Parties, not disclose any Personally Identifiable Information to any other person without obtaining (i) the prior written consent of the other Party and (ii) an agreement in writing from such other person to comply, among other things, with the terms of this section; and (e) maintain (and cause all third persons consented to by the Company to receive Personally Identifiable Information in accordance with the foregoing clause (d) to maintain) adequate administrative, technical and physical safeguards to ensure the security and confidentiality of all Personally Identifiable Information. The Company and the Reinsurer acknowledge and agree that with respect to the Policies and the related administrative services, the Reinsurer shall be authorized to undertake all actions required to comply with the Privacy Laws without any further approvals from the Company. Each Party agrees to notify the Party, by notice to the General Counsel of the other Party, with a copy to the Chief Executive Officer of the other Party, within twenty-four (24) hours after becoming aware of any breach or threatened breach of any Privacy Laws or of any unauthorized access to its, or a third party's, computer systems and/or Personally Identifiable Information with respect to the Policies. In its notice of such breach or threatened breach, the Party giving such notice shall set forth in detail the nature of the breach and the measures it has taken and/or plans to take to cure the breach and mitigate any harm to affected individuals and/or the other Party. The Company and the Reinsurer will thereafter jointly decide what action to take, which may include, but not be limited to, notifying appropriate state agencies, credit reporting agencies, and individuals.

Section 14.08 "Personally Identifiable Information" shall mean any information related to a natural person that contains any of the identifiers listed in 45 C.F.R. § 164.514(b)(2) or is otherwise identifiable to such person.

Section 14.09 "Privacy Laws" shall mean any laws, statutes, rules, regulations, codes, orders, decrees, and rulings thereunder of any federal, state, regional, county, city, municipal or local government of the United States or any other country having applicable jurisdiction that relate to privacy, data protection or data transfer issues.

ARTICLE XV

INSOLVENCY

The Company is currently in rehabilitation and has been ordered by a governmental authority to reduce and/or defer claim payments to policyholders (the "Governmental Order"). Notwithstanding the Governmental Order, including any subsequent governmental orders or changes thereto, all reinsurance under this Agreement shall be payable by the Reinsurer directly to the Company's Receiver on the basis of the liability of the Company under the Policies without diminution because of the insolvency of the Company or because the Receiver of the Company has failed to pay all or a portion of any claim or because of the Governmental Order. It is agreed, however, that the Receiver of the Company will abide by all obligations of the Company under this Agreement, having approved this Agreement, and shall be entitled to enforce all of the Company's rights under this Agreement.

ARTICLE XVI

CREDIT FOR REINSURANCE; FUNDING OF THE REINSURER'S OBLIGATIONS

Section 16.01 Credit for Reinsurance. The Reinsurer shall take all commercially reasonable actions to permit the Company to obtain full financial statement credit for the reinsurance provided by this Agreement, including providing security, at its sole expense, in the amount of the Reinsurer's Obligations by one or more of the following methods: funds withheld by the Company, cash advances to the Company, a Trust Account (as defined below) or a Letter of Credit (as defined below). The Reinsurer shall have the option of determining the method of funding, provided the method complies with all requirements of Arizona law and regulations for financial statement credit for reinsurance ceded to an unauthorized reinsurer.

Section 16.02 As used herein, "Reinsurer's Obligations" means, as of any date:

(a) Loss and Loss Expenses paid by the Company but not recovered from the Reinsurer;

(b) Reserves for Loss reported and outstanding;

(c) Reserves for Loss incurred but not reported;

(d) Reserves for unearned premiums;

(e) Premium deficiency reserves; and

(f) Contingency reserves to the extent the Company is required to establish such reserves in accordance with Az. Ins. Law § 20-1556. For the avoidance of doubt, the Reinsurer's Obligations shall not include, and the Reinsurer shall not be required to establish or maintain, contingency reserves in the event the Company establishes such reserves when not required to do so.

Section 16.03 Trust Account. When funding by depositing assets in a trust account ("Trust Account"), the Reinsurer agrees to enter into a Trust Agreement with a trustee bank and to establish a trust account for the benefit of the Company pursuant to the Trust Agreement, which shall comply with all requirements of Arizona law and regulations for taking financial statement credit for reinsurance ceded to an unauthorized reinsurer. The Reinsurer shall deposit into the Trust Account assets of the type permitted by the Trust Agreement having a fair market value equal to Reinsurer's Obligations as shown on the last statement prepared by or on behalf of the Company. Assets deposited in the Trust account shall be valued according to their current fair market value and shall consist only of cash (United States legal tender), certificates of deposit (issued by a United States bank and payable in United States legal tender), and investments of the types permitted by Arizona Revised Statutes Title 20, Chapter 3 or any combination of the above, provided that such investments are issued by an institution that is not the parent, subsidiary or Affiliate of either the Reinsurer or the Company. Prior to depositing assets in the Trust Account, the Reinsurer shall execute assignments, endorsements in blank, or transfer legal title to the trustee of all shares, obligations or any other assets requiring assignments, in order that the Company, or the trustee upon the direction of the Company, may whenever necessary negotiate any such assets without consent or signature from Reinsurer or any other entity.

Section 16.04 Letter of Credit. When funding by a letter of credit, the Reinsurer agrees to apply for and secure timely delivery to the Company of a clean, irrevocable and unconditional Letter of Credit issued by a bank in an amount equal to the Reinsurer's Obligations ("Letter of Credit"). Such Letter of Credit shall comply with all requirements of Arizona law and regulations for taking financial statement credit for reinsurance ceded to an unauthorized reinsurer, shall be issued for a period of not less than one year, and shall be automatically extended for one year from its date of expiration or any future expiration date unless 30 days (60 days where required by insurance regulatory authorities) prior to any expiration date the issuing bank shall notify the Company by certified or registered mail that the issuing bank elects not to consider the Letter of Credit extended for any additional period.

Section 16.05 Application of Funds. The Reinsurer and Company agree that the Trust Account or the Letters of Credit provided by the Reinsurer pursuant to this Agreement may be drawn upon by the Company or its designee at any time, notwithstanding any other provision of this Agreement, and be utilized by the Company or any successor in interest by operation of law of the Company including, without limitation, any liquidator, rehabilitator, receiver or conservator of the Company for the following purposes:

(a) to reimburse the Company for the Reinsurer's Obligations, the payment of which is due under the terms of this Agreement and which has not been otherwise paid;

(b) to make refund of any sum which is in excess of 102% of the Reinsurer's Obligations under this Agreement;

(c) to fund an account with the Company for the Reinsurer's Obligations. Such deposit shall be held in an interest bearing account separate from the Company's other assets, and interest thereon not in excess of the prime rate shall accrue to the benefit of the Reinsurer; or

(d) to pay the Reinsurer's share of any other amounts that are due under this Agreement.

In the event the amount drawn by the Company from the Trust Account or on any Letter of Credit is in excess of the actual amount required for (a) or (b), or in the case of (d), the actual amount determined to be due, the Company shall promptly return to the Trust Account, in the case of a withdrawal from the Trust Account or, in the case of draw on a Letter of Credit, to the Reinsurer, the excess amount so drawn. All of the foregoing shall be applied without diminution because of insolvency on the part of the Company or the Reinsurer.

The trustee bank for the Trust Account or the issuing bank for the Letter of Credit shall have no responsibility whatsoever in connection with the propriety of withdrawals made by the Company or the disposition of funds withdrawn, except to ensure that withdrawals are made only upon the order of properly authorized representatives of the Company.

Section 16.06 Other Withdrawals. The Reinsurer shall have the right to seek approval from the Company, which approval shall not be unreasonably withheld, to withdraw from the Trust Account all or any part of the trust assets and transfer those assets to the Reinsurer, provided:

(i) The Reinsurer shall, at the time of withdrawal, replace the withdrawn assets with other qualified assets having a market value equal to the market value of the assets withdrawn so as to maintain at all times the deposit in the required amount, or

(ii) After withdrawal and transfer, the market value of the trust account is no less than 102% of the required amount.

Section 16.07 Deposits; Delivery of Letter of Credit. On or before the Closing Date, the Reinsurer shall deposit assets into the Trust Account, deliver Letters of Credit or deposit funds with the Company in an amount equal to the Reinsurer's Obligations as of the Closing Date as shown on the Closing Date Report. No portion of the Ceding Commission paid or payable by the Reinsurer or to the Reinsurer shall be considered a deposit or funds withheld for purposes of this Section. After the Closing Date, the Company shall provide the Reinsurer with a specific statement of the Reinsurer's Obligations with each [Monthly Report][Loan Report].

(a) If the statement shows that the Reinsurer's Obligations exceed the total of all deposits, funds withheld, assets in the Trust Account and the balance of credit available under the Letter of Credit as of the statement date, the Reinsurer shall, within 30 days after receipt of notice of such excess, increase the amount of assets deposited with the Company or in the Trust Account and/or secure delivery to the Company of an amendment to the Letter of Credit increasing the amount of credit by the amount of such difference, in each case at the Reinsurer's sole option.

(b) If, however, the statement shows that the total of all deposits, funds withheld, assets in the Trust Account and the balance of credit available under the Letter of Credit as of the statement date exceed 102% of the Reinsurer's Obligations, the Reinsurer may request a release of assets from the Trust Account and/or release such excess credit in accordance with Section 16.05.

ARTICLE XVII

TAXES

Any taxes (but not including (i) any taxes based on or imposed on, in whole or in part, the Reinsurer's net income or (ii) any excise taxes under Section 4371 of the Internal Revenue Code of 1986, as amended (the "Code") with respect to the Business Reinsured imposed by any governmental authority in respect of amounts paid to the Reinsurer under this Agreement will be the responsibility of the Company (net to its own account and without deduction from any amounts due the Reinsurer) and the Reinsurer shall have no liability therefor. The Company agrees to assume and honor all obligations in respect of such amounts and is solely responsible for the payment of such taxes to the appropriate governmental authorities and the Company will indemnify and hold harmless the Reinsurer against any such taxes. The Company shall be responsible for reporting and remitting payment of any excise taxes imposed under Section 4371 of the Code with respect to the Business Reinsured; the Reinsurer, in turn, agrees to indemnify and hold the Company harmless in respect of such excise taxes.

ARTICLE XVIII

OFFSET

Section 18.01 The Company or the Reinsurer have and may exercise, at any time and from time to time, the right to offset any balance or balances whether on account of premiums, on account of Losses, or on account of fees due under the Services Agreement or otherwise, due from one Party to the other Party under this Agreement, the Services Agreement or the Asset Purchase Agreement. The Reinsurer shall also have the right to offset any balance or balances due from the Company to the Reinsurer's Affiliate under the Services Agreement.

Section 18.02 This Article will continue to apply without diminution notwithstanding liquidation, insolvency, rehabilitation, conservation, supervision or similar proceeding by or against either the Company or the Reinsurer.

ARTICLE XIX

ASSIGNMENTS

Subject to Section 10.02, Neither Party may assign or transfer any rights, interest or obligations under this Agreement without the prior written consent of the other Party and any effort to so assign such rights, interests or obligations without the prior written consent of the other Party shall be null and void.

ARTICLE XX

MISCELLANEOUS

Section 20.01 Notices. All notices, consents, waivers and deliveries ("Notices") under this Agreement must be in writing and will be deemed to have been duly given when (i) delivered by hand (against receipt), (ii) sent by facsimile or electronic-mail (with written confirmation of receipt), (iii) when received by the addressee, if sent by a nationally recognized overnight delivery service (receipt requested) or (iv) 5 days after being sent registered or certified mail, return receipt requested, in each case to the appropriate addresses and facsimile numbers set forth below (or to such other addresses and facsimile numbers as a Party may hereafter designate by similar Notice to the other Parties):

If to the Company:

PMI Mortgage Insurance Co., in Rehabilitation
Address: 3003 Oak Road
Walnut Creek, CA 94597
Facsimile: 925-658-6175
Attention: Deputy Receiver

With a copy to:

[ ]
Address:
Facsimile:
Attention:

If to the Reinsurer:

Arch Reinsurance Ltd.
Address: 3rd Floor
45 Reid Street
Hamilton, HM12
Bermuda
Telephone: 441-278-9200
Facsimile: 441-278-9230
Attention: Nicolas Papadopoulo

With a copy to:

Arch Reinsurance Ltd.
Address: 3rd Floor
45 Reid Street
Hamilton, HM12
Bermuda
Telephone: 441-278-9200
Facsimile: 441-278-9230
Attention: Timothy Peckett

Section 20.02 Severability. The determination of any court that any provision of this Agreement is invalid or unenforceable shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity of the offending term or provision in any other situation or in any other jurisdiction. Upon such a determination, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

Section 20.03 No Third Party Beneficiaries. This Agreement is solely between the Company and the Reinsurer. The acceptance of reinsurance hereunder shall not create any right or legal relation whatsoever between the Reinsurer and any policyholder or any beneficiary under any business reinsured hereunder.

Section 20.04 Delay, Errors, or Omissions. Any inadvertent delay, omission, or error of a transcriptional nature will not relieve either Party from any liability which would attach to it hereunder if such delay, omission, or error had not been made, providing any such delay, omission, or error is rectified promptly upon discovery.

Section 20.05 Entire Agreement. This Agreement supersedes all prior agreements among the Parties with respect to its subject matter and constitutes a complete and exclusive statement of the terms of this Agreement between the Parties with respect to its subject matter. The appendices, exhibits and schedules identified in and attached to this Agreement are incorporated herein by reference and shall be deemed as fully a part hereof as if set forth herein in full. In the event of any inconsistency between the statements in the body of this Agreement and those in the appendices, exhibits and schedules, the statements in the body of this Agreement will control.

Section 20.06 Amendments and Waivers. No amendment or waiver of any provision of this Agreement shall be valid unless in writing and signed by the Party to be charged with such amendment or waiver. No waiver by any Party of any default, misrepresentation or breach of

warranty or covenant hereunder, whether intentional or not, shall be deemed to extend to any prior or subsequent default, misrepresentation or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence.

Section 20.07 Currency. All accounts will be rendered, payments made and monetary limits expressed hereunder in United States Dollars.

Section 20.08 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute one and the same instrument. Original signatures hereto and to other Transactions Documents may be delivered by facsimile or .pdf which shall be deemed originals.

Section 20.09 Rights and Remedies Not Exclusive. No right or remedy set forth in this Agreement is exclusive of any other right or remedy but will be in addition to every other right or remedy given under this Agreement or existing now or hereafter in law or equity.

Section 20.10 Governing Law and Jurisdiction; Interpretation. This Agreement will be governed by and construed in accordance with the laws of the State of Arizona, without reference to principles of choice of law or conflicts of laws. Any dispute arising out of the interpretation, performance or breach of this Agreement, including the formation or validity thereof, shall be brought exclusively in the Receivership Court. By execution and delivery of this Agreement, with respect to such disputes, each of the Parties knowingly, voluntarily and irrevocably (a) consents to the exclusive jurisdiction of the Receivership Court; (b) consents to the commencement of proceedings for the Receivership Court to hear the dispute without regard to time limits or prohibitions against the commencement of actions against the Receiver or the Company that are specified in the Receivership Order or other orders, except for "Order Re Petition No. 2 Governing the Administration of the Receivership" or modifications thereto, entered by the Receivership Court; and (c) waives any immunity or objection, including any objection to personal jurisdiction or the laying of venue or based on the grounds of *forum non conveniens*, which it may have from or to the bringing of the dispute in such jurisdiction, or, any immunity, defense or objection concerning the authority of the Company to enter into or perform this Agreement. Each Party agrees that service of the complaint or other process may be made upon an agent for service of process as designated by such Party from time to time. Without limiting the foregoing, the Reinsurer hereby designates [●] as its true and lawful attorney upon whom may be served any lawful process in any action, suit, or proceeding instituted by or on behalf of the Company or any beneficiary hereunder arising out of this Agreement, and hereby designates the agent for service of process as the person to whom the said officer is authorized to mail such process or a true copy thereof. In any suit instituted against the Reinsurer under this Agreement, the Reinsurer will abide by the final decision of such court or of any appellate court in the event of an appeal.

Section 20.11 Headings. All Article headings in this Agreement are for reference purposes only and will not affect in any way the meaning or interpretation of this Agreement.

Section 20.12 Incontestability. In consideration of the mutual covenants and agreements contained herein, each Party hereto does hereby agree that this Agreement, and each and every provision hereof, is and shall be enforceable by and between them according to its terms, and each Party does hereby agree that it shall not contest the validity or enforceability hereof.

Section 20.13 Interpretations.

(a) When a reference is made in this Agreement to a Section or Article, such reference shall be to a section or article of this Agreement unless otherwise clearly indicated to the contrary. Whenever the words “include”, “includes” or “including” are used in this Agreement, they shall be deemed to be followed by the words “without limitation.” The words “hereof,” “herein” and “herewith” and words of similar import shall, unless otherwise stated, be construed to refer to this Agreement as a whole and not to any particular provision of this Agreement. The meaning assigned to each term used in this Agreement shall be equally applicable to both the singular and the plural forms of such term, and words denoting any gender shall include all genders. Where a word or phrase is defined herein, each of its other grammatical forms shall have a corresponding meaning.

(b) The Parties have participated jointly in the negotiation and drafting of this Agreement; consequently, in the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties, and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any provisions of this Agreement.

(*The remainder of this page intentionally left blank.*)

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives.

Signed this _____ day of _____ , 2013.

THE RECEIVER OF PMI MORTGAGE INSURANCE CO. IN REHABILITATION on behalf of PMI MORTGAGE INSURANCE CO.

By: _____

Title: _____

ARCH REINSURANCE LTD.

By: _____

Title: _____

EXHIBIT A
FORM OF LOAN REPORT

[to be added]

EXHIBIT B
FORM OF MONTHLY REPORT

[to be added]

EXHIBIT D

WALNUT CREEK LEASE TERM SHEET

The following term sheet constitutes the agreed material terms of a lease (the "**Lease**") to be negotiated between the parties pursuant to the terms of the Asset Purchase Agreement to which this Exhibit is attached.

1. LANDLORD: PMI Plaza LLC

2. TENANT: CMG Mortgage Insurance Company

3. BUILDING: 3003 Oak Road
Walnut Creek, CA

4. PREMISES: 105,491 Rentable Square Feet composed of the following:

Entire 7th Floor:	26,377
Entire 6th Floor:	27,683
Entire 5th Floor:	27,730
Partial 4th Floor:	9,705
Partial 1st Floor:	13,996
Total:	**105,491**

The parties agree that the Building and the Premises usable and rentable areas have been measured in accordance with the guidelines of the ANSI Z65.1-1996 ("BOMA") standards and that it will be consistently applied throughout the initial Term and any expansions or extensions.

Prior to lease execution Tenant's architect will measure the Premises and Building. If any variances are discovered the Lease will be adjusted accordingly.

5. LEASE COMMENCEMENT DATE: Upon the closing of the Asset Purchase Agreement (the "Closing"), and delivery of the Premises in the condition required by the Lease.

6. LEASE TERM: The initial Lease Term will be for five (5) years from the Lease Commencement Date.

7. RENT COMMENCEMENT DATE: Per the Rental Schedule below.

8. RENTAL SCHEDULE: Months 01 – 07: Free
Months 08 – 12: $2.53
Months 13 – 24: $2.59
Months 25 – 36: $2.64
Months 37 – 48: $2.69
Months 49 – 60: $2.75

9. OPERATING EXPENSES & REAL ESTATE TAXES: To be negotiated in the Lease prior to Closing.

10. PROPORTIONATE SHARE: To be negotiated in the Lease prior to Closing.

11. CLEANING: To be negotiated in the Lease prior to Closing.

12. PARKING: Tenant will have the right, but not the obligation, to use one (1) parking space per 1,000 rentable square feet in the basement garage and two (2) parking spaces per 1,000 rentable square feet in the neighboring 5-story garage. Such parking spaces shall be at the following rates: (i) no charge for the first six (6) months following the Lease Commencement Date; (ii) 50% discount off of a base rate of $65.00 per space per month (i.e. $32.50 per space per month) for the next successive six (6) month period; (iii) $65.00 per space per month through the third (3rd) anniversary of the Lease Commencement Date and (iv) at Landlord's prevailing rate thereafter, but in no event greater than the market rate for on-site corporate parking in the Pleasant Hill BART submarket. Further detail to be negotiated in the Lease prior to Closing.

13. ELECTRICITY: Included in Operating Expenses, the Landlord will provide a minimum of 6 watts demand load per rentable square foot, exclusive of the electricity for the fourth floor Data Center, base Building HVAC and other base Building systems. If required as a result of Landlord's leasing efforts and/or base building work, any (sub)metering of Tenant's supplemental units will be at Landlord's cost.

Landlord will not unreasonably withhold its consent to providing a reasonable amount of additional power to Tenant. Tenant shall have the right to distribute Electricity in the Premises, excluding the Data Center, as it so elects.

14. TENANT IMPROVEMENT ALLOWANCE: Tenant shall receive a cash allowance of $25.00 per rentable square foot to be used towards the payment for Tenant's alterations in the Premises. To the extent Tenant shall not fully expend the Tenant Improvement Allowance within two (2) years following the Lease Commencement Date, Tenant shall have the right and option to apply

an amount up to $7.50 per rentable square foot of the Premises of the Tenant Improvement Allowance to the monthly rental coming due following the second (2nd) anniversary of the Lease Commencement Date.

15. DELIVERY CONDITION: To be negotiated in the Lease prior to Closing.

16. ALTERATIONS: There shall be no charge by Landlord for the review of Tenant's plans or any inspections that Landlord may deem necessary with respect to initial or future Alterations. For any future cosmetic, non-structural Alterations which do not affect Building systems (including plumbing, mechanical or electrical systems) and which cost less than an aggregate of $100,000 within any rolling six month period, Tenant will be able to undertake those without Landlord's consent. With respect to other non-structural Alterations, Tenant shall provide Landlord with its plans for Landlord's review and approval, which approval shall not be unreasonably withheld, conditioned or delayed. Landlord agrees to provide written consent, or non-consent stating the reasons for such non-consent, within 10 business days of receiving written request from Tenant. If Landlord does not respond within such 10-day time period, then Landlord's consent will be deemed granted. Further, at Tenant's sole cost, Landlord agrees to reasonably cooperate with Tenant and execute all required permit forms submitted by Tenant as soon as practicable in order to expedite the overall permitting and construction time frame.

Subject to Landlord's reasonable approval, Tenant shall have the right to use contractors, subcontractors, architects and engineers of Tenant's selection to perform Alterations.

Landlord shall not charge any supervisory fee, surcharges, or any other charges in connection with Tenant's Alterations, including, but not limited to, charges for temporary power, lights and freight elevators, hoist, nor any tap in charges for connecting supplemental air conditioning, sprinklers, etc. that are required for construction of the Premises. Please advise of any and all covenants regarding design or construction.

During Tenant's initial fit-out work, Tenant's contractors and subcontractors shall be entitled to free parking at the Building. In addition, Tenant shall have the right during its initial fit-out work to utilize vacant space in the Building for storing and staging purposes. Further detail to be negotiated in the Lease prior to Closing.

17. EXPANSION OPTION: Tenant shall have the option to lease any available space on the 2nd, 3rd and 4th floors of the Building (the "Option Space") by delivery of written notice to Landlord to be delivered on or before the date which

is thirty-six (36) months following the Lease Commencement Date, for a lease term which is coterminous with the Premises. The term "available" shall mean that such Option Space shall be vacant and available for Lease by a third party; provided, the foregoing Expansion Right shall impose no obligation on Landlord to keep the Option Space off of the market or available exclusively to Tenant.

Tenant's lease of any Option Space shall be on the same terms and conditions as the existing Lease, including, without limitation, that the rent payable with respect to the Option Space shall be equal to Tenant's then current rent per square foot for the Premises. The Option Premises shall be delivered in the Delivery Condition as provided for herein.

18. RIGHT OF FIRST REFUSAL: Tenant shall have the primary and continuous Right of First Refusal ("ROFR"), throughout the Term and any renewals thereof, to lease the remaining office space in the Building. The Landlord will notify the Tenant if it receives an offer which the Landlord is prepared to accept from a bona fide third party and the Tenant shall have ten (10) business days in which to match the terms of the third party offer.

19. RENEWAL OPTION: Tenant shall have an option to renew the term of the lease for two (2) additional five (5) year lease terms by providing Landlord with not less than nine (9) months nor more than twelve (12) months prior written notice. The renewal of lease shall be on the same terms and conditions as the existing Lease except that the rent payable for the Renewal Option shall be equal to 97.5% of Fair Market Value ("FMV") prevailing nine (9) months prior to the commencement of such renewal term. FMV shall take into account all relevant factors for non-equity renewals and new leases. Any disputes will be resolved by baseball arbitration.

20. ASSIGNMENT & SUBLETTING: Tenant shall have the right, without Landlord's approval, to assign or sublease all or any part of the Premises to any parent, subsidiary, affiliated partnership or entity or any entity into or with which it is merged or consolidated or to any transferee of all, or substantially all, of the ownership interest in Tenant, or to any transferee of all, or substantially all, of Tenant's assets.

Tenant shall have the right to assign or sublease all or any portion of the premises to an unrelated third-party entity, subject to Landlord's reasonable consent, with the understanding that Tenant shall have the right to retain 50% of any net profits generated thereby. Further detail to be negotiated in the Lease prior to Closing.

21. CORPORATE IDENTIFICATION: Tenant shall have the exclusive right to signage at the rooftop level of each exposure of the Building. Provided Tenant leases the largest office space in the Building it shall have the most prominent Building and Monument Signage. The cost involved with removing Landlord's existing signage shall be at Landlord's sole cost and expense.

22. BUILDING HOURS & ACCESS/ OVERTIME SERVICE: Tenant requires 365-day, 24-hour access to the premises and parking, including holidays. Landlord shall provide any and all overtime services or any other "special services" to Tenant at Landlord's actual cost.

23. NON-DISTURBANCE AGREEMENT: Landlord shall provide Tenant with non-disturbance agreements in form and substance satisfactory to Tenant in its reasonable discretion from any party, present or future, with a superior position to the Lease. A copy of the non-disturbance agreement will be made an exhibit to the Lease and a requirement to its future effectiveness.

24. SECURITY DEPOSIT: None.

25. GUARANTEE: None.

26. USE: General, executive and administrative offices and any ancillary uses thereto.

27. HAZARDOUS MATERIALS: To be negotiated in the Lease prior to Closing.

28. HVAC: Landlord shall provide heating, ventilation and air-conditioning (HVAC) in season as required for Tenant's comfort, use and occupancy with performance at the Buildings specifications from 7:00 AM to 6:00 PM, Monday through Friday. Overtime HVAC shall be provided at Landlord's incremental cost of providing such service. The current overtime costs for HVAC is $35 per hour total for up to two floors, and $70 per hour per floor for each additional floor.

In addition to any existing systems, Tenant shall have the right to install one or more units necessary to supply supplemental HVAC to any portion of the premises and to tap-in to the Building's condenser water at no charge if it so elects.

29. SHAFT/RISER: To be negotiated in the Lease prior to Closing.

30. UNINTERRUPTED POWER SOURCE (UPS) SYSTEM:

If required, Tenant shall have the right to install a UPS System and emergency stand-by battery system and shall have the right to utilize the Building's back-up generator during emergencies.

31. ROOF RIGHTS: If required, Tenant requires the right to use the Building's roof (for the installation of a non-penetrating satellite dish, telecommunications equipment and/or mechanical equipment (i.e., Supplemental HVAC). Such roof space shall be made available at no additional charge.

32. APPROVALS: As a condition to the effectiveness of the Lease, Landlord shall deliver all necessary orders, consents and approvals to the lease as Tenant shall require, including, without limitation, all orders or approvals related to the Appointment of Receiver and Injunction placing Landlord's affiliate, PMI Mortgage Insurance Co., into rehabilitation.

33. RESTORATION: Tenant shall not be required to remove any cabling existing prior to the Lease Commencement Date or restore the Premises in any way at the expiration of the Lease Term for those improvements that exist as of the Lease Commencement Date. For future Alterations Landlord will identify those improvements that may be subject to restoration at the time that Tenant submits its plans for Landlord approval. Tenant shall remove any wiring and cabling installed by or on behalf of Tenant during the Lease Term.

34. CONFIDENTIALITY: The Lease shall contain a confidentiality provision containing customary carve-outs for disclosure under a court order or similar action, to each party's accountants, attorneys and other professionals or in connection with the enforcement of a party's rights under the Lease.

35. BROKERAGE: Landlord shall have no responsibility for payment of any brokerage commission in respect of the representation of Tenant for the Lease.

EXHIBIT E

HENNELLY & STEADMAN, PLC
Joseph M. Hennelly, Jr. (No. 006884)
Goldsworthy House
322 W. Roosevelt
Phoenix, AZ 85003
(602) 230-7000
E-mail: jmh@hslaw-az.com

VAN COTT & TALAMANTE, PLLC
Joyce N. Van Cott (No. 009878)
2025 North Third Street, Suite 260
Phoenix, Arizona 85004
Phone: (602) 257-9160
Facsimile: (602) 257-9180
E-mail: vct.law@vancotttalamante.com

Attorneys for the Receiver of PMI Mortgage Insurance Co.

IN THE SUPERIOR COURT OF THE STATE OF ARIZONA

IN AND FOR THE COUNTY OF MARICOPA

In re the Matter of the Rehabilitation of: PMI MORTGAGE INSURANCE CO., an Arizona corporation.	Case No. CV 2011-018944 **ORDER RE PETITION NO. 24** **APPROVING THE ASSET PURCHASE AGREEMENT, THE STOCK PURCHASE AGREEMENT, AND THE RELATED TRANSACTIONS DOCUMENTS** (Assigned to the Hon. J. Richard Gama)

Germaine L. Marks, as Director of the Arizona Department of Insurance, in her capacity as Receiver (hereinafter "Receiver") of PMI Mortgage Insurance Co. ("PMI"), having filed Petition No. 24 for Order Approving the Asset Purchase Agreement, the Stock Purchase Agreement, and the Related Transactions Documents (collectively, using the defined terms set forth in Petition No. 24, the "Agreements") and the Court having

jurisdiction to consider Petition No. 24 and the relief requested therein, and such Petition No. 24 having come on regularly for hearing on March 15, 2013 (the "Hearing") and all parties entitled to notice of this hearing having been duly notified by service of Petition No. 24, and it appearing that no other or further notice need be provided, and upon the appearances of parties in interest as noted in the record of the Hearing, and upon all of the proceedings had before the Court, and it appearing to the Court that the matters being requested by Petition No. 24 are reasonable, just, and appropriate, and upon due deliberation it appearing that good and sufficient cause exists therefor;

IT IS HEREBY FOUND AND DETERMINED:

A. The granting of the relief requested in Petition No. 24 is in the best interests of PMI, its economic stakeholders, and all parties in interest.

B. The Receiver provided due and sufficient notice of the Hearing to all parties in interest and such parties had a reasonable opportunity to appear and be heard in respect of the relief requested in Petition No. 24.

C. The marketing of PMI's assets was conducted by the Receiver in good faith, in a proper, fair, and impartial manner that was reasonably calculated to reach the population of potentially-interested parties capable of consummating the transactions contemplated by Petition No. 24.

D. The Receiver negotiated all of the terms and conditions of the Agreements, including the Asset Purchase Agreement, the Stock Purchase Agreement and the Related Transactions Documents, including the Joint Sale Support Agreement, the PMI Quota Share Reinsurance Agreement and the Services Agreement, at arm's length and in good faith and all

VAN COTT & TALAMANTE, PLLC
2025 North Third Street, Suite 260
Phoenix, Arizona 85004 (602) 257-9160

of the terms and conditions of such Agreements are in the best interests of PMI, its economic stakeholders and all parties in interest.

E. The legal and factual bases set forth in Petition No. 24 and at the Hearing establish just cause for the relief granted herein.

F. The transactions contemplated in Petition No. 24 are fair and reasonable and necessary to the administration of the receivership of PMI and are supported by sound business reasons and judgment.

G. The payment of the Break-Up Fee contemplated by the Asset Purchase Agreement by PMI to the Purchaser under those circumstances specified in the Asset Purchase Agreement and the provision for the guaranty by PMI of the payment of the Break-Up Fee contemplated by the Stock Purchase Agreement to the Purchaser under those circumstances specified in the Stock Purchase Agreement, and PMI's payment of its share of the Break-Up Fee under the Stock Purchase Agreement in performance of such guaranty, are necessary to preserve and enhance the value of PMI's estate and will further the diverse interests of PMI and its creditors.

H. Pursuant to Rule 54(b) of the Arizona Rules of Civil Procedure, there is no just reason for delay of the entry of a final judgment on the relief requested in Petition No. 24.

NOW, THEREFORE, IT IS ORDERED THAT:

1. Petition No. 24 is hereby granted as provided herein.

2. The Asset Purchase Agreement, the Stock Purchase Agreement, and the Related Transactions Documents, including, but not limited to, the Joint Sale Support Agreement, the

VAN COTT & TALAMANTE, PLLC
2025 North Third Street, Suite 260
Phoenix, Arizona 85004 (602) 257-9160

PMI Quota Share Reinsurance Agreement, and the Services Agreement, and all the other Agreements, and the transactions contemplated thereby, are authorized and approved.

3. The payment of the Break-Up Fee by PMI to the Purchaser under those circumstances specified in the Asset Purchase Agreement and the provision for the guaranty by PMI of the payment of the Break-Up Fee to the Purchaser under those circumstances specified in the Stock Purchase Agreement are hereby authorized and approved.

4. PMI, the Receiver, and the Special Deputy Receiver are hereby authorized to enter into and perform each of their respective obligations under the Asset Purchase Agreement, the Stock Purchase Agreement, and the Related Transactions Documents, including, but not limited to, the Joint Sale Support Agreement, the PMI Quota Share Reinsurance Agreement, and the Services Agreement, and all other transactions contemplated by the Agreements, and all of the terms and conditions thereof.

5. To the extent necessary to allow the Receiver and other Parties to perform under the Asset Purchase Agreement, the Stock Purchase Agreement, and the Related Transactions Documents, including, but not limited to, the Joint Sale Support Agreement, the PMI Quota Share Reinsurance Agreement, and the Services Agreement, and all other transactions contemplated by the Agreements, and all of the terms and conditions thereof, the terms of this Order supersede any conflicting terms in the Receivership Order and all other Orders the Court has issued in this proceeding.

6. This Order is a final judgment and shall be immediately effective upon entry.

7. Any obligations of PMI incurred or to be incurred under the Asset Purchase Agreement, the Stock Purchase Agreement, and the Related Transactions Documents,

VAN COTT & TALAMANTE, PLLC
2025 North Third Street, Suite 260
Phoenix, Arizona 85004 (602) 257-9160

including, but not limited to, the Joint Sale Support Agreement, the PMI Quota Share Reinsurance Agreement, and the Services Agreement, and all of PMI's obligations thereunder, including the provision for the payment of the Break-Up Fee by PMI to the Purchaser under those circumstances specified in the Asset Purchase Agreement and the provision for the guaranty by PMI of the payment of the Break-Up Fee to the Purchaser under those circumstances specified in the Stock Purchase Agreement and PMI's payment of its share of the Break-Up Fee under the Stock Purchase Agreement in performance of such guaranty, are hereby designated as costs and expenses of PMI incurred in connection with the delinquency proceeding pending against PMI and shall have the priority set forth in A.R.S. § 20-629(A)(1) without the need to file any application with, or obtain any further order from, the Court.

8. This Court shall retain jurisdiction in this proceeding with respect to all matters arising from or related to the interpretation or implementation of the Agreements or this Order.

ENTERED this ___ day of _____, 2013.

_____
Honorable J. Richard Gama
Maricopa County Superior Court

ORIGINAL of the foregoing electronically lodged this ___ day of February, 2013.

VAN COTT & TALAMANTE, PLLC
2025 North Third Street, Suite 260
Phoenix, Arizona 85004 (602) 257-9160

COPY of the foregoing sent via the Court's electronic system this ___ day of February, 2013, to:

The Honorable J. Richard Gama
Maricopa County Superior Court
101 West Jefferson
Phoenix, Arizona 85003

COPY of the foregoing e-mailed this ___ day of February, 2013, to:

The Attached Master Service List

By: _____

VAN COTT & TALAMANTE, PLLC
2025 North Third Street, Suite 260
Phoenix, Arizona 85004 (602) 257-9160

EXHIBIT F

BILL OF SALE

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and pursuant to the terms and conditions of the Asset Purchase Agreement, dated February 7, 2013 (the "Purchase Agreement"), by and among the RECEIVER OF PMI MORTGAGE INSURANCE CO. IN REHABILITATION, on behalf of PMI MORTGAGE INSURANCE CO., an Arizona stock insurance corporation ("PMI"), ARCH U.S. MI SERVICES INC., a Delaware corporation (the "Purchaser"), and, solely for the purposes expressly set forth therein, ARCH CAPITAL GROUP (US) INC., a Delaware corporation, PMI does hereby sell, assign, transfer, convey and deliver to the Purchaser, its successors and assigns, all right, title and interest of PMI in and to the Purchased Assets (other than the intangible Purchased Assets), as defined in the Purchase Agreement, for all purposes, in accordance with Article II of the Purchase Agreement, free and clear of all Liens other than Permitted Liens.

THIS BILL OF SALE IS EXECUTED AND DELIVERED TO IMPLEMENT, AND NOT TO MODIFY, THE PURCHASE AGREEMENT, WITHOUT RECOURSE AND WITHOUT REPRESENTATION OR WARRANTY, WHETHER EXPRESS, IMPLIED OR CREATED BY OPERATION OF LAW, EXCEPT AS PROVIDED IN THE PURCHASE AGREEMENT. PMI AND THE PURCHASER ACKNOWLEDGE AND AGREE THAT NEITHER THE REPRESENTATIONS OR WARRANTIES NOR ANY OF THE RIGHTS, OBLIGATIONS OR REMEDIES OF ANY PARTY UNDER THE PURCHASE AGREEMENT SHALL BE DEEMED TO BE MODIFIED OR ALTERED IN ANY WAY BY THIS BILL OF SALE. IF ANY OF THE PROVISIONS HEREOF ARE IN CONFLICT WITH THE PROVISIONS OF THE PURCHASE AGREEMENT, THE PURCHASE AGREEMENT SHALL CONTROL.

PMI and the Purchaser shall, at any time and from time to time, promptly, upon the reasonable request of the other party, execute, acknowledge, deliver or perform all such further acts, deeds, assignments, transfers, conveyances and assurances as are reasonably necessary to effectuate the purposes of this Bill of Sale or as may be required for the better vesting or conferring on the Purchaser of title in and to the Purchased Assets (other than the intangible Purchased Assets).

THIS BILL OF SALE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF ARIZONA, and shall be binding upon and inure to the benefit of the Purchaser and its respective successors and assigns.

Executed this __ day of ____ 2013.

THE RECEIVER OF PMI MORTGAGE INSURANCE CO., IN REHABILITATION, on behalf of PMI Mortgage Insurance Co.

By: _____
Name:
Title:

Acknowledged and Agreed:

ARCH U.S. MI SERVICES INC.

By: _____
Name:
Title:

ACKNOWLEDGMENT

STATE OF _____)
COUNTY OF _____)

Before me, the undersigned authority, a Notary Public in and for the county and state aforesaid, on this day personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument, as _____ of PMI Mortgage Insurance Co., in rehabilitation and he/she acknowledged to me that he/she executed the same as the act of PMI Mortgage Insurance Co., in rehabilitation, for the purposes and consideration therein expressed, and in the capacity therein stated.

Given under my hand and seal of office on this the _____ day of _____ 2013

Notary Public: _____

[SEAL] My Commission expires:

EXHIBIT G

ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption Agreement (this "Agreement") is made and entered into as of the [●] day of [●] 2013 by and between the Receiver of PMI Mortgage Insurance Co. in Rehabilitation, on behalf of PMI Mortgage Insurance Co., an Arizona stock insurance corporation (the "Assignor"), and Arch U.S. MI Services Inc., a Delaware corporation (the "Assignee"). The Assignor and the Assignee shall be referred to herein from time to time collectively as the "Parties" and individually as a "Party." All capitalized terms not otherwise defined herein shall have the meanings provided in the Purchase Agreement (as defined below).

WHEREAS, the Assignor, the Assignee and, solely for the purposes expressly set forth therein, Arch Capital Group (U.S.) Inc., a Delaware corporation, have entered into that certain Asset Purchase Agreement, dated as of February 7, 2013 (the "Purchase Agreement"), pursuant to which the Assignor has agreed to sell, transfer, assign, convey and deliver to the Assignee certain assets and Assignee has agreed to assume certain obligations:

NOW, THEREFORE, in consideration of the foregoing, and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. Assignor's Assignment. Subject to the terms and upon the conditions set forth in the Purchase Agreement, effective upon the Closing, the Assignor hereby transfers, grants, conveys, assigns and delivers to the Assignee, all of the Assignor's right, title and interest in and to the Purchased Assets (other than the Seller Owned Intellectual Property, the tangible Purchased Assets and the Real Property Leases).

2. Assignee's Assumption. Subject to the terms and upon the conditions set forth in the Purchase Agreement, effective upon the Closing, the Assignee does hereby accept such assignment from the Assignor and assumes and agrees to pay, perform and discharge all of the Assumed Liabilities (other than in connection with the Seller Owned Intellectual Property, the tangible Purchased Assets and the Real Property Leases).

3. Excluded Assets and Excluded Liabilities. Notwithstanding anything to the contrary set forth herein, other than the Assumed Liabilities, the Assignee is not assuming and shall not be liable for or bound by any Liabilities of the Assignor, and nothing contained in this Agreement shall transfer or assign to the Assignee any right to any of the Excluded Assets.

4. Incorporation of terms of the Purchases Agreement. This Agreement is made, executed and delivered pursuant to the Purchase Agreement, and is subject to all the terms, provisions and conditions thereof. The Assignor and the Assignee acknowledge and agree that neither the representations or warranties nor any of the rights, obligations or remedies of any party under the Purchase Agreement shall be deemed to be modified or altered in any way by this Agreement. To the extent of any conflict between the terms of the Purchase Agreement and this Agreement, the Purchase Agreement shall be controlling.

5. Beneficiaries of this Assignment. This Assignment shall be binding upon and shall inure to the benefit of the Assignor and the Assignee and their respective successors and assigns.

6. Controlling Law. This Agreement shall be governed by the laws of the State of Arizona.

7. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument. Original signatures hereto may be delivered by facsimile or .pdf, which shall be deemed originals.

8. Further Assistance and Assurances. The Assignor and the Assignee shall, at any time and from time to time, promptly, upon the reasonable request of the other party, execute, acknowledge, deliver or perform all such further acts, deeds, assignments, transfers, conveyances and assurances as are reasonably necessary to effectuate the purposes of this Agreement or as may be required for the better vesting or conferring to the Assignee of title in and to the Purchased Assets (other than in connection with the Seller Owned Intellectual Property, the tangible Purchased Assets and the Real Property Leases).

IN WITNESS WHEREOF, each of the parties has caused this Assignment and Assumption Agreement to be executed and delivered by its duly authorized officer or agent as of the day and year first written above.

ASSIGNOR:

THE RECEIVER OF PMI MORTGAGE INSURANCE CO., IN REHABILITATION, on behalf of PMI Mortgage Insurance Co.

By: _____
Name:
Title:

ASSIGNEE:

ARCH U.S. MI SERVICES INC.

By: _____
Name:
Title:

EXHIBIT H

ASSIGNMENT OF INTELLECTUAL PROPERTY AGREEMENT

THIS ASSIGNMENT OF INTELLECTUAL PROPERTY AGREEMENT (this "Agreement") is effective as of _____, 2013, by and between the Receiver of PMI Mortgage Insurance Co. in Rehabilitation, on behalf of PMI Mortgage Insurance Co., an Arizona stock insurance corporation (the "Assignor"), and Arch U.S. MI Services Inc., a Delaware corporation (the "Assignee"). The Assignor and the Assignee shall be referred to herein from time to time collectively as the "Parties" and individually as a "Party." All capitalized terms not otherwise defined herein shall have the meanings provided in the Purchase Agreement (as defined below).

RECITALS

WHEREAS, pursuant to that certain Asset Purchase Agreement (the "Purchase Agreement"), dated as of February 7, 2013, by and among the Parties and Arch Capital Group (US) Inc., a Delaware corporation, the Assignor agreed to sell, assign, transfer, convey and deliver, or cause to be sold, assigned, transferred, conveyed and delivered, to the Assignee, and the Assignee agreed to purchase from the Assignor, all of the Assignor's right, title and interest in and to the Purchased Assets;

WHEREAS, the Assignor owns the Seller Owned Intellectual Property;

WHEREAS, it is a condition to the consummation of the transactions contemplated by the Purchase Agreement that the Assignor execute and deliver this Agreement pursuant to which the Assignor will assign, transfer, convey and deliver, or cause to be sold, assigned, transferred, conveyed and delivered, the Seller Owned Intellectual Property to the Assignee;

WHEREAS, the Assignor and the Assignee desire to consummate the transactions contemplated by the Purchase Agreement and, as such, are willing to enter into this Agreement effective as of the Closing Date; and

WHEREAS, the Assignee desires to accept such assignment, transfer, conveyance and delivery upon the terms set forth herein.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration described above and other consideration acknowledged by each Party to have been received in full from the other Party and pursuant to the terms of this Agreement, the Parties hereby agrees as follows:

1. Assignment. Effective upon the Closing, the Assignor hereby transfers, grants, conveys, assigns and delivers to the Assignee all of the Assignor's right, title and interest in and to the Seller Owned Intellectual Property, together with any and all goodwill associated therewith, including the trademarks set forth on Exhibit A hereto and any right to enforce such Seller Owned Intellectual Property and collect for past infringement thereof.

2. Incorporation of Terms of the Purchase Agreement. This Agreement is made, executed and delivered pursuant to the Purchase Agreement, and is subject to all the terms,

provisions and conditions thereof. To the extent of any conflict between the terms of the Purchase Agreement and this Agreement, the Purchase Agreement shall be controlling.

3. NO WARRANTY. THIS AGREEMENT IS EXECUTED AND DELIVERED WITHOUT REPRESENTATION OR WARRANTY, WHETHER EXPRESS, IMPLIED OR CREATED BY OPERATION OF LAW, EXCEPT AS PROVIDED IN THE PURCHASE AGREEMENT.

4. Beneficiaries of this Assignment. This Agreement shall be binding upon and shall inure to the benefit of the Assignors and Assignee and their respective successors and permitted assigns.

5. Controlling Law. This Agreement shall be governed by the laws of the State of Arizona.

6. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument. Original signatures hereto may be delivered by facsimile or .pdf, which shall be deemed originals.

7. Further Assistance and Assurances. The Assignor and the Assignee shall, at any time and from time to time, promptly, upon the reasonable request of the other party, execute, acknowledge, deliver or perform all such further acts, deeds, assignments, transfers, conveyances and assurances as are reasonably necessary to effectuate the purposes of this Agreement or as may be required for the better vesting or conferring to the Assignee of title in and to the Seller Owned Intellectual Property.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have caused this Assignment of Intellectual Property Agreement to be executed by its proper officers thereunto duly authorized as of the date hereof.

ASSIGNOR:

THE RECEIVER OF PMI MORTGAGE INSURANCE CO., IN REHABILITATION, on behalf of PMI Mortgage Insurance Co.

By: _____

Name:

Title:

ASSIGNEE:

ARCH U.S. MI SERVICES INC.

By: _____

Name:

Title:

Exhibit A

Trademark	**Status**	**Application Number/Date**	**Registration Number/Date**
Integral to Homeownership (Stylized)	Registered	85/021100 22-Apr-2010	3886300 07-Dec-2010
Making Risk Rewarding	Registered	77/155492 12-Apr-2007	3441855 03-Jun-2008

Exhibit I

ASSIGNMENT AND ASSUMPTION OF LEASES

THIS ASSIGNMENT AND ASSUMPTION OF LEASES (this "Assignment") is made and entered into as of the _____ day of _____ 2013 by and between the Receiver of PMI Mortgage Insurance Co. in Rehabilitation, on behalf of PMI Mortgage Insurance Co., an Arizona stock insurance corporation (the "Assignor"), and Arch U.S. MI Services Inc., a Delaware corporation (the "Assignee").

Whereas, the Assignor, the Assignee and, solely for the purposely expressly set forth therein, Arch Capital Group (U.S.) Inc., a Delaware corporation, have entered into that certain Asset Purchase Agreement, dated as of February 7, 2013 (the "Purchase Agreement"), pursuant to which the Assignor has agreed to sell, assign, transfer, convey and deliver to the Assignee certain assets. Capitalized terms used herein but not defined herein shall have the meanings set forth in the Purchase Agreement.

Whereas, the Purchased Assets include the Real Property Leases, which are described on Exhibit A hereto.

Whereas, under the Purchase Agreement, the Assignor has agreed to sell, assign, transfer, convey and deliver to the Assignee all of the Assignor's right, title and interest in and to the Real Property Leases.

Whereas, the Assignee has agreed to assume, pay, perform and discharge all of the Liabilities of the Assignor, except to the extent such Liabilities constitute Excluded Liabilities, arising under the Real Property Leases (the "Obligations").

NOW THEREFORE, in consideration of the foregoing and the sum of ten dollars ($10.00), and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Assignor and the Assignee hereby agree as follows:

1. Assignor's Assignment. Subject to the terms and upon the conditions set forth in the Purchase Agreement, effective upon the Closing, the Assignor hereby transfers, grants, conveys, assigns and delivers to the Assignee, all of the Assignor's right, title and interest in and to the Real Property Leases. This Assignment is made (i) without any representations or warranties by the Assignor with respect to the Real Property Leases, and (ii) without recourse to the Assignor, except in each case as otherwise expressly provided in the Purchase Agreement.

2. Assignee's Assumption. Subject to the terms and upon the conditions set forth in the Purchase Agreement, effective upon the Closing, the Assignee does hereby accept such assignment from the Assignor and assumes and agrees to pay, perform and discharge all of the Obligations arising under the Real Property Leases and acknowledges that all provisions of the Real Property Leases remain in full force and effect.

3. Incorporation of Terms of the Purchase Agreement. This Assignment is made, executed and delivered pursuant to the Purchase Agreement, and is subject to all the terms, provisions and conditions thereof. The Assignor and the Assignee acknowledge and agree that neither the representations or warranties nor any of the rights, obligations or remedies of any

party under the Purchase Agreement shall be deemed to be modified or altered in any way by this Agreement. To the extent of any conflict between the terms of the Purchase Agreement and this Assignment, the Purchase Agreement shall be controlling.

4. Beneficiaries of this Assignment. This Assignment shall be binding upon and shall inure to the benefit of the Assignor and the Assignee and their respective successors and permitted assigns.

5. Controlling Law. This Assignment shall be governed by the laws of the State of Arizona.

6. Counterparts; Facsimile. This Assignment may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument. Original signatures hereto may be delivered by facsimile or .pdf, which shall be deemed originals.

7. Further Assistance and Assurances. The Assignor and the Assignee shall, at any time and from time to time, promptly, upon the reasonable request of the other party, execute, acknowledge, deliver or perform all such further acts, deeds, assignments, transfers, conveyances and assurances as are reasonably necessary to effectuate the purposes of this Assignment.

[Signature Page Follows]

IN WITNESS WHEREOF, each of the parties has caused this Assignment and Assumption of Leases be executed and delivered by its duly authorized officer or agent as of the day and year first written above.

ASSIGNOR:

THE RECEIVER OF PMI MORTGAGE INSURANCE CO., IN REHABILITATION, on behalf of PMI Mortgage Insurance Co.

By: _____
Name:
Title:

ASSIGNEE:

ARCH U.S. MI SERVICES INC.

By: _____
Name:
Title:

EXHIBIT A
LEASES

Leased Real Property	Lease Agreement
11050 White Rock Road, Suite 100 and Suite 101, Rancho Cordova, California 95670	Lease Agreement, dated May 17, 2000, between Karlin Capital Center, LLC., a California limited liability company (the successor-in-interest to DL Capital Center, L.P., a Delaware limited partnership, which is the successor-in-interest to the original landlord, TrizecHahn TBI Sacramento I LLC), as landlord, and PMI Mortgage Insurance Co., as tenant, as amended by Addendum No. 1, dated as of May 17, 2000, Addendum No. 2, dated as of July 8, 2004 and Third Amendment to Lease, dated October 29, 2009.
12801 North Central Expressway, Dallas, Texas 75243	Lease dated March 13, 2001, between YPI Central Expressway Properties, L.P., a Delaware limited partnership (the successor-in-interest to the original landlord, EOP-Northern Central Plaza Three Limited Partnership, a Delaware limited partnership), as landlord, and PMI Mortgage Insurance Co., as tenant, as amended by that certain First Amendment dated as of January 1, 2006, and that certain Second Amendment dated as of June 30, 2010.

EXHIBIT J

DEPOSIT ESCROW AGREEMENT

THIS DEPOSIT ESCROW AGREEMENT (this "Agreement") is entered into as of February [●], 2013, by and among Arch U.S. MI Services Inc., a Delaware corporation (the "Purchaser"), the Receiver of PMI Mortgage Insurance Co. in rehabilitation (the "Receiver"), on behalf of PMI Mortgage Insurance Co., an Arizona stock insurance corporation ("PMI" or the "Seller"), and JPMorgan Chase Bank, National Association (the "Escrow Agent"). The Seller and the Purchaser shall be referred to herein collectively as the "Parties" and individually as a "Party." Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Asset Purchase Agreement (as defined below), although the Escrow Agent shall not have any obligation to understand or ascertain the meaning of any defined terms not defined in this Agreement.

WHEREAS, the Receiver, on behalf of the Seller, and the Purchaser are party to the Asset Purchase Agreement dated as of February 7, 2013 (the "Asset Purchase Agreement"), providing for the establishment of this escrow of funds under the Asset Purchase Agreement; and

WHEREAS, this Agreement shall govern the terms upon which the Escrow Agent may distribute the amounts held in the Fund (as defined below) to the Purchaser or the Seller.

NOW THEREFORE, in consideration of the foregoing and of the mutual covenants hereinafter set forth, the parties hereto agree as follows:

1. **Appointment**. The Parties hereby appoint the Escrow Agent as their escrow agent for the purposes set forth herein, and the Escrow Agent hereby accepts such appointment under the terms and conditions set forth herein.

2. **The Fund.** The Purchaser agrees to deposit, or cause to be deposited in one or more demand deposit accounts, with the Escrow Agent the sum of four million two hundred fifty thousand dollars ($4,250,000) (the "Escrow Amount"). The Escrow Agent shall hold the Escrow Amount and shall invest and reinvest the Escrow Amount and the proceeds thereof ("Fund") in a money market deposit account ("MMDA"), or investment offered by the Escrow Agent. MMDA's have rates of compensation that may vary from time to time as determined by Escrow Agent. The Parties recognize and agree that instructions to make any other investment (an "Alternative Investment") must be in writing and executed by an Authorized Representative (as defined in Section 4(a)) from each of the Seller and the Purchaser, and shall specify the type and identity of the investments to be purchased and/or sold. The Escrow Agent is hereby authorized to execute purchases and sales of investments through the facilities of its own trading or capital markets operations or those of any affiliated entity. The Escrow Agent or any of its affiliates may receive compensation with respect to any Alternative Investment directed hereunder including without limitation charging any applicable agency fee or trade execution fee in connection with each transaction. The Escrow Agent will not provide supervision, recommendations or advice relating to either the investment of moneys held in the Fund or the purchase, sale, retention or other disposition of any investment described herein and the Escrow Agent shall not have any liability for any loss in an investment made pursuant to the terms of this Agreement. The Escrow Agent has no responsibility whatsoever to determine the market or other value of any Alternative Investment and makes no representation or warranty, express or implied, as to the accuracy of any such valuations or that any values necessarily reflect the proceeds that may be received on the sale of an Alternative Investment. The Escrow Agent shall not have any liability for any loss sustained as a result of any investment made pursuant to the terms of this Agreement or as a result of any liquidation of any investment prior to its maturity or for the failure of an Authorized Representative of the Parties to give the Escrow Agent instructions to invest or reinvest the Fund. The Escrow Agent shall have the right to liquidate any

investments held in order to provide funds necessary to make required payments under this Agreement. All interest or other income earned under this Agreement shall be allocated to the appropriate Party or Parties at disbursement and reported, by the Escrow Agent to the IRS, or any other taxing authority, on IRS Form 1099 (or other appropriate form) as income earned from the Escrow Amount by such Party or Parties whether or not said income has been distributed during such year. The Escrow Agent shall withhold any taxes it deems appropriate in the absence of proper tax documentation or as required by law, and shall remit such taxes to the appropriate authorities. The Parties hereby represent to the Escrow Agent that no other tax reporting of any kind is required given the underlying transaction giving rise to this Agreement.

3. **Disposition and Termination.**

(a) **Claim Notices**. To the extent that either of the Seller or the Purchaser reasonably believes that it is entitled to the Fund, or its share thereof, under Sections 3.2 or 10.1 of the Asset Purchase Agreement, such Party may make a claim (a "Claim") to the Fund. To make a Claim, either of the Seller or the Purchaser shall (i) deliver to each other Party a notice detailing the Claim and (ii) deliver to the Escrow Agent a certificate signed by an Authorized Representative of such Party certifying that such Party has a Claim to the Fund, accompanied by evidence that it has delivered to each other Party a notice detailing the Claim (e.g. email delivery receipt, fax confirmation of delivery) (a "Claim Notice").

(b) **Disputed Claims**. A Party may dispute any Claim (a "Disputed Claim") by (i) delivering to the other Party a notice detailing the Disputed Claim and (ii) delivering to the Escrow Agent prior to 5:00 P.M. Eastern Time on the third (3rd) business day after Escrow Agent's receipt of the Claim Notice (the "Dispute Period") a certificate signed by an Authorized Representative of such Party certifying that it disputes such Claim, accompanied by evidence that it has delivered to the other Party a notice detailing the Disputed Claim (e.g. email delivery receipt, fax confirmation of delivery) (a "Claim Dispute Notice"). For purposes of determining of the Dispute Period, the Escrow Agent shall conclusively presume that any pending Claim Notice delivered to it was simultaneously delivered to the other Party as provided above.

(c) **Disbursements of the Fund**. The Escrow Agent shall disburse:

(i) the entire Fund to the Purchaser, if the Parties deliver to the Escrow Agent their joint written consent or agreement signed by an Authorized Representative of each Party with respect to such disbursement;

(ii) the entire Fund to the Seller, if the Parties deliver to the Escrow Agent their joint written consent or agreement signed by an Authorized Representative of each Party with respect to such disbursement;

(iii) the entire Fund to the Purchaser, if the Purchaser makes a Claim pursuant to Section 3(a) and the Seller fails to deliver a Claim Dispute Notice with respect to such Claim within the relevant Dispute Period and the Purchaser instructs the Escrow Agent in writing to make the disbursement to the Purchaser;

(iv) the entire Fund to the Seller, if the Seller makes a Claim pursuant to Section 3(a) and the Purchaser fails to deliver a Claim Dispute Notice with respect to such Claim within the relevant Dispute Period and the Seller instructs the Escrow Agent in writing to make the disbursements to the Seller;

(v) such amount of the Fund to such Party as the Escrow Agent is instructed by written certificate signed by an Authorized Representative of the Purchaser or the Seller certifying that a final non-appealable order of a court of competent jurisdiction or decision of a binding non-appealable arbitral body directs the Escrow Agent to release the Fund, accompanied by a letter or other written evidence from the law firm of the prevailing party certifying the finality of the order or decision (the date of such receipt, failure or decision in each of (i), (ii), (iii), (iv) and (v), a "Payment Notice Date").

The Escrow Agent shall, within three (3) business days from the applicable Payment Notice Date, pay to the Purchaser or the Seller, as applicable, the entire amount available in the Fund.

(d) **Termination.** Upon the delivery of the entire amount of the Fund by the Escrow Agent, this Agreement shall terminate, subject to the provisions of Section 9.

4. **Instructions to the Escrow Agent**.

(a) **Instructions.** Any instructions setting forth, claiming, containing, objecting to, or in any way related to the transfer or distribution of the Fund, must be in writing, executed by the appropriate Party or Parties as evidenced by the signatures of the person or persons signing this Agreement or one of their designated representatives as set forth in Schedule 1 (each an "Authorized Representative"), and delivered to the Escrow Agent only by confirmed facsimile or by PDF attached to an email on a business day only at the fax number or email address set forth in Section 10. No instruction for or related to the transfer or distribution of the Fund shall be deemed delivered and effective unless the Escrow Agent actually shall have received it on a business day by facsimile or as a PDF attached to an email only at the fax number or email address set forth in Section 10 and as evidenced by a confirmed transmittal to the Party's or Parties' transmitting fax number or email address and the Escrow Agent has been able to satisfy any applicable security procedures as may be required hereunder. The Escrow Agent shall not be liable to any Party or other person for refraining from acting upon any instruction for or related to the transfer or distribution of the Fund if delivered to any other fax number or email address, including but not limited to a valid email address of any employee of the Escrow Agent. On the date hereof, in accordance with the procedures set forth in this Section 4(a), each Party shall deliver to the Escrow Agent funds transfer instructions that the Escrow Agent is authorized to use to disburse any funds due to such Party.

(b) **Confirmations.** In the event any funds transfer instructions are set forth in a permitted instruction from a Party or the Parties in accordance with Section 4(a), the Escrow Agent is authorized to seek confirmation of such funds transfer instructions by a single telephone call-back to one of the Authorized Representatives, and the Escrow Agent may rely upon the confirmation of anyone purporting to be that Authorized Representative. The persons and telephone numbers designated for call-backs may be changed only in a writing executed by Authorized Representatives of the applicable Party and actually received by the Escrow Agent via facsimile or as a PDF attached to an email. Except as set forth in Section 4(a), no funds will be disbursed until an Authorized Representative is able to confirm such instructions by telephone call-back. The Escrow Agent, any intermediary bank, and the beneficiary's bank in any funds transfer may rely upon the identifying number of the beneficiary's bank or any intermediary bank included in a funds transfer instruction provided by a Party or the Parties and confirmed by an Authorized Representative. Further, the beneficiary's bank in the funds transfer instructions may make payment on the basis of the account number provided in such Party's or the Parties' instruction and confirmed by an Authorized Representative even though it identifies a person different from the named beneficiary.

(c) **Acknowledgments.** The Parties acknowledge that there are certain security, corruption, transmission error and access availability risks associated with using open networks such as the Internet and the Parties hereby expressly assume such risks. As used in this Agreement, "business day" shall mean any day other than a Saturday, Sunday or any other day on which the Escrow Agent located at the notice address set forth below is authorized or required by law or executive order to remain closed. The Parties acknowledge that the security procedures set forth in this Section 4 are commercially reasonable.

5. **Escrow Agent**. The Escrow Agent shall have only those duties as are specifically and expressly provided herein, which shall be deemed purely ministerial in nature, and no other duties, including but not limited to any fiduciary duty, shall be implied. The Escrow Agent has no knowledge of, nor any obligation to comply with, the terms and conditions of any other agreement between the Parties**,** nor shall the Escrow Agent be required to determine if any Party has complied with any other agreement. Notwithstanding the terms of any other agreement between the Parties, the terms and conditions of this Agreement shall control the actions of the Escrow Agent. The Escrow Agent may conclusively rely upon any written notice, document, instruction or request delivered by the Parties believed by it to be genuine and to have been signed by an Authorized Representative(s), as applicable, without inquiry and without requiring substantiating evidence of any kind and the Escrow Agent shall be under no duty to inquire into or investigate the validity, accuracy or content of any such document, notice, instruction or request. The Escrow Agent shall not be liable for any action taken, suffered or omitted to be taken by it in good faith except to the extent that the Escrow Agent's gross negligence or willful misconduct was the cause of any direct loss to any Party. The Escrow Agent may execute any of its powers and perform any of its duties hereunder directly or through affiliates or agents. In the event the Escrow Agent shall be uncertain, or believes there is some ambiguity, as to its duties or rights hereunder or receives instructions, claims or demands from any Party hereto which in Escrow Agent's judgment which conflict with the provisions of this Agreement, or if Escrow Agent receives conflicting instructions from the Parties, or if the Escrow Agent receives conflicting instructions from the Parties, the Escrow Agent shall be entitled either to (a) refrain from taking any action until it shall be given a joint written direction executed by Authorized Representatives of the Parties which eliminates such conflict or by a final court order or (b) follow any court order issued by a court of competent jurisdiction (it being understood that the Escrow Agent shall be entitled conclusively to rely and act upon any such court order and shall have no obligation to determine whether any such court order is final). The Escrow Agent shall have no duty to solicit any payments which may be due it or the Fund, including, without limitation, the Escrow Amount nor shall the Escrow Agent have any duty or obligation to confirm or verify the accuracy or correctness of any amounts deposited with it hereunder. Anything in this Agreement to the contrary notwithstanding, in no event shall the Escrow Agent be liable for special, incidental, punitive, indirect or consequential losses or damages of any kind whatsoever (including but not limited to lost profits), even if the Escrow Agent has been advised of the likelihood of such losses or damages and regardless of the form of action.

6. **Resignation; Succession.** The Parties may, upon mutual agreement, remove the Escrow Agent at any time by giving thirty (30) calendar days' prior written notice to the Escrow Agent. The Escrow Agent may resign and be discharged from its duties or obligations hereunder by giving thirty (30) days advance notice in writing of such resignation to the Parties. The Escrow Agent's sole responsibility after such thirty (30) day notice period expires shall be to hold the Fund (without any obligation to reinvest the same) and to deliver the same to a designated substitute escrow agent, if any, appointed by the Parties, or such other person designated by the Parties, or in accordance with the directions of a final court order, at which time of delivery, the Escrow Agent's obligations hereunder shall cease and terminate. If prior to the effective resignation date, the Parties have failed to appoint a successor escrow agent, or to instruct the Escrow Agent to deliver the Fund to another person as provided above, at any time on or after the effective resignation date, the Escrow Agent either (a) may interplead the Fund with a court of competent jurisdiction and the costs, expenses and reasonable attorney's fees which are incurred in connection with

such proceeding may be charged against and withdrawn from the Fund; or (b) appoint a successor escrow agent of its own choice. Any appointment of a successor escrow agent shall be binding upon the Parties and no appointed successor escrow agent shall be deemed to be an agent of the Escrow Agent. The Escrow Agent shall deliver the Fund to any appointed successor escrow agent, at which time the Escrow Agent's obligations under this Agreement shall cease and terminate. Any entity into which the Escrow Agent may be merged or converted or with which it may be consolidated, or any entity to which all or substantially all the escrow business may be transferred, shall be the Escrow Agent under this Agreement without further act.

7. **Compensation.** The Parties agree that the Seller, on the one hand, and the Purchaser, on the other hand, shall each be responsible for fifty percent (50%) of the fees and other compensations payable to the Escrow Agent upon execution of this Agreement and from time to time thereafter for the services to be rendered hereunder, which unless otherwise agreed in writing, shall be as described in Schedule 2. Each of the Parties further agrees to the disclosures set forth in Schedule 2.

8. **Successors and Assigns.** The Seller may assign all of its rights and obligations under this Agreement to a successor or assign. In the event that the Seller exercises its right to assign the Agreement to a successor or assign, the Seller shall provide reasonable advanced notice to the Purchaser of any such exercise; provided, that the assignee comply with Section 326 of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 ("USA PATRIOT Act"), requirement for the Escrow Agent, prior to such assignment and such assignment is approved by the Escrow Agent. This Agreement shall inure to the benefit of the Seller, the Purchaser, and the successors and assigns (if any) of the foregoing.

9. **Indemnification and Reimbursement.** The Parties shall jointly and severally indemnify, defend, hold harmless, pay or reimburse the Escrow Agent and its affiliates and their respective successors, assigns, directors, agents and employees (the "Indemnitees") from and against any and all losses, damages, claims, liabilities, penalties, judgments, settlements, litigation, investigations, costs or expenses (including, without limitation, the fees and expenses of outside counsel and experts and their staffs and all expense of document duplication and shipment) (collectively "Losses"), arising out of or in connection with (a) the Escrow Agent's performance of this Agreement, except to the extent that such Losses are determined by a court of competent jurisdiction through a final order to have been caused by the gross negligence, willful misconduct, or bad faith of such Indemnitee; and (b) the Escrow Agent's following any instructions or directions from the Parties received in accordance with this Agreement. The Parties hereby grant the Escrow Agent a lien on, right of set-off against and security interest in the Fund for the payment of any claim for indemnification due to the Escrow Agent or an Indemnitee in accordance with the terms hereof. The obligations set forth in this Section 9 shall survive the resignation, replacement or removal of the Escrow Agent or the termination of this Agreement.

10. **Notices.** Except as noted in Section 4(a), all notices, requests, demands, waivers, instructions, certificates and other communications required or permitted to be given under this Agreement to each person listed below shall be in writing, and executed by an Authorized Representative if to the Escrow Agent, and shall be sent (a) by facsimile, (b) by PDF attached to an email or (c) by next-day or overnight mail, as follows:

If to the Purchaser: Arch Capital Group (US) Inc.
300 Plaza Three, 3rd Floor
Jersey City, NJ 07311
Attention: General Counsel
Phone: 201-743-4000

Fax : 914-872-3613
Email: lpetrillo@archcapservices.com

If to the Receiver or PMI:
Special Deputy Receiver of PMI
300 West Osborn Road, Suite 500
Phoenix, AZ 85013
Attention: Truitte D. Todd
Telephone: 602-277-4943
Fax: 602-277-7404
Email: truitte.todd@pmigroup.com

with a copy to:
Hennelly & Steadman PLC
Goldsworthy House
322 West Roosevelt
Phoenix, AZ 85003
Attention: Joseph M. Hennelly, Jr.
Telephone: 602-230-7000
Fax: 602-230-7707
Email: jmh@hslaw-az.com

If to the Escrow Agent:
JPMorgan Chase Bank, N.A.
Escrow Services
712 Main Street, 5th Floor South
Houston, Texas 77002
Attention: Susie Becvar
Fax No.: 713-216-6927
Email: sw.escrow@jpmorgan.com

or, in each case, at such other address as may be specified in writing to the other parties to this Agreement.

Except as noted in Section 4(a), all such notices, requests, demands, waivers and other communications shall be deemed to have been received (i) if sent by next-day or overnight mail, on the day delivered, or (ii) if sent by fax or PDF attached to an email, on the business day on which such fax or email was sent, if sent during normal business hours or on the next business day following the day on which such fax or email was sent if sent after normal business hours.

11. **Compliance with Court Orders.** In the event that any of the Fund shall be attached, garnished, levied upon, or otherwise be subject to any court order, or the delivery thereof shall be stayed or enjoined by an order of a court, the Escrow Agent is hereby expressly authorized, in its sole discretion, to obey and comply with all such orders so entered or issued, which it is advised by legal counsel of its own choosing is binding upon it, whether with or without jurisdiction, and in the event that the Escrow Agent obeys or complies with any such order it shall not be liable to any of the Parties hereto or to any other person by reason of such compliance notwithstanding such order be subsequently reversed, modified, annulled, set aside or vacated.

12. **Miscellaneous.** The provisions of this Agreement may be waived, altered, amended or supplemented only by a writing signed by the Escrow Agent and the Parties. Neither this Agreement nor any right or interest hereunder may be assigned by any Party without the prior consent of the Escrow Agent and the other Parties. The Parties acknowledge and agree that as between the Parties, in the event

of any conflict between this Agreement and the Asset Purchase Agreement, the Asset Purchase Agreement shall control. This Agreement shall be governed by and construed under the laws of the State of Arizona without regard to rules governing conflict of laws therein. The Parties acknowledge and agree that the Fund satisfies the requirements of A.R.S. section 6-834(A). The Parties further acknowledge and agree that Escrow Agent has delivered sufficient information and otherwise fully disclosed to each of the Parties adequate notice of their right to earn interest or money and investments in the Fund pursuant to the MMDA in full satisfaction of and in compliance with the requirements of A.R.S. section 6-834(D). Further, the Parties acknowledge and agree that the fees and revenue earned by Escrow Agent from the MMDA or other permitted investments, if any, are not prohibited by or within the definition, scope or type of "interest earned or other benefit" barred by A.R.S. section 6-834(E). The Parties and Escrow Agent consent to the sole and exclusive jurisdiction of the state or federal courts located in the State of Arizona. Each Party and the Escrow Agent irrevocably waives any objection on the grounds of venue, forum non-conveniens or any similar grounds and irrevocably consents to service of process by mail or in any other manner permitted by applicable law and consents to the jurisdiction of the courts located in the State of Arizona. To the extent that in any jurisdiction any Party may now or hereafter be entitled to claim for itself or its assets, immunity from suit, execution, attachment (before or after judgment) or other legal process, such Party shall not claim, and hereby irrevocably waives, such immunity. The Escrow Agent and the Parties further hereby waive any right to a trial by jury with respect to any lawsuit or judicial proceeding arising or relating to this Agreement. No party to this Agreement is liable to any other party for losses due to, or if it is unable to perform its obligations under the terms of this Agreement because of, acts of God, fire, war, terrorism, floods, strikes, electrical outages, equipment or transmission failure, or other causes reasonably beyond its control. This Agreement and any joint instructions from the Parties may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument or instruction, as applicable. All signatures of the parties to this Agreement may be transmitted by facsimile or PDF, and such facsimile or PDF will, for all purposes, be deemed to be the original signature of such party whose signature it reproduces, and will be binding upon such party. If any provision of this Agreement is determined to be prohibited or unenforceable by reason of any applicable law of a jurisdiction, then such provision shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions thereof, and any such prohibition or unenforceability in such jurisdiction shall not invalidate or render unenforceable such provisions in any other jurisdiction. The Parties represent, warrant and covenant that each document, notice, instruction or request provided by such Party to the Escrow Agent shall comply with applicable laws and regulations. Except as expressly provided in Section 8, nothing in this Agreement, whether express or implied, shall be construed to give to any person or entity other than the Escrow Agent and the Parties any legal or equitable right, remedy, interest or claim under or in respect of the Fund or this Agreement.

[Remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date set forth above.

ARCH U.S. MI SERVICES INC.

By:_____

Name:_____

Title: _____

THE RECEIVER FOR PMI MORTGAGE INSURANCE CO. IN REHABILITATION
on behalf of PMI MORTGAGE INSURANCE CO.

By:_____

Name:_____

Title: _____

JPMORGAN CHASE BANK, NATIONAL ASSOCIATION
as Escrow Agent

By:_____

Name:_____

Title: _____

SCHEDULE 1

Telephone Numbers and Authorized Signatures for
Person(s) Designated to Give Instructions and Confirm Funds Transfer Instructions

For PMI:

	Name	Telephone Number	Signature
1.	_____	_____	_____
2.	_____	_____	_____
3.	_____	_____	_____

For the Purchaser:

	Name	Telephone Number	Signature
1.	_____	_____	_____
2.	_____	_____	_____
3.	_____	_____	_____

All instructions, including but not limited to funds transfer instructions, whether transmitted by facsimile or set forth in a PDF attached to an email, must include the signature of the Authorized Representative(s) authorizing said funds transfer on behalf of such Party.

SCHEDULE 2

J.P.Morgan

Schedule of Fees and Disclosures for Escrow Agent Services

Based upon our current understanding of your proposed transaction, our fee proposal is as follows:

Account Acceptance Fee ..... **$WAIVED**

Encompassing review, negotiation and execution of governing documentation, opening of the account, and completion of all due diligence documentation. Payable upon closing.

Annual Administration Fee **$2,500**

The Administration Fee covers our usual and customary ministerial duties, including record keeping, distributions, document compliance and such other duties and responsibilities expressly set forth in the governing documents for each transaction. Payable upon closing and annually in advance thereafter, without pro-ration for partial years.

Extraordinary Services and Out-of Pocket Expenses

Any additional services beyond our standard services as specified above, and all reasonable out-of-pocket expenses including attorney's or accountant's fees and expenses will be considered extraordinary services for which related costs, transaction charges, and additional fees will be billed at the Escrow Agent's then standard rate. Disbursements, receipts, investments or tax reporting exceeding 25 items per year may be treated as extraordinary services thereby incurring additional charges. The Escrow Agent may impose, charge, pass-through and modify fees and/or charges for any account established and services provided by the Escrow Agent, including but not limited to, transaction, maintenance, balance-deficiency, and service fees, agency or trade execution fees, and other charges, including those levied by any governmental authority.

Fee Disclosure & Assumptions: Please note that the fees quoted are based on a review of the transaction documents provided and an internal due diligence review. The Escrow Agent reserves the right to revise, modify, change and supplement the fees quoted herein if the assumptions underlying the activity in the account, level of balances, market volatility or conditions or other factors change from those used to set our fees. Payment of the invoice is due upon receipt

The escrow deposit shall be continuously invested in a JPMorgan Chase Bank money market deposit account ("MMDA") have rates of interest or compensation that may vary from time to time as determined by the Escrow Agent.

Disclosures and Agreements

Patriot Act Disclosure. Section 326 of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 ("USA PATRIOT Act") requires Escrow Agent to implement reasonable procedures to verify the identity of any person that opens a new account with it. Accordingly, you acknowledge that Section 326 of the USA PATRIOT Act and Escrow Agent's identity verification procedures require Escrow Agent to obtain information which may be used to confirm your identity including without limitation name, address and organizational documents

("identifying information"). You agree to provide Escrow Agent with and consent to Escrow Agent obtaining from third parties any such identifying information required as a condition of opening an account with or using any service provided by the Escrow Agent.

OFAC Disclosure. Escrow Agent is required to act in accordance with the laws and regulations of various jurisdictions relating to the prevention of money laundering and the implementation of sanctions, including but not limited to regulations issued by the U.S. Office of Foreign Assets Control. Escrow Agent is not obligated to execute payment orders or effect any other transaction where the beneficiary or other payee is a person or entity with whom the Escrow Agent is prohibited from doing business by any law or regulation applicable to Escrow Agent, or in any case where compliance would, in Escrow Agent's opinion, conflict with applicable law or banking practice or its own policies and procedures. Where Escrow Agent does not execute a payment order or effect a transaction for such reasons, Escrow Agent may take any action required by any law or regulation applicable to Escrow Agent including, without limitation, freezing or blocking funds.

Abandoned Property. Escrow Agent is required to act in accordance with the laws and regulations of various states relating to abandoned property and, accordingly, shall be entitled to remit dormant funds to any state as abandoned property in accordance with such laws and regulations.

THE FOLLOWING DISCLOSURES ARE REQUIRED TO BE PROVIDED UNDER APPLICABLE U.S. REGULATIONS, INCLUDING, BUT NOT LIMITED TO, FEDERAL RESERVE REGULATION D. WHERE SPECIFIC INVESTMENTS ARE NOTED BELOW, THE DISCLOSURES APPLY ONLY TO THOSE INVESTMENTS AND NOT TO ANY OTHER INVESTMENT.

Demand Deposit Account Disclosure. Escrow Agent is authorized, for regulatory reporting and internal accounting purposes, to divide an escrow demand deposit account maintained in the U.S. in which the Fund is held into a non-interest bearing demand deposit internal account and a non-interest bearing savings internal account, and to transfer funds on a daily basis between these internal accounts on Escrow Agent's general ledger in accordance with U.S. law at no cost to the Parties. Escrow Agent will record the internal accounts and any transfers between them on Escrow Agent's books and records only. The internal accounts and any transfers between them will not affect the Fund, any investment or disposition of the Fund, use of the escrow demand deposit account or any other activities under this Agreement, except as described herein. Escrow Agent will establish a target balance for the demand deposit internal account, which may change at any time. To the extent funds in the demand deposit internal account exceed the target balance, the excess will be transferred to the savings internal account, unless the maximum number of transfers from the savings internal account for that calendar month or statement cycle have already occurred. If withdrawals from the demand deposit internal account exceeds the available balance in the demand deposit internal account, funds from the savings internal account will be transferred to the demand deposit internal account up to the entire balance of available funds in the savings internal account to cover the shortfall and to replenish any target balance that Escrow Agent has established for the demand deposit internal account. If a sixth transfer is needed during a calendar month or statement cycle, it will be for the entire balance in the savings internal account, and such funds will remain in the demand deposit internal account for the remainder of the calendar month or statement cycle.

MMDA Disclosure and Agreement. If you have selected MMDA as the investment for the escrow deposit as set forth above or anytime in the future, you acknowledge and agree that U.S. law limits the number of pre-authorized or automatic transfers or withdrawals or telephonic/electronic instructions that can be made from an MMDA to a total of six (6) per calendar month or statement cycle or similar period. Escrow Agent is

required by U.S. law to reserve the right to require at least seven (7) days notice prior to a withdrawal from a money market deposit account.

Unlawful Internet Gambling. The use of any account to conduct transactions (including, without limitation, the acceptance or receipt of funds through an electronic funds transfer, or by check, draft or similar instrument, or the proceeds of any of the foregoing) that are related, directly or indirectly, to unlawful Internet gambling is strictly prohibited.

EXHIBIT K

INDEMNIFICATION ESCROW AGREEMENT

THIS INDEMNIFICATION ESCROW AGREEMENT (this "Agreement") is entered into as of [●], by and among Arch U.S. MI Services Inc., a Delaware corporation (the "Purchaser"), the Receiver of PMI Mortgage Insurance Co. in rehabilitation (the "Receiver"), on behalf of PMI Mortgage Insurance Co., an Arizona stock insurance corporation ("PMI" or the "Seller"), and JPMorgan Chase Bank, National Association (the "Escrow Agent"). The Seller and the Purchaser shall be referred to herein collectively as the "Parties" and individually as a "Party." Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Asset Purchase Agreement (as defined below), although the Escrow Agent shall not have any obligation to understand or ascertain the meaning of any defined terms not defined in this Agreement.

WHEREAS, the Receiver, on behalf of the Seller, and the Purchaser are party to the Asset Purchase Agreement dated as of February 7, 2013 (the "Asset Purchase Agreement"), providing for the establishment of this escrow of funds for the benefit of the Purchaser to secure certain indemnification obligations of the Seller under Article XI of the Asset Purchase Agreement; and

WHEREAS, this Agreement shall govern the terms upon which the Escrow Agent may distribute the amounts held in the Fund (as defined below) to the Purchaser or the Seller.

NOW THEREFORE, in consideration of the foregoing and of the mutual covenants hereinafter set forth, the parties hereto agree as follows:

1. **Appointment**. The Parties hereby appoint the Escrow Agent as their escrow agent for the purposes set forth herein, and the Escrow Agent hereby accepts such appointment under the terms and conditions set forth herein.

2. **The Fund.** The Purchaser agrees to deposit, or cause to be deposited, with the Escrow Agent in one or more demand deposit accounts the sum of ten million dollars ($10,000,000) (the "Escrow Amount"). The Escrow Agent shall hold the Escrow Amount and shall invest and reinvest the Escrow Amount and the proceeds thereof ("Fund") in a money market deposit account ("MMDA"), or investment offered by the Escrow Agent. MMDA's have rates of compensation that may vary from time to time as determined by Escrow Agent. The Parties recognize and agree that instructions to make any other investment (an "Alternative Investment") must be in writing and executed by an Authorized Representative (as defined in Section 4(a)) from each of the Seller and the Purchaser, and shall specify the type and identity of the investments to be purchased and/or sold. The Escrow Agent is hereby authorized to execute purchases and sales of investments through the facilities of its own trading or capital markets operations or those of any affiliated entity. The Escrow Agent or any of its affiliates may receive compensation with respect to any Alternative Investment directed hereunder including without limitation charging any applicable agency fee or trade execution fee in connection with each transaction. The Escrow Agent will not provide supervision, recommendations or advice relating to either the investment of moneys held in the Fund or the purchase, sale, retention or other disposition of any investment described herein and the Escrow Agent shall not have any liability for any loss in an investment made pursuant to the terms of this Agreement. The Escrow Agent has no responsibility whatsoever to determine the market or other value of any Alternative Investment and makes no representation or warranty, express or implied, as to the accuracy of any such valuations or that any values necessarily reflect the proceeds that may be received on the sale of an Alternative Investment. The Escrow Agent shall not have any liability for any loss sustained as a result of any investment made pursuant to the terms of this Agreement or as a result of any liquidation of any investment prior to its maturity or for the failure of an Authorized Representative of the Parties to give the Escrow Agent instructions to invest or reinvest the Fund. The

Escrow Agent shall have the right to liquidate any investments held in order to provide funds necessary to make required payments under this Agreement. All interest or other income earned under this Agreement shall be allocated to the Seller and reported, by the Escrow Agent to the IRS, or any other taxing authority, on IRS Form 1099 (or other appropriate form) as income earned from the Escrow Amount by the Seller whether or not said income has been distributed during such year. The Escrow Agent shall withhold any taxes it deems appropriate in the absence of proper tax documentation or as required by law, and shall remit such taxes to the appropriate authorities. The Parties hereby represent to the Escrow Agent that no other tax reporting of any kind is required given the underlying transaction giving rise to this Agreement.

3. **Disposition and Termination.**

(a) **Claim Notices**. To the extent the Purchaser reasonably believes that it or another Purchaser Indemnified Party is entitled to indemnification from and against any Covered Losses under Article XI of the Asset Purchase Agreement, the Purchaser may make a claim (a "Claim") to all or a portion of the Fund. To make a Claim, the Purchaser shall no later than 5:00 P.M. Eastern Time on [●] (which is the last business day prior to the date eighteen (18) months following the date hereof) (the "Claim Deadline") (i) deliver to the Seller a notice detailing the Claim and (ii) deliver to the Escrow Agent by the Claim Deadline a certificate signed by an Authorized Representative of the Purchaser certifying that the Purchaser has a Claim against the Seller, accompanied by evidence that the Purchaser has delivered to the Seller a notice detailing the Claim (e.g. email delivery receipt, fax confirmation of delivery) (a "Claim Notice").

(b) **Disputed Claims**. The Seller may dispute any Claim (a "Disputed Claim"), in whole or in part, by (i) delivering to the Purchaser a notice detailing the Disputed Claim and (ii) delivering to the Escrow Agent prior to 5:00 P.M. Eastern Time on the fifteenth (15th) business day after Escrow Agent's receipt of the Claim Notice (the "Dispute Period") a certificate signed by an Authorized Representative of the Seller certifying (a) that the Seller disputes such Claim and (b) the portion of the Claim set forth in the Claim Notice, if any, which is not disputed, accompanied by evidence that the Seller has delivered to the Purchaser a notice detailing the Disputed Claim (e.g. email delivery receipt, fax confirmation of delivery) (a "Claim Dispute Notice"). For purposes of determining of the Dispute Period, the Escrow Agent shall conclusively presume that any pending Claim Notice delivered to it was simultaneously delivered to the Seller as provided above.

(c) **Disbursements to the Purchaser**. The Escrow Agent shall make disbursements of the Fund with respect to any Claim made by the Purchaser hereunder, provided such Claim was received by the Escrow Agent prior to the Claim Deadline, if:

(i) the Escrow Agent receives the joint written consent or agreement of the Parties with respect to such distribution;

(ii) the Escrow Agent has not received a Claim Dispute Notice from the Seller with respect to such Claim (or a portion of such Claim) within the relevant Dispute Period and the Purchaser instructs the Escrow Agent in writing to make the disbursement to the Purchaser;

(iii) the Escrow Agent receives a Claim Dispute Notice from the Seller with respect to a portion of a Claim within the relevant Dispute Period, which sets forth an amount not disputed by the Seller within the relevant Dispute Period, and the Purchaser instructs the Escrow Agent in writing to make a disbursement of the undisputed amount to the Purchaser following the expiration of the relevant Dispute Period; or

(iv) the Escrow Agent receives a written certificate signed by an Authorized Representative of the Purchaser certifying that a final non-appealable order of a court of competent jurisdiction or binding non-appealable decision of an arbitral body directs the Escrow Agent to release a portion of the Fund with respect to a Disputed Claim (a "Decision") to the Purchaser, accompanied by a letter or other written evidence from the law firm of the Purchaser certifying the finality of the Decision (the date of such receipt, failure or Decision in each of (i), (ii), (iii) and (iv), a "Payment Notice Date").

The Escrow Agent shall, within five (5) business days from the applicable Payment Notice Date, pay to the Purchaser from the Fund an amount equal to the aggregate amount of such Claim as specified in (a) such notice from the Seller of consent or agreement to all or part of a Claim, (b) the Claim Notice from the Purchaser if the Escrow Agent does not receive from the Seller a Claim Dispute Notice or (c) such Decision (each of (a), (b) and (c), a "Payment Amount"). If the amount remaining in the Fund is not sufficient to pay in full any remaining unpaid portion of any Payment Amount, the Escrow Agent shall pay to the Purchaser the entire amount available in the Fund.

(d) **Disbursements to the Seller.** The Seller shall be entitled to the following Fund amounts:

(i) at its discretion and upon written instructions from the Seller, any interest accrued or other income earned on the Fund;

(ii) within three (3) business days of the later of (i) [●] (which is the one-year anniversary of the date hereof) and (ii) the date the Escrow Agent receives a written certificate signed by an Authorized Representative of the Seller certifying that the Purchaser has received, at least three (3) months prior to the date thereof, the final report of the independent auditors of the CMG Companies in respect of the first audit of PMAC completed following the Closing Date, accompanied by a letter or other written evidence from the law firm of the Seller certifying the same (the later of such dates, the "Interim Release Date"), fifty percent (50%) of the amounts remaining in the Fund to the Seller, less amounts that would be necessary (as determined by the Claim Notices or as otherwise reasonably agreed by the Parties in good faith and specified in joint written instructions to the Escrow Agent) to satisfy any and all then pending and unsatisfied Disputed Claims made prior to such time (such amounts, in the aggregate, the "Retained Escrow Amount"); provided, that the Purchaser and the Seller further acknowledge and agree that after the Interim Release Date, any amounts otherwise payable to the Seller shall not be subject to any new, subsequently delivered Claim Notices by the Purchaser, pending the Escrow Agent's receipt of wiring instructions from the Seller to enable the Escrow Agent to effectuate disbursement to the Seller;

(iii) within three (3) business days after the Claim Deadline, all of the amounts remaining in the Fund to the Seller, less any Retained Escrow Amount calculated at that time; or

(iv) promptly following the time that any Disputed Claim has been resolved and any payment in respect thereof has been made from the Retained Escrow Amount to the Purchaser, the remaining portion of such Retained Escrow Amount, if any.

(e) **Termination.** Upon the delivery of the entire amount of the Fund by the Escrow Agent, this Agreement shall terminate, subject to the provisions of Section 9.

4. **Instructions to the Escrow Agent**.

(a) **Instructions.** Any instructions setting forth, claiming, containing, objecting to, or in any way related to the transfer or distribution of the Fund, must be in writing, executed by the appropriate Party or Parties as evidenced by the signatures of the person or persons signing this Agreement or one of their designated representatives as set forth in Schedule 1 (each an "Authorized Representative") (provided, however, that any instruction to change the funds transfer instructions of the Purchaser shall require the signatures of two Purchaser Authorized Representatives), and delivered to the Escrow Agent only by confirmed facsimile or by PDF attached to an email on a business day only at the fax number or email address set forth in Section 10. No instruction for or related to the transfer or distribution of the Fund shall be deemed delivered and effective unless the Escrow Agent actually shall have received it on a business day by facsimile or as a PDF attached to an email only at the fax number or email address set forth in Section 10 and as evidenced by a confirmed transmittal to the Party's or Parties' transmitting fax number or email address and the Escrow Agent has been able to satisfy any applicable security procedures as may be required hereunder. The Escrow Agent shall not be liable to any Party or other person for refraining from acting upon any instruction for or related to the transfer or distribution of the Fund if delivered to any other fax number or email address, including but not limited to a valid email address of any employee of the Escrow Agent. On the date hereof, in accordance with the procedures set forth in this Section 4(a), each Party shall deliver to the Escrow Agent funds transfer instructions that the Escrow Agent is authorized to use to disburse any funds due to such Party.

(b) **Confirmations.** In the event any funds transfer instructions are set forth in a permitted instruction from a Party or the Parties in accordance with Section 4(a), the Escrow Agent is authorized to seek confirmation of such funds transfer instructions by a single telephone call-back to one of the Authorized Representatives, and the Escrow Agent may rely upon the confirmation of anyone purporting to be that Authorized Representative. The persons and telephone numbers designated for call-backs may be changed only in a writing executed by Authorized Representatives of the applicable Party and actually received by the Escrow Agent via facsimile or as a PDF attached to an email. Except as set forth in Section 4(a), no funds will be disbursed until an Authorized Representative is able to confirm such instructions by telephone call-back. The Escrow Agent, any intermediary bank, and the beneficiary's bank in any funds transfer may rely upon the identifying number of the beneficiary's bank or any intermediary bank included in a funds transfer instruction provided by a Party or Parties and confirmed by an Authorized Representative. Further, the beneficiary's bank in the funds transfer instructions may make payment on the basis of the account number provided in such Party's or the Parties' instruction and confirmed by an Authorized Representative even though it identifies a person different from the named beneficiary.

(c) **Acknowledgments.** The Parties acknowledge that there are certain security, corruption, transmission error and access availability risks associated with using open networks such as the Internet and the Parties hereby expressly assume such risks. As used in this Agreement, "business day" shall mean any day other than a Saturday, Sunday or any other day on which the Escrow Agent located at the notice address set forth below is authorized or required by law or executive order to remain closed. The Parties acknowledge that the security procedures set forth in this Section 4 are commercially reasonable.

5. **Escrow Agent**. The Escrow Agent shall have only those duties as are specifically and expressly provided herein, which shall be deemed purely ministerial in nature, and no other duties, including but not limited to any fiduciary duty, shall be implied. The Escrow Agent has no knowledge of, nor any obligation to comply with, the terms and conditions of any other agreement between the Parties**,** nor shall the Escrow Agent be required to determine if any Party has complied with any other agreement. Notwithstanding the terms of any other agreement between the Parties, the terms and conditions of this Agreement shall control the actions of the Escrow Agent. The Escrow Agent may conclusively rely upon any written notice, document, instruction or request delivered by the Parties believed by it to be genuine

and to have been signed by an Authorized Representative(s), as applicable, without inquiry and without requiring substantiating evidence of any kind and the Escrow Agent shall be under no duty to inquire into or investigate the validity, accuracy or content of any such document, notice, instruction or request. The Escrow Agent shall not be liable for any action taken, suffered or omitted to be taken by it in good faith except to the extent that the Escrow Agent's gross negligence or willful misconduct was the cause of any direct loss to any Party. The Escrow Agent may execute any of its powers and perform any of its duties hereunder directly or through affiliates or agents. In the event the Escrow Agent shall be uncertain, or believes there is some ambiguity, as to its duties or rights hereunder or receives instructions, claims or demands from any Party hereto which in Escrow Agent's judgment which conflict with the provisions of this Agreement or if Escrow Agent receives conflicting instructions from the Parties, or if the Escrow Agent receives conflicting instructions from the Parties, the Escrow Agent shall be entitled either to (a) refrain from taking any action until it shall be given a joint written direction executed by Authorized Representatives of the Parties which eliminates such conflict or by a final court order or (b) follow any court order issued by a court of competent jurisdiction (it being understood that the Escrow Agent shall be entitled conclusively to rely and act upon any such court order and shall have no obligation to determine whether any such court order is final). The Escrow Agent shall have no duty to solicit any payments which may be due it or the Fund, including, without limitation, the Escrow Amount nor shall the Escrow Agent have any duty or obligation to confirm or verify the accuracy or correctness of any amounts deposited with it hereunder. Anything in this Agreement to the contrary notwithstanding, in no event shall the Escrow Agent be liable for special, incidental, punitive, indirect or consequential losses or damages of any kind whatsoever (including but not limited to lost profits), even if the Escrow Agent has been advised of the likelihood of such losses or damages and regardless of the form of action.

6. **Resignation; Succession.** The Parties may, upon mutual agreement, remove the Escrow Agent at any time by giving thirty (30) calendar days' prior written notice to the Escrow Agent. The Escrow Agent may resign and be discharged from its duties or obligations hereunder by giving thirty (30) days advance notice in writing of such resignation to the Parties. The Escrow Agent's sole responsibility after such thirty (30) day notice period expires shall be to hold the Fund (without any obligation to reinvest the same) and to deliver the same to a designated substitute escrow agent, if any, appointed by the Parties, or such other person designated by the Parties, or in accordance with the directions of a final court order, at which time of delivery, the Escrow Agent's obligations hereunder shall cease and terminate. If prior to the effective resignation date, the Parties have failed to appoint a successor escrow agent, or to instruct the Escrow Agent to deliver the Fund to another person as provided above, at any time on or after the effective resignation date, the Escrow Agent either (a) may interplead the Fund with a court of competent jurisdiction and the costs, expenses and reasonable attorney's fees which are incurred in connection with such proceeding may be charged against and withdrawn from the Fund; or (b) appoint a successor escrow agent of its own choice. Any appointment of a successor escrow agent shall be binding upon the Parties and no appointed successor escrow agent shall be deemed to be an agent of the Escrow Agent. The Escrow Agent shall deliver the Fund to any appointed successor escrow agent, at which time the Escrow Agent's obligations under this Agreement shall cease and terminate. Any entity into which the Escrow Agent may be merged or converted or with which it may be consolidated, or any entity to which all or substantially all the escrow business may be transferred, shall be the Escrow Agent under this Agreement without further act.

7. **Compensation.** The Parties agree that the Seller, on the one hand, and the Purchaser, on the other hand, shall each be responsible for fifty percent (50%) of the fees and other compensations payable to the Escrow Agent upon execution of this Agreement and from time to time thereafter for the services to be rendered hereunder, which unless otherwise agreed in writing, shall be as described in Schedule 2. Each of the Parties further agrees to the disclosures set forth in Schedule 2.

8. **Successors and Assigns.** The Seller may assign all of its rights and obligations under this Agreement to a successor or assign. In the event that the Seller exercises its right to assign the Agreement to a successor or assign, the Seller shall provide reasonable advanced notice to the Purchaser of any such exercise; provided, that the assignee comply with Section 326 of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 ("USA PATRIOT Act"), requirement for the Escrow Agent, prior to such assignment and such assignment is approved by the Escrow Agent. This Agreement shall inure to the benefit of the Seller, the Purchaser, and the successors and assigns (if any) of the foregoing.

9. **Indemnification and Reimbursement.** The Parties shall jointly and severally indemnify, defend, hold harmless, pay or reimburse the Escrow Agent and its affiliates and their respective successors, assigns, directors, agents and employees (the "Indemnitees") from and against any and all losses, damages, claims, liabilities, penalties, judgments, settlements, litigation, investigations, costs or expenses (including, without limitation, the fees and expenses of outside counsel and experts and their staffs and all expense of document duplication and shipment) (collectively "Losses"), arising out of or in connection with (a) the Escrow Agent's performance of this Agreement, except to the extent that such Losses are determined by a court of competent jurisdiction through a final order to have been caused by the gross negligence, willful misconduct, or bad faith of such Indemnitee; and (b) the Escrow Agent's following any instructions or directions from the Parties received in accordance with this Agreement. The Parties hereby grant the Escrow Agent a lien on, right of set-off against and security interest in the Fund for the payment of any claim for indemnification due to the Escrow Agent or an Indemnitee in accordance with the terms hereof. The obligations set forth in this Section 9 shall survive the resignation, replacement or removal of the Escrow Agent or the termination of this Agreement.

10. **Notices.** Except as noted in Section 4(a), all notices, requests, demands, waivers, instructions, certificates and other communications required or permitted to be given under this Agreement to each person listed below shall be in writing, and executed by an Authorized Representative if to the Escrow Agent, and shall be sent (a) by facsimile, (b) by PDF attached to an email or (c) by next-day or overnight mail, as follows:

If to the Purchaser:
Arch Capital Group (US) Inc.
300 Plaza Three, 3rd Floor
Jersey City, NJ 07311
Attention: General Counsel
Phone: 201-743-4000
Fax : 914-872-3613
Email: lpetrillo@archcapservices.com

If to the Receiver or PMI:
Special Deputy Receiver of PMI
300 West Osborn Road, Suite 500
Phoenix, AZ 85013
Attention: Truitte D. Todd
Telephone: 602-277-4943
Fax: 602-277-7404
Email: truitte.todd@pmigroup.com

with a copy to:
Hennelly & Steadman PLC
Goldsworthy House
322 West Roosevelt
Phoenix, AZ 85003

Attention: Joseph M. Hennelly, Jr.
Telephone: 602-230-7000
Fax: 602-230-7707
Email: jmh@hslaw-az.com

If to the Escrow Agent: JPMorgan Chase Bank, N.A.
Escrow Services
712 Main Street, 5th Floor South
Houston, Texas 77002
Attention: Susie Becvar
Fax No.: 713-216-6927
Email: sw.escrow@jpmorgan.com

or, in each case, at such other address as may be specified in writing to the other parties to this Agreement.

Except as noted in Section 4(a), all such notices, requests, demands, waivers and other communications shall be deemed to have been received (i) if sent by next-day or overnight mail, on the day delivered, or (ii) if sent by fax or PDF attached to an email, on the business day on which such fax or email was sent, if sent during normal business hours or on the next business day following the day on which such fax or email was sent if sent after normal business hours.

11. **Compliance with Court Orders.** In the event that any of the Fund shall be attached, garnished, levied upon, or otherwise be subject to any court order, or the delivery thereof shall be stayed or enjoined by an order of a court, the Escrow Agent is hereby expressly authorized, in its sole discretion, to obey and comply with all such orders so entered or issued, which it is advised by legal counsel of its own choosing is binding upon it, whether with or without jurisdiction, and in the event that the Escrow Agent obeys or complies with any such order it shall not be liable to any of the Parties hereto or to any other person by reason of such compliance notwithstanding such order be subsequently reversed, modified, annulled, set aside or vacated.

12. **Miscellaneous.** The provisions of this Agreement may be waived, altered, amended or supplemented only by a writing signed by the Escrow Agent and the Parties. Neither this Agreement nor any right or interest hereunder may be assigned by any Party without the prior consent of the Escrow Agent and the other Party. The Parties acknowledge and agree that as between the Parties, in the event of any conflict between this Agreement and the Asset Purchase Agreement, the Asset Purchase Agreement shall control. This Agreement shall be governed by and construed under the laws of the State of Arizona without regard to rules governing conflict of laws therein. The Parties acknowledge and agree that the Fund satisfies the requirements of A.R.S. section 6-834(A). The Parties further acknowledge and agree that Escrow Agent has delivered sufficient information and otherwise fully disclosed to each of the Parties adequate notice of their right to earn interest or money and investments in the Fund pursuant to the MMDA in full satisfaction of and in compliance with the requirements of A.R.S. section 6-834(D). Further, the Parties acknowledge and agree that the fees and revenue earned by Escrow Agent from the MMDA or other permitted investments, if any, are not prohibited by or within the definition, scope or type of "interest earned or other benefit" barred by A.R.S. section 6-834(E). The Parties and Escrow Agent consent to the sole and exclusive jurisdiction of the state or federal courts located in the State of Arizona. Each Party and the Escrow Agent irrevocably waives any objection on the grounds of venue, forum non-conveniens or any similar grounds and irrevocably consents to service of process by mail or in any other manner permitted by applicable law and consents to the jurisdiction of the courts located in the State of Arizona. To the extent that in any jurisdiction any Party may now or hereafter be entitled to claim

for itself or its assets, immunity from suit, execution, attachment (before or after judgment) or other legal process, such Party shall not claim, and hereby irrevocably waives, such immunity. The Escrow Agent and the Parties further hereby waive any right to a trial by jury with respect to any lawsuit or judicial proceeding arising or relating to this Agreement. No party to this Agreement is liable to any other party for losses due to, or if it is unable to perform its obligations under the terms of this Agreement because of, acts of God, fire, war, terrorism, floods, strikes, electrical outages, equipment or transmission failure, or other causes reasonably beyond its control. This Agreement and any joint instructions from the Parties may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument or instruction, as applicable. All signatures of the parties to this Agreement may be transmitted by facsimile or PDF, and such facsimile or PDF will, for all purposes, be deemed to be the original signature of such party whose signature it reproduces, and will be binding upon such party. If any provision of this Agreement is determined to be prohibited or unenforceable by reason of any applicable law of a jurisdiction, then such provision shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions thereof, and any such prohibition or unenforceability in such jurisdiction shall not invalidate or render unenforceable such provisions in any other jurisdiction. The Parties represent, warrant and covenant that each document, notice, instruction or request provided by such Party to the Escrow Agent shall comply with applicable laws and regulations. Except as expressly provided in Section 8, nothing in this Agreement, whether express or implied, shall be construed to give to any person or entity other than the Escrow Agent and the Parties any legal or equitable right, remedy, interest or claim under or in respect of the Fund or this Agreement.

[Remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date set forth above.

ARCH U.S. MI SERVICES INC.

By:_____

Name:_____

Title: _____

THE RECEIVER FOR PMI MORTGAGE INSURANCE CO. IN REHABILITATION
on behalf of PMI MORTGAGE INSURANCE CO.

By:_____

Name:_____

Title: _____

JPMORGAN CHASE BANK, NATIONAL ASSOCIATION
as Escrow Agent

By:_____

Name:_____

Title: _____

SCHEDULE 1

Telephone Numbers and Authorized Signatures for
Person(s) Designated to Give Instructions and Confirm Funds Transfer Instructions

For PMI:

	Name	Telephone Number	Signature
1.	_____	_____	_____
2.	_____	_____	_____
3.	_____	_____	_____

For the Purchaser (TWO SIGNATURES REQUIRED TO CHANGE WIRE INSTRUCTIONS):

	Name	Telephone Number	Signature
1.	_____	_____	_____
2.	_____	_____	_____
3.	_____	_____	_____

All instructions, including but not limited to funds transfer instructions, whether transmitted by facsimile or set forth in a PDF attached to an email, must include the signature of the Authorized Representative(s) authorizing said funds transfer on behalf of such Party.

SCHEDULE 2

J.P.Morgan

Schedule of Fees for Escrow Agent Services

Based upon our current understanding of your proposed transaction, our fee proposal is as follows:

Account Acceptance Fee ..... **$WAIVED**

Encompassing review, negotiation and execution of governing documentation, opening of the account, and completion of all due diligence documentation. Payable upon closing.

Annual Administration Fee **$2,500**

The Administration Fee covers our usual and customary ministerial duties, including record keeping, distributions, document compliance and such other duties and responsibilities expressly set forth in the governing documents for each transaction. Payable upon closing and annually in advance thereafter, without pro-ration for partial years.

Extraordinary Services and Out-of Pocket Expenses

Any additional services beyond our standard services as specified above, and all reasonable out-of-pocket expenses including attorney's or accountant's fees and expenses will be considered extraordinary services for which related costs, transaction charges, and additional fees will be billed at the Escrow Agent's then standard rate. Disbursements, receipts, investments or tax reporting exceeding 25 items per year may be treated as extraordinary services thereby incurring additional charges. The Escrow Agent may impose, charge, pass-through and modify fees and/or charges for any account established and services provided by the Escrow Agent, including but not limited to, transaction, maintenance, balance-deficiency, and service fees, agency or trade execution fees, and other charges, including those levied by any governmental authority.

Fee Disclosure & Assumptions: Please note that the fees quoted are based on a review of the transaction documents provided and an internal due diligence review. The Escrow Agent reserves the right to revise, modify, change and supplement the fees quoted herein if the assumptions underlying the activity in the account, level of balances, market volatility or conditions or other factors change from those used to set our fees. Payment of the invoice is due upon receipt

The escrow deposit shall be continuously invested in a JPMorgan Chase Bank money market deposit account ("MMDA") have rates of interest or compensation that may vary from time to time as determined by the Escrow Agent.

Disclosures and Agreements

Patriot Act Disclosure. Section 326 of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 ("USA PATRIOT Act") requires Escrow Agent to implement reasonable procedures to verify the identity of any person that opens a new account with it. Accordingly, you acknowledge that Section 326 of the USA PATRIOT Act and Escrow Agent's identity verification procedures require Escrow Agent to obtain information which may be used to confirm your identity including without limitation name, address and organizational documents

("identifying information"). You agree to provide Escrow Agent with and consent to Escrow Agent obtaining from third parties any such identifying information required as a condition of opening an account with or using any service provided by the Escrow Agent.

OFAC Disclosure. Escrow Agent is required to act in accordance with the laws and regulations of various jurisdictions relating to the prevention of money laundering and the implementation of sanctions, including but not limited to regulations issued by the U.S. Office of Foreign Assets Control. Escrow Agent is not obligated to execute payment orders or effect any other transaction where the beneficiary or other payee is a person or entity with whom the Escrow Agent is prohibited from doing business by any law or regulation applicable to Escrow Agent, or in any case where compliance would, in Escrow Agent's opinion, conflict with applicable law or banking practice or its own policies and procedures. Where Escrow Agent does not execute a payment order or effect a transaction for such reasons, Escrow Agent may take any action required by any law or regulation applicable to Escrow Agent including, without limitation, freezing or blocking funds.

Abandoned Property. Escrow Agent is required to act in accordance with the laws and regulations of various states relating to abandoned property and, accordingly, shall be entitled to remit dormant funds to any state as abandoned property in accordance with such laws and regulations.

THE FOLLOWING DISCLOSURES ARE REQUIRED TO BE PROVIDED UNDER APPLICABLE U.S. REGULATIONS, INCLUDING, BUT NOT LIMITED TO, FEDERAL RESERVE REGULATION D. WHERE SPECIFIC INVESTMENTS ARE NOTED BELOW, THE DISCLOSURES APPLY ONLY TO THOSE INVESTMENTS AND NOT TO ANY OTHER INVESTMENT.

Demand Deposit Account Disclosure. Escrow Agent is authorized, for regulatory reporting and internal accounting purposes, to divide an escrow demand deposit account maintained in the U.S. in which the Fund is held into a non-interest bearing demand deposit internal account and a non-interest bearing savings internal account, and to transfer funds on a daily basis between these internal accounts on Escrow Agent's general ledger in accordance with U.S. law at no cost to the Parties. Escrow Agent will record the internal accounts and any transfers between them on Escrow Agent's books and records only. The internal accounts and any transfers between them will not affect the Fund, any investment or disposition of the Fund, use of the escrow demand deposit account or any other activities under this Agreement, except as described herein. Escrow Agent will establish a target balance for the demand deposit internal account, which may change at any time. To the extent funds in the demand deposit internal account exceed the target balance, the excess will be transferred to the savings internal account, unless the maximum number of transfers from the savings internal account for that calendar month or statement cycle have already occurred. If withdrawals from the demand deposit internal account exceeds the available balance in the demand deposit internal account, funds from the savings internal account will be transferred to the demand deposit internal account up to the entire balance of available funds in the savings internal account to cover the shortfall and to replenish any target balance that Escrow Agent has established for the demand deposit internal account. If a sixth transfer is needed during a calendar month or statement cycle, it will be for the entire balance in the savings internal account, and such funds will remain in the demand deposit internal account for the remainder of the calendar month or statement cycle.

MMDA Disclosure and Agreement. If you have selected MMDA as the investment for the escrow deposit as set forth above or anytime in the future, you acknowledge and agree that U.S. law limits the number of pre-authorized or automatic transfers or withdrawals or telephonic/electronic instructions that can be made from an MMDA to a total of six (6) per calendar month or statement cycle or similar period. Escrow Agent is

required by U.S. law to reserve the right to require at least seven (7) days notice prior to a withdrawal from a money market deposit account.

Unlawful Internet Gambling. The use of any account to conduct transactions (including, without limitation, the acceptance or receipt of funds through an electronic funds transfer, or by check, draft or similar instrument, or the proceeds of any of the foregoing) that are related, directly or indirectly, to unlawful Internet gambling is strictly prohibited.

EXHIBIT L

TERMINATION AND RELEASE AGREEMENT

This Termination and Release Agreement (this "Agreement") is being executed and delivered by the Receiver of PMI Mortgage Insurance Co. in Rehabilitation (the "Receiver") on behalf of PMI Mortgage Insurance Co., an Arizona stock insurance company ("PMI") and PMI Mortgage Assurance Co., an Arizona corporation ("PMAC") (collectively, PMAC and PMI shall be referred to as the "Releasors" and each as a "Releasor"), in accordance with that certain Asset Purchase Agreement, dated as of February 7, 2013 (the "Purchase Agreement"), by and among the Receiver on behalf of PMI, Arch U.S. MI Services Inc., a Delaware corporation (the "Purchaser"), and solely for purposes expressly set forth therein, Arch Capital Group (US) Inc., a Delaware corporation.

W I T N E S S E T H:

WHEREAS, each Releasor acknowledges that execution and delivery of this Agreement is a condition to Purchaser's obligation to purchase the Shares and the Purchased Assets pursuant to the Purchase Agreement and that Purchaser is relying on this Agreement in consummating such purchase;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound, in order to induce Purchaser to purchase the Shares and the Purchased Assets pursuant to the Purchase Agreement, each Releasor hereby agrees as follows:

1. Definitions. Capitalized terms used in this Agreement without definition have the respective meanings given to them in the Purchase Agreement. As used herein "Transaction Document" means any Transaction Document within the meaning of the Purchase Agreement or any Transaction Document within the meaning of the CMG Stock Purchase Agreement.

2. Termination of Certain Agreements. Effective as of the date hereof, (i) each and every Affiliate Transaction, including, without limitation, that set forth on Exhibit A hereto, is hereby forever terminated and cancelled and is of no force or effect whatsoever and all rights and obligations thereunder are forever terminated and discharged notwithstanding any other term thereof to the contrary and (ii) PMAC shall no longer be a party to that certain Amended and Restated Tax Sharing Agreement for The PMI Group, Inc. and its subsidiaries, effective as of January 1, 2012 (collectively, such Affiliate Transactions referenced in clauses (i) and (ii), the "Terminated Agreements"). The foregoing shall not apply to any Transaction Document.

3. Release by PMI.

(a) PMI, for itself and on behalf of its Affiliates (other than PMAC), and its successors and assigns (collectively, the "PMI Group") hereby releases and forever discharges PMAC from any and all claims, demands, proceedings, actions, causes of action, orders, suits, obligations, contracts, agreements, damages, debts and liabilities whatsoever in character, nature and kind, whether known or unknown, suspected or unsuspected, both at law and in equity, which any member of PMI Group now has, has ever had or may hereafter have against PMAC arising contemporaneously with or prior to the Closing Date or on account of or arising out of

any matter, cause or event occurring contemporaneously with or prior to the Closing Date, including, but not limited to any rights to indemnification or reimbursement from PMAC pursuant to contract or otherwise and whether or not relating to claims pending on, or asserted after, the Closing Date; provided, however, that nothing contained herein shall operate to release any obligations of PMAC arising under the Purchase Agreement or any Transaction Document or any rights of any current or former director or officer of PMAC to indemnification or reimbursement from PMAC, whether pursuant to their respective articles of incorporation, bylaws, limited liability company agreement or other Organizational Documents.

(b) PMI hereby irrevocably covenants to refrain (and to cause each member of PMI Group to refrain) from, directly or indirectly, asserting any claim or demand, or commencing, instituting or causing to be commenced, any proceeding of any kind against PMAC, based upon any matter purported to be released hereby.

(c) Without in any way limiting any of the rights and remedies otherwise available to PMAC, PMI shall indemnify and hold harmless PMAC from and against all Covered Losses arising directly or indirectly from or in connection with the assertion by or on behalf of any member of PMI Group of any claim or other matter purported to be released pursuant to this Agreement.

4. Release by PMAC.

(a) PMAC, for itself and on behalf of its Affiliates (other than PMI), and its and their respective successors and assigns (collectively, the "PMAC Group") hereby releases and forever discharges PMI from any and all claims, demands, proceedings, actions causes of action, orders, suits obligations, contracts, agreements, damages, debts and liabilities whatsoever in character, nature and kind, whether known or unknown, suspected or unsuspected, both at law and in equity, which any member of PMAC Group now has, has ever had or may hereafter have against PMI arising contemporaneously with or prior to the Closing Date or on account of or arising out of any matter, cause or event occurring contemporaneously with or prior to the Closing Date, including, but not limited to any rights to indemnification or reimbursement from PMI pursuant to contract or otherwise and whether or not relating to claims pending on, or asserted after, the Closing Date; provided, however, that nothing contained herein shall operate to release any obligations of PMI arising under the Purchase Agreement or any Transaction Document, or any rights of any current or former director or officer of PMI to indemnification or reimbursement from PMI, whether pursuant to their respective articles of incorporation, bylaws, limited liability company agreement or other Organizational Documents.

(b) PMAC hereby irrevocably covenants to refrain (and to cause each member of PMAC Group to refrain) from, directly or indirectly, asserting any claim or demand, or commencing, instituting or causing to be commenced, any proceeding of any kind against PMI, based upon any matter purported to be released hereby.

(c) Without in any way limiting any of the rights and remedies otherwise available to PMI, PMAC shall indemnify and hold harmless PMI from and against all Covered Losses arising directly or indirectly from or in connection with the assertion by or on behalf of any member of PMAC Group of any claim or other matter purported to be released pursuant to this Agreement.

5. **Severability.** If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Agreement will remain in full force and effect. Any provision of this Agreement held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.

6. **Amendment.** This Agreement may not be changed except in a writing signed by the person(s) against whose interest such change shall operate.

7. **Governing Law.** This Agreement shall be governed by and construed under the laws of the State of Arizona applicable to agreements made and to be performed entirely with such state without regard to the conflicts of law provisions thereof.

8. **Successors and Assigns**. This Agreement will apply to, be binding in all respects upon and inure to the benefit of the successors and permitted assigns of the Releasors.

9. **Counterparts; Facsimile.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute one and the same instrument.

[Signature Page Follows]

IN WITNESS WHEREOF, each of the undersigned have executed and delivered this Agreement as of the _____ day of _____, 2013.

RELEASORS:

THE RECEIVER OF PMI MORTGAGE INSURANCE CO., IN REHABILITATION, ON BEHALF OF PMI MORTGAGE INSURANCE CO.

By:_____
Name:_____
Its:_____

PMI MORTGAGE ASSURANCE CO.

By:_____
Name:_____
Its:_____

EXHIBIT A

TERMINATED AGREEMENTS

1. **Cost Allocation Agreement** between Commercial Loan Insurance Corporation and the Seller effective July 24, 2003.

   First Amendment effective January 1, 2010 (naming PMAC in place of Commercial Loan Insurance Corporation)

EXHIBIT M

FIRPTA CERTIFICATION

Reference is made to that certain Asset Purchase Agreement (the "Agreement"), dated as of February 7, 2013, by and among the Receiver of PMI Mortgage Insurance Co., in rehabilitation, on behalf of PMI Mortgage Insurance Co. ("Transferor"), Arch U.S. MI Services Inc. ("Transferee"), and Arch Capital Group (US) Inc. Capitalized terms used but not defined herein shall have the meanings given to them in the Agreement.

Section 1445 of the Code provides that a transferee of a U.S. real property interest must withhold tax if the transferor is a foreign person. In connection with the Closing and to inform Transferee that withholding tax is not required upon the disposition of a U.S. real property interest by Transferor, the undersigned hereby certifies the following on behalf of Transferor:

1. Transferor is not a foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Code and Treasury Regulations promulgated thereunder);

2. Transferor is not a disregarded entity as defined in Treasury Regulation § 1.1445-2(b)(2)(iii);

3. Transferor's U.S. employer identification number is _____, and

4. Transferor's office address is: _____.

Transferor understands that this certification may be disclosed to the Internal Revenue Service by Transferee and that any false statement contained herein could be punished by fine, imprisonment, or both.

Under penalties of perjury I declare that I have examined this certification and to the best of my knowledge and belief it is true, correct and complete, and I further declare that I have authority to sign this document on behalf of Transferor.

By: _____
Name: _____
Title: _____
Date: _____

PURCHASER DISCLOSURE SCHEDULE TO ASSET PURCHASE AGREEMENT

This document is being submitted under separate cover as a Confidential Supplement to the Form A.

Schedule 1.1(a)
Assumed Contracts

This schedule is being submitted under separate cover as a Confidential Supplement to the Form A.

Schedule 1.1(b)
Business Contractor Services Agreements

This schedule is being submitted under separate cover as a Confidential Supplement to the Form A.

Schedule 1.1(c)
Data Exchange Contracts

This schedule is being submitted under separate cover as a Confidential Supplement to the Form A.

Schedule 1.1(d)
Excluded Seller Licensed Intellectual Property

This schedule is being submitted under separate cover as a Confidential Supplement to the Form A.

Schedule 1.1(e)
Excluded Seller Owned Intellectual Property

Intellectual Property	**Description**
www.pmigroup.com	PMI external website domain name
www.pmi-us.com	PMI external website domain name
www.e-pmi.com	PMI ecommerce site domain name
MyPMI	PMI company intranet
 Misc. Design (House)	Trademark for PMI logo
e-pmi	Trademark for PMI network used to provide information to mortgage lenders about mortgage loans and underwriting
pmiPAPERLESS	Trademark used for mortgage insurance underwriting services

Schedule 1.1(f)
Seller Required Governmental Approvals

1. Approval of the Form A (Acquisition of Control of or Merger with a Domestic Insurer) application related to PMAC to be filed with the Arizona Department of Insurance.

2. Expiration or termination of the waiting period (and any extension thereof) applicable to the consummation of the Transaction, and receipt of any required approvals, under the Hart–Scott–Rodino Antitrust Improvements Act of 1976 (the "HSR Act") and any other applicable similar laws or regulations.

3. Approval or non-objection by the Arizona Department of Insurance of a distribution of assets by PMAC pursuant to Section 6.15(a) of this Agreement.

Schedule 1.1(g)
Purchaser Required Governmental Approvals

1. Approval of the Form A (Acquisition of Control of or Merger with a Domestic Insurer) application related to PMAC to be filed with the Arizona Department of Insurance.

2. Approval (or where applicable, the non-disapproval) of the Form E (Pre-Acquisition Notification Form regarding the Potential Competitive Impact of a Proposed Merger or Acquisition or similar forms) filings by the insurance departments in all the jurisdictions in which PMAC is licensed and which require such a filing.

3. Expiration or termination of the waiting period (and any extension thereof) applicable to the consummation of the Transaction, and receipt of any required approvals, under the HSR Act and any other applicable similar laws or regulations.

4. Receipt of all licenses and permits (including, but not, limited to claims adjuster licenses) required for the Affiliate of the Purchaser to provide the services under the Services Agreement.

5. Notification and reporting to the Bermuda Monetary Authority with respect to the Transactions.

Schedule 1.1(h)
Hardware and IT Assets Leases

This schedule is being submitted under separate cover as a Confidential Supplement to the Form A.

Schedule 1.1(i)
Permitted Liens

This schedule is being submitted under separate cover as a Confidential Supplement to the Form A.

Schedule 1.1(j)
Personal Property Leases

This schedule is being submitted under separate cover as a Confidential Supplement to the Form A.

Schedule 1.1(k)
Seller IP Agreements

This schedule is being submitted under separate cover as a Confidential Supplement to the Form A.

Schedule 1.1(l)
Seller Licensed Intellectual Property

This schedule is being submitted under separate cover as a Confidential Supplement to the Form A.

Schedule 1.1(m)
Seller Owned Intellectual Property

This schedule is being submitted under separate cover as a Confidential Supplement to the Form A.

Schedule 1.1(n)
Open Positions

This schedule is being submitted under separate cover as a Confidential Supplement to the Form A.

Schedule 1.1(o)
Third Party Consents

This schedule is being submitted under separate cover as a Confidential Supplement to the Form A.

Schedule 2.2(b)(iv)
Excluded Personal Property

None.

Schedule 6.17(a)
NMI Litigation

Marks et al. v. NMI Holdings, Inc., et.al, Alameda County California Superior Court Case No. RG12642872

Schedule 6.18
Definition of Qualified Bidder

The term Qualified Bidder shall mean an entity:

(i) experienced with investing in insurance, financial services or residential mortgage servicing or origination companies;

(ii) that, together with any other members of its bidding consortium, has a consolidated net worth or equity market capitalization of not less than $2 billion or not less than $6 billion of assets under management;

(iii) that is not subject to any order or enforcement action of any court or state or federal government agency that materially prohibits or restrains such entity from engaging in, owning an investment in, or otherwise conducting business with, a mortgage insurance company;

(iv) that is able to provide satisfactory evidence that it has the ability to complete the purchase of the Purchased Assets including the receipt of GSE approval, regulatory approval and Court approval, in a reasonable time frame and in any event within a time frame comparable to the Transaction with the Purchaser; and

(v) that is able to provide satisfactory evidence that it has committed financing with respect to the purchase of the Assets.

If a potential buyer is made up of a consortium of unrelated parties, clause (iii) shall apply to each member of such consortium, clause (i) shall apply to each member of such consortium, clause (ii) shall apply to the members of such consortium collectively and clause (iv) shall apply to the consortium as a whole.

Schedule 8.1(c)
Governmental Approvals

1. Expiration or termination of the waiting period (and any extension thereof) applicable to the consummation of the Transaction, and receipt of any required approvals, under the HSR Act and any other applicable similar laws or regulations.

2. Receipt of all licenses and permits (including, but not, limited to claims adjuster licenses) required for the Affiliate of the Purchaser to provide the services under the Services Agreement.

3. Only with respect to the Second Closing, approval of the Form A (Acquisition of Control of or Merger with a Domestic Insurer) application related to PMAC to be filed with the Arizona Department of Insurance.

4. Only with respect to the Second Closing, approval of the Form E (Pre-Acquisition Notification Form regarding the Potential Competitive Impact of a Proposed Merger or Acquisition or similar forms) filings by the insurance departments in all the jurisdictions in which PMAC is licensed and which require such a filing.

Schedule 8.2(e)
Government Approvals

This schedule is being submitted under separate cover as a Confidential Supplement to the Form A.

SELLER DISCLOSURE SCHEDULE TO ASSET PURCHASE AGREEMENT

This document is being submitted under separate cover as a Confidential Supplement to the Form A.

AMENDMENT NO. 1 TO ASSET PURCHASE AGREEMENT

This Amendment No. 1 to Asset Purchase Agreement (this "Amendment") is made as of May 31, 2013, by and among the RECEIVER OF PMI MORTGAGE INSURANCE CO. IN REHABILITATION on behalf of PMI MORTGAGE INSURANCE CO., an Arizona stock insurance corporation ("PMI"), ARCH U.S. MI SERVICES INC., a Delaware corporation (the "Purchaser"), and, solely for the purposes expressly set forth in the Purchase Agreement as amended hereby, ARCH CAPITAL GROUP (US) INC., a Delaware corporation (the "Purchaser Parent"). PMI, the Purchaser and, solely for the purposes expressly set forth in the Purchase Agreement as amended hereby, the Purchaser Parent shall be referred to herein from time to time collectively as the "Parties" and individually as a "Party." Capitalized terms used but not defined herein have the meanings given to them in the Purchase Agreement.

RECITALS

WHEREAS, the Parties entered into a Asset Purchase Agreement, dated as of February 7, 2013 (including the exhibits and schedules thereto, the "Purchase Agreement");

WHEREAS, Section 13.8 of the Purchase Agreement provides that no amendment or waiver of any provision of the Purchase Agreement shall be valid unless in writing and signed by the Party to be charged with such amendment or waiver; and

WHEREAS, the Parties desire to amend, modify and supplement the Purchase Agreement as described in this Amendment.

NOW, THEREFORE, for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties hereby agree as follows:

1. Replacement of Exhibit B to the Purchase Agreement. Exhibit B to the Purchase Agreement is hereby deleted in its entirety and replaced with Exhibit B attached hereto.

2. References in the Purchase Agreement. All references in the Purchase Agreement to "this Agreement" shall mean the Purchase Agreement as amended by this Amendment.

3. Limitation of Amendment. Except as expressly provided herein, this Amendment shall not be deemed to be a waiver or modification of any term, condition or covenant of the Purchase Agreement. Any conflict between the terms herein and in the Purchase Agreement shall be governed by the terms of this Amendment. Except as expressly amended hereby, all terms and conditions set forth in the Purchase Agreement are hereby affirmed by the Parties and shall remain in full force and effect.

4. Severability. The determination of any court that any provision of this Amendment is invalid or unenforceable shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity of the offending term or provision in any other situation or in any other jurisdiction. Upon such a determination, the Parties shall negotiate in good faith to modify this Amendment so as to effect the original intent of the Parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

5. Governing Law. THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF ARIZONA WITHOUT REGARD TO RULES GOVERNING CONFLICT OF LAWS THEREIN.

6. Counterparts. This Amendment may be executed in one or more counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute one and the same instrument. Original signatures hereto may be delivered by facsimile or .pdf which shall be deemed originals.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties have executed and delivered this Amendment as of the date first written above.

THE RECEIVER OF PMI MORTGAGE INSURANCE CO., IN REHABILITATION, ON BEHALF OF PMI MORTGAGE INSURANCE CO.

By: _____

Print name: Truitte D. Todd

Title: Special Deputy Receiver

ARCH U.S. MI HOLDINGS INC.

By: _____

Print name: David Gansberg

Title: President & CEO

SOLELY FOR THE LIMITED PURPOSES SET FORTH IN THE PURCHASE AGREEMENT AS AMENDED HEREBY

ARCH CAPITAL GROUP (US) INC.

By: _____

Print name:

Title:

ARCH U.S. MI HOLDINGS INC.

By: _____

Print name:

Title:

SOLELY FOR THE LIMITED PURPOSES SET FORTH IN THE PURCHASE AGREEMENT AS AMENDED HEREBY

ARCH CAPITAL GROUP (US) INC.

By: _____

Print name: Joseph S. Labell

Title: Vice President & Deputy General Counsel

Exhibit B

FORM OF SERVICES AGREEMENT

See Attached.

EXHIBIT B

SERVICES AGREEMENT

by and between

The RECEIVER OF PMI MORTGAGE INSURANCE CO. IN REHABILITATION,

on behalf of

PMI MORTGAGE INSURANCE CO.,

ARCH U.S. MI SERVICES INC.

and

ARCH CAPITAL GROUP (U.S.) INC.

DATED AS OF _____, 2013

TABLE OF CONTENTS

Page

Contents

Appendices

Exhibits

SERVICES AGREEMENT

This Services Agreement (this "Agreement") is entered into as of _____, 2013, by and between the RECEIVER OF PMI MORTGAGE INSURANCE CO. IN REHABILITATION (the "Receiver") on behalf of PMI MORTGAGE INSURANCE CO., an Arizona stock insurance corporation ("PMI"), ARCH U.S. MI SERVICES INC. , a Delaware corporation (the "Provider"), and ARCH CAPITAL GROUP (U.S.) INC. , a Delaware corporation (the "Provider Parent" and, together with the Provider, the "Provider Parties"). PMI, the Provider and the Provider Parent shall be referred to herein from time to time collectively as the "Parties" and individually as a "Party."

WHEREAS, PMI, the Provider and the Provider Parent are parties to that certain Asset Purchase Agreement dated as of _____, 2013 (the "Purchase Agreement"), pursuant to which PMI agreed to sell and the Provider agreed to purchase certain assets of PMI, as well as all of the issued and outstanding shares of both PMI Mortgage Assurance Co., an Arizona corporation ("PMAC") and PMI Insurance Co., an Arizona corporation;

WHEREAS, immediately prior to the Effective Date, PMI provided for the Business all of the Services set forth in the Appendices hereto using the Purchased Assets purchased by Provider and the Assumed Contracts (as such term is defined in the Purchase Agreement) assigned to Provider pursuant to the Purchase Agreement;

WHEREAS, in connection with the transactions contemplated by the Purchase Agreement, the Provider agreed to provide support services to PMI during and for the runoff of PMI's legacy insurance portfolio, upon the terms and subject to the conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the promises and the mutual representations, covenants and agreements hereinafter set forth, the adequacy and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

ARTICLE 1

DEFINITIONS

1.1 Certain Definitions. As used in this Agreement, the following terms shall have the following meanings:

"Action" means any civil, criminal, investigative or administrative claim, demand, action, suit, charge, citation, complaint, notice of violation, litigation, prosecution, audit, hearing, arbitration or inquiry by or before or otherwise involving any Governmental Entity whether at law, in equity or otherwise.

"Affiliate" means, with respect to any Person, any other Person who directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person and, without limiting the generality of the foregoing, includes any executive officer or director of such Person and any Affiliate of such executive officer or director, and the term "controls" (including the terms "controlled by" and "under common control with") means the

possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through ownership of voting securities, by contract or otherwise.

"Applicable Percentage" means, with respect to a particular Service, the fraction applied to a particular cost for such Service to be used to determine the portion of such cost included in the Fee payable by PMI.

"Business Day" means any day which is not a Saturday, Sunday or legal holiday recognized by the United States of America.

"Confidential Information" of a Party means any non-public information or data relating to, or provided by such Party or its Affiliates, customers, vendors, or other business associates disclosed in connection with this Agreement or the performance of the Services, or other related discussions, information and disclosures that are provided or disclosed to Recipient on or after the date of this Agreement, either directly or indirectly, in any form whatsoever or in or by any medium whatsoever. "Confidential Information" of Provider includes, without limitation, any information, trade or business services, discoveries, ideas, concepts, know how, techniques, designs, strategies, specifications, drawings, blueprints, designs, flow-charts, data, computer programs, econometric and pricing models, marketing plans, customer names, financial information, including historical data as well as financial projections, that are proprietary to such Party or a third party to whom such Party or its Affiliates have a duty of confidentiality. "Confidential Information" shall also include any reports, analyses, compilations, forecasts, memoranda, notes, studies, data and any other written or electronic materials or records created or otherwise prepared by or for Recipient or its Representatives to the extent such items contain or incorporate Confidential Information. "Confidential Information" of PMI shall include all PMI NPI, and all pricing models, marketing plans, customer names, financial information, including financial projections of PMI's business as operated by PMI after the Effective Date that are provided by PMI to Provider in the course of the Services after the Effective Date. For the avoidance of doubt, "Confidential Information" of Provider shall include, and the Confidential Information of PMI shall exclude, the Service Materials and any data, information or materials relating to or comprising the Purchased Assets or comprising any Business Confidential Information (within the meaning of the Purchase Agreement and the CMG Stock Purchase Agreement (as defined in the Purchase Agreement)).

"Consents" means consents, permits, approvals, waivers, authorizations, licenses and sublicenses (including modifications to or extensions, renewals or replacements of or substitutes for existing licenses or sublicenses, on equivalent terms).

"Court" means the Arizona Superior Court, Maricopa County, in Case No. CV 2011-018944.

"Designated Applications" means any of the systems that are included in the Platform and owned or licensed by Provider, and listed in Exhibit I (and replacements for such applications), to the extent used by Provider to provide the Services under this Agreement.

"Direct Costs" means all of the costs paid or payable by Provider or its Affiliates to licensors, vendors, suppliers or other third party product or service providers, and reasonably incurred in the performance of the Services, including for the following: training and business seminars; tuition reimbursement; dues and memberships; office supplies; travel; meals; telephone; storage; postage and couriers; third party software licenses and maintenance services; computing equipment maintenance; depreciation associated with computing equipment acquired after the Effective Date (as described in Appendix L – General IT Infrastructure and Management); incremental liability insurance related to providing the Services; information security services; business continuity services; shared data center services; telecommunications services; building rent (including for PMI Plaza as described in Appendix X – Overhead); facilities costs (including for PMI Plaza as described in Appendix X – Overhead); and non-IT data processing services; provided, however, that Direct Costs shall exclude the following: (a) fees for licenses to Provider-owned Software; (b) depreciation (except for computing equipment acquired after the Effective Date as described in Appendix L – General IT Infrastructure and Management); (c) amortization; (d) profit on services provided by Affiliates; and (e) to the extent specific to Provider and not related to PMI or the Services, (i) business liability insurance unrelated to coverage associated with Provider's undertaking of the Services; (ii) premium taxes; (iii) statutory filing fees; (iv) Governmental Entity fees; (v) travel for customer visits; and (vi) external audit fees.

"Discloser" means a Party that discloses its Confidential Information to a Recipient.

"Effective Date" means the Closing Date.

"Excluded Services" means the services, functions, activities and tasks that are set forth in Exhibit E.

"FHFA" means the Federal Housing Financing Agency.

"Force Majeure Event" means, with respect to a Party, any act of God, fire, earthquake, hurricane, tornado, natural disaster, flood, storm or explosion; any strike, lockout or other labor disturbance; any riot, war, act of terror, rebellion or insurrection; acts, decrees or orders of governmental, regulatory or military authorities (including restraining orders and injunctions) not the result of any violation of law by such Party (or any Person for whom such Party is responsible under this Agreement acting on its behalf); changes in law or regulations, or legal or regulatory actions, but only to the extent that the same prohibit, or materially prevent, frustrate, hinder or delay, the provision of the Services (it being understood that increases in costs alone shall not be deemed to prohibit, prevent, frustrate, hinder or delay the provision of the Services); any embargo or fuel or energy or utility shortage; any interruption in telecommunications, Internet, transport, HVAC, power or utilities services; any failure of suppliers or third party providers; and any other event or cause that is beyond the control of such Party (or any Person acting on its behalf).

"GLB" means the Gramm-Leach Bliley Act, 15 U.S.C. § 6801 et seq.

"Governmental Entity" means any federal, state, local, municipal, foreign or other governmental or quasi-governmental authority, including without limitation any administrative, executive, judicial, legislative, regulatory or taxing authority of any nature of any jurisdiction

(including without limitation, any governmental agency, branch, department, official or entity and any court or other tribunal), any Insurance Regulator, the FHFA, Fannie Mae and Freddie Mac.

"GSEs" means Fannie Mae and Freddie Mac.

"Insurance Regulator" means any state insurance supervisory department or officials having jurisdiction over any part of the business of PMI or Provider.

"Intellectual Property" means, whether arising under the Laws of the United States, any state or other political subdivision thereof, any other country or political subdivision thereof or any international treaty regimes or conventions, all (i) registered and unregistered trademarks, trade dress, service marks, logos, trade names, slogans and other indicia of origin, in each case including applications and registrations and renewals of the same, and the goodwill associated therewith and symbolized thereby; (ii) inventions and patents and patent applications thereon, including divisionals, continuations and continuations-in-part, and any renewals, reexaminations, extensions and reissues thereof and provisional applications relating thereto; (iii) trade secrets, confidential or proprietary information, inventions (to the extent not disclosed in published patent applications and whether or not patentable or reduced to practice), methods, processes, formulae, technology, algorithms, models, vendor lists, customer lists and know-how and any information meeting the definition of a trade secret under the Uniform Trade Secrets Act; (iv) works of authorship, and registered and unregistered copyrights, the registrations and applications therefor, and any renewals, extensions, restorations and reversions thereof; (v) Internet domain names and registrations thereof; (vi) Software; (vii) databases and sui generis database rights; and (viii) any other type of intellectual property or proprietary right or intangible asset of any kind, including remedies against infringements or misappropriation thereof.

"Law" means any federal, state, local, municipal, foreign, international, multinational or other statute, law, Order, decree, constitution, rule, regulation, ordinance, principle of common law, treaty or other requirement of any Governmental Entity.

"Legacy Provider" means any (i) contractor, outsourcer, licensor or other third party that is providing services to PMI in connection with the Business as of the Effective Date, or (ii) any contractor, outsourcer, licensor or other third party that during the Term or any Transition Period provides services to PMI, or provides services to Provider so that Provider can provide services to PMI (where PMI approves or selects such contractor, outsourcer, licensor or other third party).

"Non-Proprietary Format" means a data format that may be read by commercially available software.

"NPI" means "Non Public Personal Information," as defined in Title V of GLB and its implementing regulations, regarding borrowers, co-borrowers or mortgage insurance applicants, including any data attributes or fields that represent any part of a borrower, co-borrower or mortgage insurance applicant's name, full street address (excluding city, state and zip code), account number, social security number or any other government issued identification, as well as any data attribute which, in combination any non-NPI, would otherwise cause the non-NPI to become a prohibited disclosure under any federal or state privacy Laws.

"Order" means any law, rule, regulation, award, decision, injunction, judgment, order, decree, ruling, subpoena or verdict entered, issued, made or rendered by any court, administrative agency or other Governmental Entity or by any referee, arbitrator or mediator.

"Out-of-Pocket Expenses" means out-of-pocket expenses incurred by Provider Personnel that are reimbursable to such Personnel by Provider or Affiliate under Provider's or Affiliate's expense reimbursement policies and that are reasonably incurred in the performance of the Services.

"Permits" means all material licenses (including insurance licenses), franchises, permits, privileges, immunities, certificates, variances, orders, consents, approvals and other authorizations (including authorizations to write mortgage insurance as a non-admitted or unlicensed insurance carrier) issued by a Governmental Entity.

"Person" means any individual, corporation, general or limited partnership, limited liability company, joint venture, estate, trust, association, organization, labor union or other entity or Governmental Entity.

"Personnel" of a Party means any and all managers, officers, employees, agents, consultants, advisors, contractors and subcontractors (or employees thereof) of such Party or its Affiliate, provided that PMI Personnel shall not include Provider Personnel who are alleged or deemed to be PMI employees on the grounds that PMI is a joint employer of such Provider Personnel, and further provided that PMI shall not utilize any Provider Competitor as any PMI Personnel.

"Platform" or "PMI Platform" means the "PMI Platform" as defined in the Purchase Agreement, together with all versions, updates, corrections, enhancements and modifications thereto.

"PMI Customers" means holders of PMI's master policies of mortgage insurance or, purchasers of, or investors in, mortgage loans insured under such master policies and their respective agents including mortgage loan servicers.

"PMI Data" means (i) all data pertaining to the operation of the Run-Off, whether in electronic form or otherwise, that is provided to Provider by PMI or PMI Customers and processed or stored on Provider's systems as part of the Services, and all reports and output files and other data pertaining to the Run-Off that are generated from such data on behalf of PMI by Provider under this Agreement; provided, however, that PMI Data shall not include any data that pertains to or comprises any of the Purchased Assets (as defined in the Purchase Agreement) or Business Confidential Information (within the meaning of the Purchase Agreement and the CMG Stock Purchase Agreement (as defined in the Purchase Agreement)) or pertains to the internal services, business activities or customers of Provider, its Affiliates or Personnel.

"PMI Database" has the meaning given in Section 2.6.

"PMI Indemnified Parties" means PMI, its Affiliates and their respective officers, directors, employees and agents.

"PMI Marks" means the trademarks, service marks and designs set forth on Schedule 1.1(e) of the Purchase Agreement.

"PMI Materials" means all document templates, manuals, protocols, data, software, technology, equipment, interfaces, systems and other materials made available to Provider or its Personnel by or on behalf of PMI in connection with the Services; provided, however, that PMI Materials shall not include any materials owned by Provider, including materials acquired pursuant to the Purchase Agreement.

"PMI NPI" means the PMI Data consisting of NPI of any borrower or co-borrower whose mortgage is or was insured under the Retained Policies, or any natural person whose mortgage loan application was reviewed by PMI in connection with an application for mortgage insurance submitted to PMI by a lender customer, but excluding any data that comprises Purchased Assets or Business Confidential Information as well as city, state and zip code information (in isolation) relating to the Retained Policies.

"PMI Premises Equipment" means all equipment provided by Provider for use by PMI Personnel on location at (or working remotely from) the Walnut Creek, California premises occupied by PMI as of the Effective Date, including desktop and laptop computers, routers, switches, network wiring, power conditioning units, telephone instruments and consoles, security monitoring and intrusion control devices and associated wiring, and similar items, together with associated software that is installed on such equipment.

"Post-Term Run-off" means the activities to be undertaken by PMI following termination of this Agreement that are reasonably necessary in the opinion of the Receiver for the administration, servicing and disposition of the Retained Policies, until PMI no longer has any current or foreseeable obligations to any insured under such Retained Policies. Such activities include: required policy renewals, billing and collection of premiums, and processing of claims by insured parties, in each case with respect to Retained Policies only; filing tax returns; Court proceedings; complying with regulatory and customer reporting obligations; and ancillary business operations required for the continuance of PMI's employment, infrastructure and external relations.

"Provider Competitor" means (a) any Person that provides products or services in the mortgage insurance industry that compete, directly or indirectly, with the products or services of Provider or any Affiliate of Provider, or (b) any Affiliate of any Person described in clause (a) above.

"Provider Indemnified Parties" means the Provider Parties, their Affiliates and their respective officers, directors, employees and agents.

"Qualifying Losses" means any and all actual losses, claims, fines, damages (excluding contingent liabilities), assessments, penalties, judgments, awards, payments, costs and expenses (including interest and penalties due and payable with respect thereto and reasonable attorneys' and accountants' fees and any other reasonable out-of-pocket expenses incurred in investigating, defending or settling any Action or enforcing any right to indemnification under this Agreement), in each case that are due and payable (whether payable in cash, property or otherwise) ("Losses"),

excluding (i) any consequential, incidental, special, indirect, punitive or speculative damages or lost profits, except to the extent such damages are recovered by third parties in connection with claims made by such third parties that are indemnified under this Agreement, and (ii) any Loss arising from any operational, record keeping, procedural or other requirement (other than payment of money damages, fines or civil monetary penalties) imposed as a result of any Action, agreed to as part of the settlement of any Action or pursuant to any applicable Laws.

"Recipient" means a Party that receives Confidential Information of Discloser.

"Required Consents" means (i) the Consents required to permit Provider and its Personnel to access, use and/or relocate the PMI Data, Platform, PMI Materials and Assumed Contracts, (ii) the Consents required to grant PMI, to the extent provided in this Agreement, the right to use and/or access any third party technology, software, equipment, systems and materials made available by Provider, its Affiliates or their respective Personnel in connection with the Services, and (iii) all other Consents required from third parties in connection with the provision of, and PMI's receipt of, the Services.

"Retained Policy" means any policy of insurance in effect and binding on PMI as of the Effective Date, provided that PMI continues to hold such policy of insurance.

"Risk in Force" means the aggregate amount of exposure arising from the Retained Policies calculated, with respect to primary insurance, by multiplying the unpaid principal balance of each mortgage loan by the coverage percentage for each such loan, and, with respect to pool insurance and other non-primary insurance, in conformity with PMI's methodology and past practice.

"Run-Off" means the activities during the Term that are reasonably necessary in the opinion of the Receiver for the administration, servicing and disposition of the Retained Policies, until PMI no longer has any current or foreseeable obligations to any insured under such Retained Policies, and ancillary business operations.

"Senior Executive" means, in the case of PMI, the Special Deputy Receiver, and in the case of Provider, David Gansberg or a successor with substantially equivalent authority as is designated by notice to PMI.

"Service Area" means one of the named services itemized in the Appendices hereof.

"Service Levels" means the quantitative performance levels for the Services specified in Exhibit A.

"Services Personnel" means, with respect to a given Service Area and time period, those Provider employees, independent contractors and other Provider Personnel who are engaged in performing Services within such Service Area during such period.

"Software" means (a) all computer programs and computer programming, network software, programs, code (including without limitation, operational code and code stored as dynamic data within databases), data definitions and schemas, and applications in any form,

including source code, object code, operating systems, database management code, utilities, libraries, scripts, graphical user interfaces, application program interfaces, menus, images, icons, forms, software engines, and all other code, whether in human readable form or otherwise, and all copies of the foregoing in any and all formats or media, and (b) with respect to the foregoing items, all versions, updates, patches, corrections, customizations, enhancements and modifications thereto.

"Source Code" means, with respect to any software, the human and machine readable versions of such software needed by reasonably skilled information technology professionals to compile, make, build, and create an executable form of such software, together with available specifications, design documents, test scripts, and installation scripts, and written lists of all third party compilers and other tools used, and written instructions as to how to compile, make, build, install and test the executable version of such software.

"Source Code Escrow Holder" means Iron Mountain or another escrow agent reasonably acceptable to both Parties.

"Tax" or "Taxes" means any and all taxes, fees, levies, duties, tariffs, imposts and governmental impositions or charges of any kind in the nature of (or similar to) taxes, payable to any federal, state, provincial, local or foreign taxing authority, including, without limitation, (i) income, franchise, profits, gross receipts, ad valorem, net worth, value added, sales, use, service, real or personal property, special assessments, capital stock, license, payroll, withholding, employment, social security, workers' compensation, unemployment compensation, utility, severance, production, excise, stamp, occupation, premiums, windfall profits, transfer and gains taxes and (ii) interest, penalties, additional taxes and additions to tax imposed with respect thereto.

"Term" means the period commencing on the Effective Date and ending upon the expiration or earlier termination of this Agreement.

"Total Payroll and Related Costs" means, for any Services Personnel, (i) in the case of employees of Provider (or its Affiliates), all salary, wages, bonuses and incentive compensation (when paid, but excluding compensation in the form of equity), overtime pay, payroll taxes, costs associated with the provision of health and welfare benefits, retirement benefits, workers compensation benefits, vacation and sick leave or other paid time off benefits or social security payments, paid or payable by Provider to or in respect of such employee, provided, however, that Total Payroll and Related Costs shall not include any severance, separation or termination benefits, and provided, further, that Total Payroll and Related Costs for such Services Personnel shall be consistent with the Total Payroll and Related Costs for Provider's (or for its Affiliates' that are engaged in U.S. mortgage insurance business) other employees performing similar functions; and (ii) in the case of subcontractors or other third party independent contractor personnel, all amounts paid or payable to such subcontractors or independent contractors.

"Transition Period" means any period during which Provider is providing transition assistance to PMI, as contemplated by Section 11.4.

1.2 Index of Certain Other Definitions. The following capitalized terms used in this Agreement have the meanings located in the corresponding section or appendix referred to below:*[**NTD: To be updated prior to execution.]*

Term	**Section**
Allocated Total Payroll and Related Costs	Exhibit F
Allocated Direct Costs	Exhibit F
Consent Fee	2.11(b)
Corporate Computing Systems	Appendix F
Escrow Materials	7.2
Fee	4.1
Initial Term	11.1
Litigation Hold	2.10
Loss Management Systems or "LMS"	Appendix H
Non-Core Services	11.1
PMI Operated Systems	Appendix I
PMI Protected Information	Exhibit B
PMI Protected Systems	Exhibit B
PMI Time Allocation Percentage	Exhibit F
Policy Acquisition Systems or "PAS"	Appendix J
Policy Administration Systems	Appendix K
Provider Systems	5.2
Ramp-Up Period	Exhibit A
Release Condition	7.3
Renewal Term	11.1
Service Area Cost	4.2
Service Materials	6.8
Services	2.1
Source Code Escrow Agreement	7.1
Two-Year Renewal Term	11.1

1.3 General Interpretation The terms of this Agreement have been negotiated by the Parties and the language used in this Agreement shall be deemed to be the language chosen by the Parties to express their mutual intent. This Agreement shall be construed without regard to any presumption or rule requiring construction against the Party causing such instrument or any portion thereof to be drafted, or in favor of the party receiving a particular benefit under this Agreement. No rule of strict construction will be applied against any Person. For all purposes of this Agreement, unless otherwise expressly provided or unless the context otherwise requires:

(a) any pronouns used in this Agreement shall include the corresponding masculine, feminine or neutral forms, and the singular form of nouns and pronouns shall include the plural, and vice versa;

(b) the words "herein", "hereto" and "hereby", and other words of similar import, refer to this Agreement as a whole and not to any particular section or other subdivision of this Agreement;

(c) the use of the term "including" (and with correlative meaning "include" and "includes") means including without limitation;

(d) references to articles, sections, clauses, exhibits, schedules, appendices or other subdivisions are references to articles, sections, clauses, exhibits, schedules, appendices or other subdivisions of this Agreement;

(e) the captions, titles and headings used in this Agreement are for convenience of reference only, shall not be deemed part of this Agreement and shall not affect its construction or interpretation;

(f) any reference herein to a statute, rule or regulation of any Governmental Entity (or any provision thereof) shall include such statute, rule or regulation (or provision thereof), including any successor thereto, as it may be amended from time to time; and

(g) unless otherwise indicated, any reference herein to a year, quarter or month shall refer to a calendar year, quarter or month, as the case may be.

ARTICLE 2

PROVISION OF SERVICES

2.1 Provision of Services. Commencing on the Effective Date and continuing throughout the Term (or, in respect of certain Services, such shorter period as specified in Section 11.1), Provider shall provide to PMI the services described in the Appendices hereto (the "Services"), on the terms and subject to the conditions set forth herein.

2.2 Service Standards. Subject to the terms and conditions of this Agreement, Provider shall (i) use commercially reasonable efforts to provide the Services and perform its other obligations hereunder, and (ii) provide the Services and perform its other obligations hereunder in a non-discriminatory manner that is generally consistent, in all material respects, with the manner in which such Services or obligations are provided or performed for Provider's and its Affiliates' own U.S. mortgage insurance business operations, including with respect to compliance with applicable Law, as in effect at the time such Services are provided or such obligations are performed, except as such Services or obligations differ because of the need to follow legal corporate formalities and to keep PMI Data separate from other data. To the extent that Exhibit A sets forth a Service Level for a particular Service, after the expiration of the six (6) month period following the Effective Date, such Service Level shall be the standard of care with respect to such Service, and a Service Level Termination Event, as defined in Exhibit A, shall be the sole definition of a material breach of such standard of care. PMI represents and warrants to Provider that the Service Levels set forth in Exhibit A are below the levels of performance achieved by PMI prior to the Effective Date.

2.3 Telecommunications Services. As set forth in Appendices G and L, subject to all Required Consents (including those required to permit Provider to share such third party services with PMI as provided in this Section 2.3) having been obtained, Provider shall use commercially

reasonably efforts to arrange for and support data and public switched telephone network communications connectivity associated with the Services conducted by PMI from PMI offices in Walnut Creek, California through to any computing and communications hardware owned by Provider or PMI within such PMI offices, provided that, if requested by Provider, PMI shall remain or become the named customer in the applicable third party services agreement with respect to such services to be provided to or for PMI. The fees payable by PMI with respect to telecommunications services shall be as set forth in the applicable Appendix(ces).

2.4 Use of Subcontractors; Provider Facilities.

(a) Services provided by Provider under this Agreement may be subcontracted by Provider to any of its Affiliates or third party service providers at Provider's discretion; provided, however, that (i) any subcontracting shall be done in a non-discriminatory manner that is generally consistent, in all material respects, with the manner in which Provider and its Affiliates subcontract similar services for Provider's and its Affiliates' own U.S. mortgage insurance business operations, (ii) Provider may not subcontract the performance of any Services (other than Non-Core Services) under this Agreement to any unaffiliated third party (other than a Legacy Provider) if and to the extent doing so would adversely impact in any material way the Services or prevent PMI from complying with applicable Law, without PMI's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed, and (iii) Provider may subcontract to any non-U.S. or offshore contractor (including any Affiliate) provided that PMI consents or such contractor is prohibited from gaining access to PMI NPI. For the avoidance of doubt, Provider may (without PMI's consent) engage independent contractors to fulfill its staffing needs in the performance of the Services. Notwithstanding the foregoing, PMI specifically acknowledges and consents to the continued use of the Legacy Providers (or any of them) for the Services under the Assumed Contracts, including extensions or renewals thereof of similar scope. Except with respect to disclosures of information to Legacy Providers under Assumed Contracts, Provider shall not disclose any Confidential Information of PMI to any subcontractor unless and until such subcontractor executes a commercially reasonable confidentiality agreement with Provider or PMI applicable to such Confidential Information.

(b) Provider shall monitor the performance of all subcontractors and, if a subcontractor's performance is deficient, shall promptly take steps to remedy the situation, in a manner generally consistent, in all material respects, with Provider's monitoring and response to such deficient performance with respect to Provider's other business operations, which may include replacing the subcontractor or performing the work itself. Provider shall not be relieved of responsibility for the Services as a result of the performance of the Services by any subcontractors (including any Affiliates); provided, however, that neither Provider nor its Affiliates shall be liable for any breach or any failure to perform by any Legacy Provider under any Assumed Contract, including extensions or renewals thereof of similar scope.

(c) Provider Facilities. Provider may perform the Services in such facilities as Provider reasonably deems appropriate. While at such facilities, PMI shall, and shall ensure that all PMI Personnel shall, comply with Provider's, its Affiliates' and its subcontractors' reasonable safety and security requirements and other relevant policies.

2.5 Regulatory Requirements. Provider shall take such reasonable actions as may reasonably be necessary to maintain the governmental approvals needed for Provider to perform the Services in full force and effect to the extent required for the Provider to perform its respective obligations hereunder. Provider shall use its reasonable best efforts to obtain and maintain those Permits necessary for the Provider to perform its obligations hereunder, including, without limitation, continuing to comply with any commitments or agreements made by it as a condition for the granting of any such governmental approval to be maintained by Provider.

2.6 Separate Instances. With the exception of PMAC Transaction Data included in any PMI database as of the Effective Date, during the Term, Provider shall operate and maintain an instance of the database supporting PMI that is separate and independent from the other databases used for Provider and Provider's other business operations, initially in the same manner as maintained by PMI as of the Effective Date (the "PMI Database"), provided that Provider may determine to do so by use of virtualization, separate database instances serviced by a shared software platform (for example, PeopleSoft and document management software), or maintenance of separate hardware or any other means, as it determines to be appropriate in its reasonable judgment. Provider may also continue to include operations of PMAC ("PMAC Transaction Data") in any database used in support of PMI for the Run-Off, provided that Provider uses commercially reasonable efforts to enable PMAC Transaction Data to be separately identified and to avoid to the extent reasonable otherwise commingling PMAC operations with Services for PMI.

2.7 Use of Provider Hardware and Software. During the Term, subject to all Required Consents therefor having been obtained, Provider shall (i) provide to PMI PMI Premises Equipment as required to conduct the Run-Off and de minimis ancillary business purposes, (ii) cause all such equipment to be refreshed in accordance with Provider's normal refresh schedule, (iii) update such software on the same schedule as applicable to its own software (provided that any material change in software shall be subject to the change management protocols provided by this Agreement), and (iv) be responsible for acquiring for PMI's use such end user license rights (other than Required Consents) as are required for PMI to use such software in connection with the Run-Off, in each instance only with respect to PMI's Walnut Creek, California location. The fees payable by PMI with respect to Provider's provision of hardware and software shall be as set forth in the applicable Appendix(ices). Upon the termination or expiration of the Term, PMI shall either make all such hardware and software available to Provider for pickup or, at its election, shall have the right to purchase such equipment and the end user licenses to the software installed on such equipment (to the extent that licenses are transferable without consent) or selected units thereof at its then fair market value.

2.8 Backup Media Storage/Risk of Loss. Subject to the terms and conditions of this Agreement, Provider shall arrange for the onsite and offsite storage of backups of all PMI Data in Provider's possession or control on portable media, in a manner similar to that arranged by Provider with respect to its own data at similar locations. Upon reasonable request by PMI from time to time, and subject to reimbursement of Provider's costs for such, Provider shall request the applicable provider to cause duplicates of such PMI Data backups and media to be created, verified, and transmitted to such storage facility as PMI shall designate. Backups shall include both Provider's customary rapid-recovery formats specific to the respective applications, as well as files maintained in formats that may be read by reasonably priced commercially available off

the shelf software. The fees payable by PMI with respect to backup media storage shall be as set forth in the applicable Appendix(ces).

2.9 Outsourced Services. To the extent that Services (or portions thereof) were provided to PMI by unrelated third parties prior to the Effective Date and contracts for such Services are "Assumed Contracts" pursuant to the Purchase Agreement and PMI Personnel previously interacted directly with account delivery staff of such third parties assigned to PMI's account, then, unless Provider replaces the applicable third party, there may continue to be comparable direct interaction between the applicable ongoing PMI Personnel after the Effective Date and such third parties, provided that such PMI Personnel shall have no authority to, and PMI ensures that such PMI Personnel do not and do not purport to have authority to, request new services or changes to existing services for or on behalf of Provider or otherwise, and any additional costs or expenses that result from such interactions will be at PMI's sole expense. The fees payable by PMI with respect to outsourced services shall be as set forth in the relevant Appendix(ces).

2.10 Litigation Holds. In the event that Provider receives notification from PMI or any agency of the possible pendency of any government investigation, regulatory action, or government or private litigation or controversy, Provider shall, at PMI's sole cost and expense, (a) immediately cease applying any document or records destruction policy as the same relates to the disclosed scope of such action, and (b) after consultation with PMI, make such arrangements to archive and preserve any information and records designated by PMI during the pendency or potential pendency of such investigation or controversy and thereafter until PMI consents to the destruction of such records ((a) and (b) collectively, "Litigation Holds").

2.11 Required Consents.

(a) Section 6.8 of the Purchase Agreement sets forth each Party's responsibilities regarding the Consents described therein, including Required Consents for the set-up, transition, preparation, establishment and completion of the Services to be provided hereunder (the "Startup Consents"). This Section 2.11 sets forth responsibilities of the Parties with respect to Required Consents (other than Startup Consents), including those Required Consents that are identified or for which the need arises during the Term or any Transition Period, and are in addition to, and not in lieu of, those responsibilities set forth in the Purchase Agreement. PMI acknowledges that Provider's ability to provide the Services is dependent upon the Required Consents having been obtained.

(b) Each Party shall be responsible for obtaining any Required Consent with respect to its own third party agreements. Each Party shall use its commercially reasonable efforts to cooperate with the other Party in obtaining such Consents. PMI shall be responsible for paying (or reimbursing Provider and its Affiliates for paying) for any fee, expense or other consideration required to be paid to a third party to obtain any Required Consent (a "Consent Fee"). However, except for Startup Consents, if and to the extent that costs for a Required Consent are for new hardware or software functionality or features (e.g., software modules not used in or necessary for the conduct of the Business or for the provision of the Services) required by Provider (and not required due to any breach, act or omission of

PMI or PMI Personnel or any Change Request submitted by PMI or any request by PMI for Provider to maintain an Unchanged Application), then such costs will be allocated equitably between the Parties as part of the Fees based on each Party's contemplated use of or benefit from such new functionality or features.

(c) If, despite using commercially reasonable efforts, a Party is unable to obtain a Required Consent for which it is responsible, it shall use commercially reasonable efforts to obtain a replacement license, product or right, as applicable. If such replacement cannot be obtained using commercially reasonable efforts, the Parties shall work together in good faith to develop a mutually acceptable alternative arrangement that is sufficient to enable Provider to provide, and PMI to receive, the Services without such Consent. In any event, if a Consent is not obtained, Provider shall have no obligation to (and no liability for failing to) perform the Services for which such Consent is required unless and until such Consent is obtained, or the Parties have agreed upon such alternative arrangement, such agreement not to be unreasonably withheld by either Party. PMI will be responsible for all reasonable fees and expenses of any such replacement or alternative arrangement, as applicable, contemplated by this Section 2.11(c).

2.12 No Delegation. Certain of the Services may involve support for PMI's business judgments, or for the performance of PMI's responsibilities imposed by statute, including support for the exercise of judgment within the legal responsibilities of corporate officers, legal counsel, auditors and those performing similar functions. Notwithstanding the provision of such support by Provider, the making of and ultimate responsibility for such judgments shall remain fully with PMI. In addition, nothing herein shall impose upon Provider any obligation of performance beyond that which it can legally perform for PMI.

ARTICLE 3
LIMITATIONS

3.1 General Limitations.

(a) Provider shall have no obligation to provide any services other than the Services to PMI in support of the Run-Off during the Term.

(b) Notwithstanding anything to the contrary herein, (i) PMI and its subsidiary PMI Europe (while still a subsidiary of PMI) will be the only entities that are entitled to have access to the Designated Applications under this Agreement, other than PMI Personnel performing services required for the Run-Off and, in the event of termination of this Agreement, in the course of the Post-Term Run-Off consistent with Section 7.4; (ii) PMI shall not, (A) directly or indirectly, resell the Services to any Person other than PMI; or (B) permit the use of any of the Services to or by any Person other than PMI and PMI Personnel, other than use by PMI Customers with respect to matters arising from PMI obligations to them under the Retained Policies; and (iii) in no event shall PMI, its Affiliates or PMI Personnel or any PMI Customer be entitled to modify any Provider System or Software or the Services.

(c) PMI covenants and agrees that, in any calendar year during the Initial Term, it shall not, without Provider's prior written consent, sell, commute or otherwise divest more than five percent (5%) of its Risk in Force as of December 31 of the preceding calendar year.

3.2 Work Processes, Rules and Procedures. PMI shall, and shall cause all of its Personnel and Representatives to, comply with Provider's then-current work processes, policies and procedures. To the extent not already known or available to PMI, upon PMI's reasonable request, Provider shall make available to PMI such then-current work processes, policies and procedures.

3.3 Third Party Agreements. PMI acknowledges that any Services provided by Provider through third parties or using third party Intellectual Property are subject to the terms and conditions of any applicable agreements between Provider and such third parties, as well as compliance with applicable Law. PMI shall comply, and shall cause its Personnel to comply, with the terms and conditions of any such applicable third party agreements (including each Assumed Contract and associated Required Consents), to the extent applicable to PMI's receipt of the Services or performance of its obligations under this Agreement, and with applicable Law in connection with the receipt by PMI of the Services pursuant to this Agreement. To the extent not already known or available to PMI, upon PMI's request, Provider shall make available to PMI the relevant provisions of such third party agreements.

3.4 PMI Input. To the extent a Service relies upon input, instructions or policies from PMI in performing such Services (including as provided in the Appendices), PMI will timely provide such input to the Provider and Provider will comply with PMI's reasonable input, instructions or policies. In the event and to the extent that such input, instructions or policies are not timely provided to Provider, Provider shall notify PMI of the need thereof and until PMI provides such input, instructions or policies, Provider shall be excused from performing the relevant Services to the extent Provider is unable to perform without such input, instructions or policies, unless PMI elects to have Provider perform the relevant Services in accordance with Provider's applicable practices as of the date the relevant Services are to be delivered.

3.5 Additional Responsibilities of PMI. The Provider's failure to perform its obligations under this Agreement shall be excused (and any rights of PMI arising as a consequence of such failure shall not be exercised by PMI) if and to the extent such Provider non-performance is caused by PMI's failure to:

(a) Provide reasonable cooperation and assistance to Provider and its Personnel in the performance of the Services;

(b) Perform the Excluded Services;

(c) Provide Provider and its applicable Personnel with reasonable access to PMI resources and facilities as necessary or appropriate for the performance of the Services;

(d) Provide Provider and its applicable Personnel with timely, accurate and complete information and documentation as reasonably required by Provider or such Personnel to perform the Services;

(e) Ensure the accuracy of any data input into the Provider Systems by PMI or its Personnel or PMI Customers;

(f) Provide timely decisions and approvals to the extent necessary to allow Provider to perform, or cause to be performed, its obligations hereunder; or

(g) Ensure that PMI's systems and its use of the Provider Systems and Services comply with all applicable Laws.

3.6 Payments to Third Parties. Unless otherwise agreed between the Parties, PMI acknowledges that, in connection with providing the Services, Provider shall not be obligated under this Agreement to (a) use its own funds to pay amounts owed by PMI under its agreements with third parties or (b) pay any amounts to PMI or any of PMI's Personnel in respect of payroll, benefits or similar obligations.

3.7 Conflict of Interest. In the event that the Provider determines there is a conflict of interest between the Provider and PMI including in relation to the performance of Services on an issue that conflicts with the Provider's code of business conduct, the Provider shall notify PMI of such issue. The Parties will then work together in good faith, through the Committee, to resolve such issue. If the Parties are unable to resolve such issue to their mutual satisfaction within a reasonable amount of time given the nature of the issue, the Provider will not be obligated to perform the Services or tasks solely to the extent giving rise to the conflict of interest.

3.8 Excuse of Performance Due to PMI. The Provider's failure to perform its obligations under this Agreement shall be excused (and any rights of PMI arising as a consequence of such failure shall not be exercised by PMI) if and to the extent such Provider non-performance is caused by (i) any acts or omissions of PMI, any of the PMI Personnel or a third party contractor performing obligations on behalf of PMI under this Agreement, or (ii) the failure of PMI, any of the PMI Personnel or any such third party contractor to perform PMI's obligations under this Agreement or otherwise comply with the Provider's work processes, policies and procedures and any requirements under applicable Law or the Provider's third party contracts (including Assumed Contracts). PMI shall be responsible for any additional costs incurred by the Provider in connection with providing the Services as a result of such act, omission or failure. The Provider shall use commercially reasonable efforts to perform its obligations notwithstanding such act, omission or failure, provided that PMI works with the Provider through the Committee to mitigate the effects of such act, omission or failure.

3.9 Exception to Obligation to Provide Services. Notwithstanding anything to the contrary contained herein, Provider shall not be obligated to provide any Services if the provision of such Services will cause Provider or any of its Affiliates to (a) violate any applicable Law (provided that nothing in this Section 3.9 shall limit the obligation of Provider and its Affiliates to use commercially reasonably efforts to comply with all applicable Laws) or (b) cause Provider or any of its Affiliates to become subject to any third party claim of infringement or misappropriation

of Intellectual Property rights including by reason of use of the PMI Intellectual Property included in the Purchased Assets. In any such event, the Parties will then work together in good faith to mutually agree upon an alternative approach to resolve the issue and for Provider to be able to provide the Services, such agreement not to be unreasonably withheld or delayed by either Party.

3.10 Force Majeure.

(a) Provider (or any Person acting on its behalf) shall not have any liability or responsibility for delay in fulfilling or failure to fulfill any obligation under or failing to comply with this Agreement and shall suffer no prejudice for such failure to perform or comply with or fulfill any obligations under this Agreement to the extent the fulfillment of such obligation or compliance with this Agreement is prevented, frustrated, hindered or delayed as a consequence of circumstances of a Force Majeure Event.

(b) Provider shall, or shall use reasonable best efforts to cause the applicable third party providers to, (A) use reasonable best efforts to resume performance of its obligations under this Agreement as soon as reasonably practicable after the situation caused by such Force Majeure Event ends, (B) use commercially reasonable efforts to remove, so far as practicable and as soon as commercially reasonable, the cause of its inability to fulfill its obligations hereunder, (C) promptly notify PMI of a Force Majeure Event, specifying the nature of the Force Majeure Event, its expected duration and the probable impact on the performance of Services, and (D) keep PMI reasonably informed on the status of the Force Majeure Event and of its ability to resume performance. PMI shall use its reasonable best efforts to mitigate or limit the adverse effects of a Force Majeure Event and any resulting damages to PMI.

ARTICLE 4

FEES

4.1 General. For the performance of the Services, PMI shall pay Provider the fees provided for in this Article 4 (the "Fees"). The Parties intend that all Fees charged or paid hereunder shall represent the cost to Provider of providing the Services without any profit margin or other markup, but without Provider incurring a loss with respect to the Services, and the methodology for calculating Fees set forth herein is intended and shall be applied in a reasonable manner to give effect to such intent.

4.2 Fee Calculation. Fees for all periods during the Term shall be calculated as set forth in this Section 4.2. The aggregate Fee for each calendar quarter shall equal the sum of the "Service Area Costs" (as defined below) for such quarter for all Service Areas.

(a) For all Service Areas (other than those for which costs are specified in the applicable Appendix(ces) as to be allocated based on time tracking), the Service Area Cost for a given Service Area and quarter shall be calculated as follows:

Service Area Cost = ((Quarterly Total Payroll and Related Costs + Quarterly Direct Costs) x Quarterly Applicable Percentage) + Quarterly Out-of-Pocket Expenses

where:

(i) "Quarterly Total Payroll and Related Costs" means the amount of Total Payroll and Related Costs for such Service Area during such quarter;

(ii) "Quarterly Direct Costs" means the amount of Direct Costs for such Service Area during such quarter;

(iii) "Quarterly Applicable Percentage" means the Applicable Percentage for such Service Area and quarter, calculated in the manner set forth in the Appendix corresponding to such Service Area based upon data from such quarter;

(iv) "Quarterly Out-of-Pocket Expenses" means the amount of Out-of-Pocket Expenses for such Service Area during such quarter; and

(b) For those Service Areas for which costs are specified in the applicable Appendix as to be allocated based on time tracking, the Service Area Cost for a given Service Area and quarter shall be calculated as follows:

Service Area Cost = Quarterly Allocated Total Payroll and Related Costs + Quarterly Allocated Direct Costs + Quarterly Out-of-Pocket Expenses

where:

(i) "Quarterly Allocated Total Payroll and Related Costs" means the sum of the following, for each Service Personnel providing Services within such Service Area during such quarter: such Service Personnel's Total Payroll and Related Costs, *multiplied by* such Service Personnel's Time Allocation Percentage;

(ii) "Quarterly Allocated Direct Costs" means the Allocated Direct Costs for such Service Area during such quarter;

(iii) "Quarterly Out-of-Pocket Expenses" has the same meaning given to it in Section 4.2(a)(iv); and

(iv) Time tracking will be performed as provided in Exhibit F.

4.3 Pricing and Services Reviews. PMI and Provider agree to review, in good faith, the pricing terms and scope of Services contained in this Agreement commencing on the date six (6) months after the Effective Date and at six (6) month intervals thereafter (each such interval, a "Fee Review Period") in order to gauge what adjustments, if any, should be made to such pricing terms and scope of Services. In the case of any proposed change to the pricing terms, the Party proposing such change must show, by reasonable, data-driven evidence, that the then-current allocation

methodologies or the costs being allocated do not appropriately or accurately reflect, capture or allocate the actual Total Payroll and Related Costs, Direct Costs and/or Out-of-Pocket Expenses incurred by Provider in providing the Services. Failing agreement by the Parties on any change in the pricing terms proposed in accordance with the foregoing, the Parties will proceed in accordance with Sections 9.3 and 9.4, with such disagreement being deemed a Dispute for purposes thereof. If, following escalation of such Dispute in accordance with Section 9.4, such Dispute is not resolved within the time allotted by Section 9.4, PMI may terminate this Agreement by giving Provider not less than ninety (90) days' prior written notice of its intention to do so, which notice must be given not later than ninety (90) days following the expiration of the period contemplated by Section 9.4. Upon such termination, PMI and Provider will reasonably cooperate with each other to effect an orderly transition of the Services to another provider. In addition, PMI may determine that a Service should be reduced or eliminated because PMI's need for such Service has been reduced or eliminated due to the Run-Off (but not because PMI prefers an alternate provider of the Service or prefers to perform such Service itself) and, if PMI makes such determination, the scope of services shall be reduced accordingly.

4.4 Payment.

(a) Provider shall invoice PMI on a monthly basis in arrears for Fees and for Consent Fees and other amounts to be paid or reimbursed by PMI hereunder.

(b) From the Effective Date through and including the first two (2) months of the first full calendar quarter of the Term, Provider shall invoice PMI Two Million Five Hundred Thousand Dollars ($2,500,000) per month as an estimate for the Fees for such period. For the third month of the first full calendar quarter of the Term, Provider shall invoice PMI an amount equal to the aggregate Fee payable by PMI for the period since the Effective Date, less the estimated Fees invoiced to PMI since the Effective Date. Thereafter, for the first two months of each calendar quarter, Provider shall invoice PMI, as an estimate of the Fees for such period, an amount per month equal to one-third of the aggregate Fee payable in the preceding calendar quarter. For the third month of each calendar quarter, Provider shall invoice PMI an amount equal to the aggregate Fee payable by PMI in such calendar quarter, less the estimated Fees invoiced to PMI for the first two (2) months of such calendar quarter. Provider's invoices shall be in a format reasonably acceptable to PMI and shall contain reasonable detail as to the calculation of any portion of the Fee that is subject to calculation, including (for all quarterly invoices) the Total Payroll and Related Costs for each Service Area and month and the cost and operational data used to calculate each month's Fee. Provider shall deliver each monthly invoice to PMI within thirty (30) days after the end of the month, subject to any delay in the submission of charges from third parties relating to the provision of the Services. Payment shall be due and made by PMI on the fifteenth (15th) day after PMI's receipt of such invoice, for invoices with respect to the first two (2) months of each calendar quarter, and on the thirtieth (30th) day after PMI's receipt of such invoice, for invoices with respect to the third month of each calendar quarter. Any payment not made to Provider in accordance with the preceding sentence (or escrowed pursuant to Section 4.4(d)) shall accrue interest at a rate of one and one-half percent (1.5%) per month (or, if less, the maximum rate allowed by law) from and including the date such payment is due until, but excluding, the date of payment.

(c)Provider will provide reasonable additional information to substantiate Fees and other amounts set forth on any invoice as PMI may, at any time before the due date for payment of invoices for the third month of each calendar quarter, reasonably request.

(d) If PMI reasonably and in good faith disputes any particular amount(s) set forth in an invoice (a "Disputed Amount"), PMI shall promptly, but in no event later than fifteen (15) days (in the case of invoices for the first two months of any calendar quarter) or thirty (30) days (in the case of invoices for the third month of a calendar quarter) after the receipt of such invoice, (i) provide Provider with written notice of such dispute, which notice shall describe, in reasonable detail, the reason for the dispute and the amount being withheld, (ii) deposit in an interest-bearing, segregated escrow account at a nationally recognized bank in the United States the Disputed Amount for distribution only in accordance with the resolution of the dispute for which such amounts were deposited into escrow, and (iii) pay to [redacted] all undisputed amounts on such invoice. Upon receipt of such notice from PMI, the

in all matters relating to (i) identification of the jurisdiction(s) in which each Service provided under this Agreement is performed or received, (ii) any allocation required by applicable Law between the site of performance and the site of receipt with respect to each such Service, and (iii) timely notifying the other Party with respect to any changes to such jurisdiction(s) with respect to each such Service.

ARTICLE 5

SECURITY, RECORDS AND AUDIT

5.1 Information Security. Throughout the Term, and for any subsequent period in which Provider has access to PMI Data, Provider shall comply in all material respects with Provider's own information security procedures and policies, or with respect to PMI NPI, the provisions of Exhibit B.

5.2 Access to Provider Systems. PMI shall, and shall cause all PMI Personnel and PMI Customers who have access to any systems of Provider or its Affiliates or third party service providers ("Provider Systems") to, limit their access to those portions of such systems for which they are authorized in connection with their receipt and use of the Services. Provider shall be responsible for activating and deactivating user authorizations in accordance with reasonable instructions from PMI, subject to the other provisions hereof. PMI shall (i) limit such authorizing instructions to those PMI Personnel who are specifically authorized by Provider to use the Services and access the applicable Provider Systems, and (ii) comply with Provider's (or its Affiliates' or any applicable subcontractors') then-current data security and privacy policies and procedures. All user identification numbers and passwords disclosed to PMI Personnel to permit such personnel to access the Provider Systems shall be deemed to be, and shall be treated as, Provider Confidential Information. As a condition to receiving access to Provider Systems, or other computer or electronic data storage systems of Provider, Provider may require PMI Personnel and PMI Customers (in a manner generally consistent in all material respects with the manner Provider utilizes with its customers) to execute agreements with Provider or otherwise confirm their agreement to comply with Provider's data security and privacy policies and procedures as a condition of their right to obtain such access.

5.3 Security Level; Additional Security Measures. Provider may, from time to time, implement such new or modified physical or information security measures with respect to the Services as Provider in its sole discretion deems necessary or appropriate, including measures that address any new security-related issues, including compliance with applicable Laws related to security and issues in connection with new technologies or threats. PMI shall provide, and shall cause the PMI Personnel to provide, all assistance reasonably requested by Provider in connection with such security measures.

5.4 Right to Deny Access. If, at any time, Provider believes or determines reasonably and in good faith (i) that any PMI Personnel has sought to violate or circumvent, or has circumvented, applicable Law or Provider's data security and privacy policies and procedures, (ii) that any unauthorized PMI Personnel has accessed the Provider Systems or (iii) that any PMI Personnel poses a risk to the Provider Systems or has engaged in activities that may lead to the

unauthorized access, use, destruction, alteration or loss of data, information, software or any other form of loss or damage, Provider shall be permitted to immediately deny or terminate access to the Provider Systems by any such PMI Personnel and shall as promptly as practicable notify PMI in writing of the name(s) of such PMI Personnel and the circumstances surrounding such breach.

5.5 Notifications to Provider. PMI shall, and shall cause PMI Personnel to, (a) cooperate with Provider in investigating any apparent or suspected unauthorized access to the Provider Systems or any apparent or suspected unauthorized access or use of data or information within those Provider Systems and (b) notify Provider immediately in writing (i) if PMI has revoked the access of any PMI Personnel to PMI's own computer systems or software or data stored therein if such PMI Personnel also has access to the Provider Systems and (ii) once any PMI Personnel is no longer employed by PMI or its Affiliates or no longer has a need to access the Provider Systems so that Provider can revoke such PMI Personnel's access to the Provider Systems.

5.6 Audit and Inspection. Provider shall prepare and maintain complete, current and accurate books, records, documentation, policies, procedures, manuals, files and other information or data (collectively, the "Records") of Provider pertaining to the Services provided under this Agreement and the transactions performed in connection therewith, during the Term and for seven (7) years after the provision of the applicable Service (or such longer period as is required by applicable Law), so as to disclose clearly and accurately the precise nature and details of the Services provided and the basis for the Fees charged. During the period that such Records are required to be maintained, PMI and its authorized representatives (other than a Provider Competitor) shall be given reasonable access to, and the right to audit and/or inspect, at PMI's cost, at reasonable times during normal business hours and upon reasonable prior written notice, all Records of Provider pertaining to performance of this Agreement, for the purpose of verifying any Fees paid or payable hereunder and the performance of the Services, provided that (i) such audits and/or inspections shall be conducted no more frequently than once in any consecutive twelve (12) month period, (ii) with respect to audits or inspections of invoiced amounts, such audits or inspections shall be limited to review of invoices issued by Provider during the twenty-four (24) month period preceding the date of the audit or inspection and (iii) the foregoing shall not limit PMI's ability to access the Platform to monitor the performance of the Services. In addition, during the Term, PMI and its authorized representatives (other than a Provider Competitor) shall be given reasonable access to, and the right to inspect, at reasonable times during normal business hours and upon reasonable prior written notice, all facilities, equipment and premises of Provider that are used in the performance of this Agreement, for the purpose of verifying Provider's compliance herewith. The exercise by PMI of any rights under this section shall be without prejudice to any other rights or remedies it may have. Notwithstanding the breadth of the foregoing inspection and audit rights of PMI, all such inspections and audits shall be conducted in accordance with Provider's security, confidentiality and safety rules and procedures and in a manner that does not interfere with Provider's business operations, and PMI shall not be entitled to access (A) the proprietary information of Provider's other customers or other entities (other than entities that are Provider Affiliates performing Services hereunder with respect to information pertaining to the Services), (B) Provider locations that are not used to perform the Services, (C) Provider's internal costs, except to the extent such costs are the basis upon which PMI is charged and/or are necessary to calculate the applicable Fees, or (D) information protected

by the attorney-client, work product, or other privilege. In addition, as a condition to conducting any such inspection or audit, the PMI Personnel and representatives conducting such inspection or audit shall enter into a written confidentiality agreement reasonably acceptable to Provider. To the extent any Affiliate of Provider provides any Services, Provider shall provide that such Affiliate complies with the record-keeping and other obligations of Provider set forth in Sections 5.6 and 5.7, and PMI's audit and inspection rights under such Sections shall extend to such Affiliate, *mutatis mutandis*, and to the extent not otherwise covered by the Fees, such audits and inspections shall be at PMI's cost.

5.7 Access to Provider Personnel. Provider shall require its officers and employees to furnish (to PMI or any of its Affiliates, or any regulator of PMI or any of its Affiliates) all information reasonably requested by PMI, and otherwise reasonably cooperate with (including, without limitation, requiring employees to cooperate with PMI or any of its Affiliates by requiring such employees to make themselves reasonably available for trial, depositions, interviews and other litigation-related endeavors) PMI or any of its Affiliates with respect to the Services, in connection with regulatory compliance, pending or threatened litigation, financial reporting and tax matters (including financial and tax audits and tax contests); provided, however, that (i) PMI shall reimburse the Provider and its employees for reasonable and documented out-of-pocket costs and expenses incurred by them in providing such assistance and cooperation, (ii) the foregoing shall not apply with respect to any Dispute, (iii) in no event shall Provider or any of its officers or employees be required to provide (A) any Confidential Information to any party other than PMI unless such Confidential Information is protected by a protective order or a confidentiality agreement reasonably acceptable to Provider or (B) any privileged information or materials.

5.8 Audit Rights for Intellectual Property. Where Provider has given PMI access to Intellectual Property in connection with the Services, PMI shall, and shall cause its Personnel to, provide to Provider or, at Provider's request, to the third party licensors of such Intellectual Property or an independent auditor, access at reasonable hours to PMI Personnel, facilities, records and other pertinent information, as Provider or such third party licensor or independent auditor may reasonably request, to verify that the use of the Intellectual Property meets applicable licensing requirements. If any such audit or inspection results in a discovery that PMI has failed to comply with any Provider or third party contract limitations or requirements, PMI shall be responsible for any costs associated with remedying such failure (e.g., purchasing additional licenses) and shall reimburse Provider for any reasonable costs it incurs in connection with the conduct of such audit.

5.9 TPG Cost Allocation Agreement. Reference is made to that certain Second Amended and Restated Cost Allocation Agreement dated as of December 12, 2012 by and between The PMI Group, Inc. ("TPG") and the Receiver, on behalf of PMI (the "Cost Allocation Agreement"). To the extent TPG requests PMI to provide TPG with TPG information pursuant to the Cost Allocation Agreement, Provider shall, at PMI's sole cost and expense, use commercially reasonable efforts to provide such information to the extent reasonably necessary for PMI to comply with such request. To the extent Provider does not provide PMI with the TPG information requested by PMI, Provider will, at PMI's sole cost and expense, provide TPG access to such information, subject to the terms and conditions of this Agreement.

ARTICLE 6

INTELLECTUAL PROPERTY MATTERS

6.1 Trademark License. As of the Effective Date, PMI hereby grants to Provider and the Provider Personnel a non-exclusive, worldwide, non-transferable, royalty-free, irrevocable right and license during the Term and any Transition Period to use the PMI Marks for the sole purpose of providing the Services pursuant to this Agreement. Provider shall not use the PMI Marks for any other purpose, and Provider shall not have the right to sublicense to third parties without PMI's prior written consent, which consent shall not be unreasonably delay or withheld. Provider shall cease all use of the PMI Marks upon expiration or earlier termination of the Term and any Transition Period. Except for the foregoing license, PMI retains all right, title and interest in and to the PMI Marks. Provider shall comply with all reasonable written guidelines with respect to the usage of the PMI Marks provided in advance by PMI to Provider. PMI shall have the right to monitor the use of the PMI Marks. Provider agrees that the PMI Marks and the goodwill associated with them are and shall remain the sole property of PMI and its licensors, and Provider agrees not to contest the ownership of the PMI Marks. Provider's use of the PMI Marks inures solely to the benefit of PMI and its licensors. Provider shall not seek registration in any jurisdiction of, or assert any common law right to use, PMI Marks for any reason. Provider shall execute any and all necessary or appropriate documents to confirm ownership by PMI in the PMI Marks.

6.2 NPI License. PMI hereby grants to Provider and the Provider Personnel a non-exclusive, worldwide, non-transferable, royalty-free, right and license (without the right to sublicense) during the Term and any Transition Period to copy, use and otherwise process PMI NPI for the sole purpose of performing the Services. Except for the foregoing license and right, PMI retains all right, title and interest in and to the PMI NPI, as between the Parties. Provider and PMI acknowledge and agree that PMI NPI shall be considered as Confidential Information of both Provider and PMI, and shall not be disclosed to or shared by a Party with any "Non-Affiliated Third Party" (as defined under GLB) without the prior written consent of the other Party, except as expressly authorized by this Agreement or as otherwise permitted by Law, including the regulations implementing GLB. Provider shall be entitled to retain the PMI NPI after the Term as and to the extent needed to perform Provider's obligations to PMI hereunder, and shall thereafter, at PMI's request, cause and certify the return or destruction of the PMI NPI. Notwithstanding the foregoing, (i) Provider may retain archival copies of PMI NPI in accordance with its record retention policies and procedures (a) with respect to backup media for which selective deletion of files or data is not feasible and (b) to enable it to comply with its professional standards requirements and substantiate its work in the event of a dispute, and (ii) Provider shall have the right to retain, access, copy, use and otherwise process data derived from the PMI NPI that is in an anonymized or aggregated form such that it neither identifies nor, when combined with publicly available information, may be used to identify an individual.

6.3 PMI Data. Provider and its Affiliates shall have the world-wide, royalty-free, perpetual right to copy, distribute, augment, modify and otherwise use the PMI Data (other than PMI NPI, which is addressed in Section 6.2) during and after the Term, in furtherance of the business activities of Provider and its Affiliates, without any obligation to compensate PMI.

6.4 PMI Materials License. PMI hereby grants to Provider and the Provider Personnel a non-exclusive, worldwide, royalty-free, right and license during the Term and any Transition Period to access, use, execute, reproduce, display, perform, modify and distribute the PMI Materials for the sole purpose of providing the Services.

6.5 Designated Applications License. Provider hereby grants to PMI a limited, non-exclusive, worldwide, non-transferable, royalty-free right and license, under Provider's rights in the Designated Applications, without the right to grant sublicenses, to remotely access and use the Designated Applications during the Term as operated by Provider, for the sole purpose of, and solely to the extent necessary for, receiving the Services, accessing PMI Data and performing the Excluded Services for the Run-Off, but not for any other purpose. Except for the foregoing license, Provider retains all right, title and interest in and to the Designated Applications and Platform, as between the Parties.

6.6 PMI Database License. Provider grants to PMI during the Term and thereafter for the duration of the Post-Term Run-Off a non-exclusive, worldwide, non-transferable, royalty-free right and license under Provider's rights in the PMI Database to use the PMI Database, for the limited purpose to access, copy, augment, extract therefrom PMI Data in connection with its management of the Post Term Run-Off.

6.7 Certain Restrictions. PMI shall not, and shall not permit any of the PMI Personnel to, make copies, and shall not have any right to receive copies, of any third party Software or, except as expressly set forth in Section 7.4 upon the occurrence of the Release Condition, Designated Applications. PMI shall not, and shall not permit any of the PMI Personnel to, remove any copyright or confidentiality notices from or recompile, decompile, disassemble, reverse engineer, or make or distribute any other form of, or any derivative work from, Provider's or its Affiliates' hardware or Software.

6.8 Service Materials License. From time to time during the Term, Provider shall provide to PMI document templates, manuals, protocols and other materials that are to be used by PMI in connection with the Run-Off (collectively, the "Service Materials"). Provider hereby grants to PMI a non-exclusive, worldwide, non-transferable, royalty-free, right and license, under Provider's rights in the Service Materials, without the right to grant sublicenses, during the Term and thereafter until the completion of the Run-Off, to use the Service Materials owned by Provider and/or its Affiliates that are provided to PMI in connection with the Services for the sole purpose of the Run-Off, but not for any other purpose. Subject to the foregoing license, Provider retains all right, title and interest in and to the Service Materials.

6.9 Ownership of Intellectual Property. Each Party shall be the sole owner of all Intellectual Property Rights owned by it as of the Effective Date (after giving effect to the transactions contemplated by the Purchase Agreement) or developed by it during the Term or any Transition Period; provided, however, that as between the Parties, PMI owns all right to the PMI NPI. Without limiting the foregoing, all Intellectual Property developed or acquired by or for Provider or any of its Affiliates (including any derivative work based upon, modification to, or replacement or improvement to, the Platform, Designated Applications, Services, Source Code, Service Materials, or any portion thereof), whether created or developed by either Party or their

representatives alone or jointly with others, shall be owned solely and exclusively by Provider, and PMI shall and hereby does, and shall cause its Affiliates and Personnel to, irrevocably and without further consideration, assign to Provider, upon the creation of any of the foregoing items, all right, title and interest in and to such Intellectual Property (and, to the extent copyrightable, such Intellectual Property shall be deemed to be a work made for hire for the benefit of Provider). PMI shall execute any and all necessary or appropriate documents to confirm ownership by Provider of such Intellectual Property.

6.10 No Implied Licenses. Except for the express licenses granted to PMI in this Agreement, nothing in this Agreement shall be deemed to grant to PMI, by implication, estoppel or otherwise, license rights, ownership rights or any other Intellectual Property rights in any technology, inventions, work processes, hardware, software or any other tangible or intangible assets owned, controlled or licensed by Provider or any of its Affiliates.

ARTICLE 7

SOURCE CODE ESCROW

7.1 Source Code Escrow Agreement. Prior to the execution of this Agreement, PMI entered into the Source Code Escrow Agreement set forth in Exhibit C attached hereto with the Source Code Escrow Holder ("Source Code Escrow Agreement"), with deposit obligations as follows:

(a) As of the execution of this Agreement, PMI caused the Initial Materials to be deposited with the Source Code Escrow Holder. The term "Initial Materials" means the full Source Code for all Software components of the Platform based on the Seller Owned Intellectual Property, as the same shall exist as of such date, together with the identification of any third party products (including without limitation Seller Licensed Intellectual Property) required to be acquired and installed to complete the re-creation of the Platform. PMI represents and warrants that (i) all of the Source Code included in the Initial Materials has been successfully compiled and tested by PMI using test cases that thoroughly address and test the functionality of the Platform and its components that are to be used to provide the Services and (ii) such Source Code has been migrated to and run in the production environment of the Platform as of the Effective Date so that the same version of such Source Code provided to the Source Code Escrow Holder in the Initial Materials is the same as the version running on the Platform provided to Provider pursuant to the Purchase Agreement as of the Effective Date.

(b) Within fifteen (15) days after the close of each 12-month period starting on the Effective Date during the Term or within six (6) months after Provider puts into production a new major release of the Designated Applications, Provider shall deposit with the Source Code Escrow Holder such additional Source Code for any patches, releases or other components of the Designated Applications developed and owned by Provider as the same are required to re-create the individual functional units of the Designated Applications as the last major release of the Designated Applications put into production on or before the last day of such 12-month or 6-month period, as applicable.

PMI shall pay and be solely responsible for all fees and charges of the Source Code Escrow Holder under the Source Code Escrow Agreement.

7.2 Verification Procedure. In connection with the Source Code Escrow Agreement, the Parties shall establish protocols for verifying that the materials deposited with the Source Code Escrow Holder ("Escrow Materials") will compile and run in the Staging Environment, including without limitation, the following procedures:

(a) Provider shall maintain a testing environment ("Staging Environment") as the same is used by Provider for the purpose of testing software releases before promotion into production, loaded with such operational data (but from which NPI has been replaced with fictitious entries) and such third party Software as is required to test the individual operation of all IT components of the Platform. PMI represents and warrants that the Purchased Assets include a Staging Environment meeting the requirements of this Section.

(b) Once each year, at a time mutually agreed by the Parties, Provider shall cause a copy to be delivered back to Provider, at PMI's expense, of such Escrow Materials as are required to compile, build and install in the Staging Environment each of the functional units that have been revised since the previous annual test ("Updated Components").

(c) Within ten (10) Business Days after its receipt of the Escrow Materials for the Updated Components, PMI shall meet with Provider and Provider then shall demonstrate to PMI how the Escrow Materials are used to create and install a fully functional version of each such Updated Component in the Staging Environment.

(d) Provider shall then conduct such functional unit tests as are agreed by the Parties to demonstrate that the Updated Components (i) pass such unit tests, and (ii) are substantially identical to the versions of such Updated Components that are installed and running in the production environment operated by Provider for the purpose of providing the Services to PMI (collectively, "Escrow Tests").

(e) Any demonstration pursuant to these procedures shall be reported on completion to PMI in writing, provided that, at PMI's election, a PMI employee or other member of the PMI Personnel (other than a Provider Competitor) may observe such demonstrations and tests personally.

(f) In the event that the Escrow Materials either do not compile and build or are not substantially identical to the production version, Provider shall take steps to assure that a copy deposited in the Source Code Escrow that does compile and build and substantially identically is installed and tested within thirty (30) calendar days after the failure to compile or run properly.

(g) If Provider does not provide for the Escrow Materials to satisfy the Escrow Tests on or before the expiration of the thirty (30) day period referred to above, Provider, shall have the right to give ninety (90) days notice to Provider to satisfy the deposit

and testing requirements set forth above. If PMI provides such notice and Provider fails to satisfy the Escrow Tests within such ninety (90) day period and such failure is not otherwise excused hereunder, PMI may at any time during the 180-day period thereafter (but before Provider satisfies the Escrow Tests), declare a Provider Event of Default without further notice or opportunity to cure.

7.3 Release Condition. PMI may request that the Escrow Materials be released to PMI upon PMI's termination of this Agreement pursuant to Section 11.2 (except under Section 11.2(b)) (the "Release Condition").

7.4 Escrow Materials License. Effective upon release to PMI of the Escrow Materials, PMI shall have a non-exclusive, worldwide, non-transferable, royalty-free, limited license (without the right to sublicense, except as expressly provided otherwise in this Section 7.4 solely as required for the Post-Term Run-Off), until the completion of the Post-Term Run-Off, to use, execute, copy, modify, and make (solely for maintenance and support purposes) derivative works based upon the Escrow Materials solely to operate and maintain the Designated Applications, as applicable, for the Post-Term Run-Off, but not for any other purpose, subject to the same restrictions on use and disclosure as are contained herein with respect to Provider's Confidential Information, it being understood that PMI shall be responsible for obtaining, at PMI's sole cost and expense, any and all Required Consents and equipment, systems, software and other resources to exercise the foregoing license. Provider shall retain all right, title and interest in and to the Escrow Materials, including any modifications or derivative works thereof and all Intellectual Property inherent therein or related thereto (regardless of whether developed or created by or for PMI or Provider or any other Person), and PMI shall and hereby does, and shall causes its Personnel to, without further consideration, irrevocably assign to Provider any right, title or interest that any of them may have therein or thereto. Upon Provider's request, to be made not more frequently than once every six (6) months, and at Provider's expense for the costs of delivery and reasonably incurred costs for duplicating the same, PMI shall deliver to Provider a copy of all modifications to and derivative works based upon the Escrow Materials, together with all associated Source Code. Notwithstanding the prohibition on sublicensing set forth above in this Section 7.4, PMI may sublicense to a third party service provider solely on behalf of, and solely for the benefit of, PMI to the extent necessary for PMI to perform services required for the Post-Term Run-Off, provided that (i) such third party service provider is not a Provider Competitor, (ii) PMI requires such third party service provider to maintain the confidentiality of and acknowledge Provider's ownership of the Escrow Materials and does not impede Provider from enforcing Provider's rights in or ownership of the Escrow Materials, (iii) PMI shall be liable for any failure of such third party service provider to maintain such confidentiality, (iv) such sublicense does not purport to grant any rights beyond the scope of license granted to PMI in this Section 7.4, and (v) PMI provides to Provider a copy, and makes Provider a third party beneficiary, of any agreement pursuant to which any of the Escrow Materials are disclosed to such third party service provider. PMI shall be solely responsible for installing and testing such Source Code in a computing environment supplied by PMI.

ARTICLE 8

CONFIDENTIALITY

8.1 Maintenance of Confidentiality. Except with the prior written consent of Discloser, Recipient will hold in confidence and keep confidential all Confidential Information of Discloser using at least the same means (including both facility physical security and electronic security) to avoid unauthorized publication, disclosure or dissemination of such Confidential Information as it uses with respect to its own confidential information of a similar nature, but in no event less than reasonable care. Recipient may use such Confidential Information only as necessary to perform its obligations under this Agreement or (in the case of PMI) only as necessary for the Run-Off (the "Purpose").

8.2 Limitations on Disclosure. Except with the prior written consent of Discloser, Recipient may disclose Confidential Information of Discloser only (i) to those of its Personnel, and the Personnel of its Affiliates, who have a need to know such Confidential Information to effectuate the Purpose and are bound by reasonable obligations of confidentiality, (ii) in a regulatory or securities law filing if required to be included therein under applicable Law or governmental orders or, subject to Section 8.3, in response to any summons, subpoena or other legal process or formal or informal investigative demand or regulatory request issued by a Governmental Entity to such Party or its representatives in the course of any litigation, investigation, inquiry or administrative proceeding, (iii) to enforce its rights under this Agreement, or (iv) with the prior written consent of PMI (in the case of disclosure by Provider) or Provider (in the case of disclosure by PMI). Recipient shall be responsible for its Personnel's compliance with the performance of the provisions of this Article 8.

8.3 Permitted Disclosure. Recipient shall not be in breach hereof if it discloses Confidential Information of Discloser pursuant to a judicial or governmental order or as required by applicable Law, provided that: (i) any such disclosure is made only to the extent so ordered or required, in Recipient's reasonable opinion; (ii) to the extent permissible under applicable Law, Recipient shall timely notify Discloser of the disclosure requirement prior to disclosure, so that Discloser may, at Discloser's expense, seek a protective order or confidential treatment, or take other appropriate measures to protect its interests, in which event Recipient will cooperate in such effort; and (iii) if timely notice cannot be given, Recipient shall, at Discloser's expense, seek to obtain a protective order or confidential treatment from the court or government for such information. In addition, PMI shall not be in breach hereof if it discloses Confidential Information of Provider to the Court, or to a creditor in PMI's receivership proceeding, provided that (i) such disclosure is reasonably necessary in order for the Receiver to fulfill a duty or obligation to or imposed by the Court (including under the Receivership Order), (ii) the scope of such disclosure is reasonable in relation to such duty or obligation, and (iii) such information is reasonably related to the performance of the Services, the fees and other liabilities of PMI hereunder, or the administration, servicing or disposition of the Retained Policies.

8.4 Exceptions. Information will not be or will cease being (as the case may be) Confidential Information of Discloser: (i) if it is already in the possession of Recipient or its Representatives on a non-confidential basis prior to its being furnished to Recipient or its

Representatives pursuant hereto, provided that the source of such information was not reasonably known by Recipient or its Representatives to be bound by a confidentiality agreement with, or other contractual, legal or fiduciary obligation to, Discloser or any other party with respect to such information (provided that, in the case where PMI is the Recipient, the foregoing shall not apply to any materials, data or information comprising or relating to Purchased Assets (as defined in the Purchase Agreement) or Business Confidential Information (within the meaning of the Purchase Agreement and the CMG Stock Purchase Agreement (as defined in the Purchase Agreement)); (ii) from and after the date it is generally publicly known, or becomes such prior to any disclosure by Recipient, other than as a result of unauthorized disclosure by Recipient or its Representatives in violation of this Agreement or the Purchase Agreement; (iii) from and after the date it is or becomes available to Recipient or its Representatives on a non-confidential basis from a third party source provided that such source is not reasonably known by Recipient or its Representatives to be bound by a confidentiality agreement with or other contractual, legal or fiduciary obligation of confidentiality to Discloser or any other party with respect to such information; or (iv) if it can be demonstrated as independently developed by Recipient without the use of, reference or access to, or reliance upon any Confidential Information.

8.5 Unauthorized Disclosure or Use. Recipient shall promptly notify Discloser if Recipient becomes aware of any disclosure or use in violation of this Agreement of any Confidential Information of Discloser that is in the possession of Recipient, its Affiliates or the Personnel of either of them. Recipient shall use commercially reasonable efforts to cooperate with Discloser to minimize the effects of any such disclosure or use.

8.6 Limitation. The obligations of this Article 8 will apply after the Effective Date to any Confidential Information disclosed to Recipient before or after the Effective Date and will continue and must be maintained for a period: (i) in the case of NPI or Source Code or Purchased Assets, in perpetuity; and (ii) in the case of all other Confidential Information, for a period of ten (10) years after the receipt thereof.

ARTICLE 9

CONTRACT MANAGEMENT AND GOVERNANCE

9.1 Steering Committee. The Parties shall form a services management steering committee (the "Committee") consisting of two (2) members. Each Party shall be permitted to designate a member of the Committee and shall notify the other Party of such designee; provided, however, that each Party's designee shall have reasonable knowledge, skills and experience with respect to the Services to be provided hereunder. Subject to the immediately preceding sentence, either Party may, from time to time, remove or replace its designee on the Committee by notice to the other Party. The Committee shall be responsible for: (a) overseeing the provision of Services pursuant to this Agreement, including review of information on general planning and status of information technology, security and privacy matters related to the Services; and (b) fulfilling any such other roles and responsibilities as the Parties may determine necessary from time to time. The Committee (together with other advisors, consultants and employees) shall meet and/or otherwise communicate (including via conference call) as frequently as is necessary to carry out these responsibilities, but not less frequently than once per month. The Committee shall develop policies

and procedures for formally documenting recommendations of the Committee. The initial Committee members are:

For PMI: Tom Clancy, Senior Vice President, Policy Servicing and Loss Management
For Provider: David Gansberg or his designee

9.2 General Communications Regarding Services. The Parties shall each appoint a person who shall be available to act as the primary contact person with respect to each Service Area (who may be the same individual for multiple Service Areas) who shall receive communications and coordinate responses to questions and concerns on behalf of the respective Parties and their Affiliates with respect to such Service Area (the "Level 1 Contact"). Each Level 1 Contact shall be required to have appropriate knowledge, skills and experience with respect to the applicable Service Area in order to fulfill such person's responsibilities hereunder. In addition, the Parties shall each appoint a person who shall be available to act as the primary contact person with respect to the escalation of communications beyond the Level 1 Contacts as contemplated by Section 9.3 (the "Level 2 Contact"). Each Level 2 Contact shall be required to have appropriate knowledge, skills and experience with respect to the applicable Service Area in order to fulfill such person's responsibilities hereunder (and any such individual may be the designated Level 2 Contact for multiple Service Areas). Subject to the requirements of this Section 9.2, either Party may, from time to time, remove or replace its Level 1 Contact and/or Level 2 Contact with respect to a Service Area by notice to the other Party. To promote efficiency and good communication between the Parties and effective Dispute resolution procedures, the Parties will use reasonable efforts to cause their employees and representatives to coordinate general communications regarding the Services through the appropriate Level 1 Contacts and to escalate issues regarding the Services to the appropriate Level 2 Contacts. Notwithstanding the provisions of this Article 9, in the event of any emergency or other urgent matter relating to any Service, a Party may directly contact any person to resolve the emergency or other matter expeditiously. Each Party hereby designates its initial Level 1 Contacts and initial Level 2 Contacts as set forth in Exhibit D.

9.3 Initial Resolution of Disputes. Except with respect to a dispute regarding a Party's obligations under Article 6 (Intellectual Property Matters) or 8 (Confidentiality), and subject to Section 15.5 (Injunctive Relief), any dispute, controversy, claim or difference of any kind between the Parties arising out of or relating to this Agreement, or the breach thereof, which shall include any challenge or dispute as to the quality of performance or payment for any Service hereunder ("Dispute"), shall attempt to be settled, prior to commencement of litigation, by good faith efforts of the Parties to reach mutual agreement in accordance with this Section 9.3 and Section 9.4. The Level 1 Contacts shall meet as often as reasonably necessary in an effort to resolve Disputes without the necessity of any formal proceeding relating thereto. If the Level 1 Contacts do not resolve a Dispute within five (5) calendar days, then either Party may escalate the Dispute to its Level 2 Contact by sending written notice to the other Party with a summary of the controversy and indication that such Dispute is being escalated to the Level 2 Contacts. If the Level 2 Contacts do not resolve a Dispute within five (5) calendar days, then either Party may escalate the Dispute to its Senior Executive by sending written notice to the other Party with a summary of the controversy and indication that such Dispute is being escalated to the Senior Executives.

9.4 Escalation. Each Party's Senior Executive shall have the authority to meet and to negotiate in good faith to resolve the Dispute and to settle the Dispute. The discussions shall be left to the discretion of the Parties' representatives who may utilize other alternative dispute resolution procedures such as mediation to assist in the negotiations. If the Senior Executives do not resolve a Dispute within twenty (20) calendar days after the Dispute is escalated to them, then either Party may pursue other remedies, including litigation. Discussions and correspondence among the representatives (including Level 1 Contacts, Level 2 Contacts and Senior Executives) for purposes of the negotiations contemplated by Sections 9.3 and 9.4: (a) shall be treated as Confidential Information developed for purposes of settlement; (b) shall be exempt from discovery and production; and (c) shall not be admissible in any lawsuit pursuant to Rule 408 of the Federal Rules of Evidence. Documents identified in or provided with such communications, which are not prepared for purposes of the negotiations, are not so exempted and may, if otherwise admissible, be admitted in evidence in a lawsuit.

9.5 Performance to Continue. Subject to the other provisions of this Agreement, unless otherwise directed by the other Party, until such time as any Dispute has been finally adjudicated by a court of competent jurisdiction or resolved by agreement of the Parties or this Agreement expires or is terminated in accordance with its terms, Provider and PMI each shall continue to perform their respective obligations, and PMI shall continue to pay all amounts due and payable, under this Agreement.

ARTICLE 10

CHANGE CONTROL

10.1 General. PMI recognizes that Provider has purchased the PMI Platform for purposes of utilizing it on an on-going basis in its business operations, and Provider and its Affiliates will use or provide to third parties services using the same software, hardware, circuits, personnel and other resources as those used to provide the Services or included in the Platform. As such, from time to time it may be necessary for Provider to make changes in such other resources and/or the PMI Platform that impact the functionality and operation of the PMI Platform in order to meet the needs and requirements of Provider. PMI agrees to work in good faith with Provider to accommodate its needs for such changes, consistent with any residual operational needs associated with the Run-Off, and the intent of this Section is to accommodate such competing needs and accommodations.

10.2 Notice of Proposed Changes.

(a) Provider shall give PMI written notice of any Material Change to the PMI Platform or to the manner of providing Services at least thirty (30) days prior to the proposed implementation of that change (or as much advance notice as practicable in the event of emergency or other urgent situation). For the purpose of these provisions, a "Material Change" shall be any change that requires any, some or all of the following: (i) material retraining of PMI Personnel in the procedures required to use the PMI Platform related to a PMI business process in place as of the date of such notice beyond customary incremental or routine training in the ordinary course of business, (ii) material changes in any desktop or

network configuration at PMI facilities, other than routine changes in the ordinary course, and scope of IT Support Services provided by Provider pursuant to this agreement, (iii) a change of the location of the Provider data center providing the IT Services, or (iv) the subcontracting or outsourcing of any significant information technology or communications function provided within the Services, or (v) a change in location of a material number of the Provider Personnel providing Services to a location more than fifty (50) miles distant from the location from which such Services are then provided.

10.3 Technical Change Control.

(a) Provider shall have the right to supplement, modify, substitute or otherwise change the Services and the PMI Platform, including Provider's associated IT infrastructure, systems, applications and technical architecture(s) from time to time based on Provider's business needs, including with respect to Provider's planned maintenance, upgrade and refresh activities, subject to the requirements of Section 10.2 and this Section 10.3. Such changes by Provider shall be performed in a manner that is generally consistent with the manner in which it makes changes with respect to similar services provided or otherwise made available by or for Provider or its Affiliates and with reasonable consultation with PMI to the extent impacting its use and operation of the PMI Platform. Subject to Section 10.3(b) and Section 10.3(c), Provider will consider PMI's good faith comments regarding the impacts of such change upon PMI, as well as any reasonable request of PMI for Provider to supplement, modify, substitute or otherwise alter any of the Services and, to the extent that Provider is not able to reasonably accommodate any such request, Provider will provide to PMI a reasonable explanation for its decision.

(b) Provider shall not make any material change to the core functionality or features of the Designated Applications that is without a reasonable workaround, substitute or replacement and that would result in the loss of or a material reduction in the functionality or features provided by such applications that are then in use by or for PMI and required for PMI to conduct the Run-Off (the "Required Run-Off Features"), without prior written notice to PMI (a "Core Change"). Prior to any Core Change, (i) the Parties will meet to discuss in good faith PMI's concerns (if any) regarding such Core Change and Provider's requirements for making such change, and negotiate in good faith and agree upon an approach for implementing such Core Change in a manner that mitigates in all material respects the adverse impact on the Required Run-Off Features while meeting Provider's requirements, and (ii) in connection with the subsequent implementation of such Core Change as agreed upon by the Parties in good faith, Provider will be solely responsible for (A) all of PMI's actual, reasonable out-of-pocket costs incurred in connection with making such Core Change, and (B) any additional costs and expenses incurred by Provider as a result of making such Core Change. Except as provided in this Section 10.3(b), Provider will have the ultimate authority and discretion to determine whether or not to implement any Core Change. Notwithstanding the foregoing, Provider may make temporary changes required by an emergency that would otherwise call for consent hereunder but shall, if reasonably practicable, attempt to contact appropriate PMI personnel to provide notice of such changes.

10.4 Contract Change Control.

(a) From time to time during the Term PMI may request changes in or additions to the Services required for its continuation of the Run-Off activities (each such request, a "Change Request"). All Change Requests shall be subject to the procedures set forth in this Section (the "Change Control Procedures").

(b) If PMI desires to propose a change in or addition to the Services or other aspects of this Agreement required for its continuation of the Run-Off activities, it shall deliver a written Change Request to the Provider Steering Committee member describing the proposal. As part of each Change Request, PMI shall include reasonable detail regarding the scope and nature of the request, and other information as may be reasonably requested by Provider.

(c) After receiving a Change Request from PMI, Provider shall evaluate the request and respond to PMI in a reasonable period by preparing and delivering to the PMI Steering Committee member a written document (a "Change Control Document"), indicating: (i) whether Provider can reasonably and feasibly provide the requested change within the timeframe specified in the Change Request; and if not, the timeframe in which it can reasonably and feasibly provide the requested change; (ii) the anticipated effect of the Change Request, if any, on the amounts payable by PMI hereunder and the manner in which such effect was calculated (if then known); (iii) the anticipated effect of the Change Request on the Services to be provided, the manner in which Services are provided, the standards applicable to the Services as set forth in Section 2.2 (if then known); (iv) the anticipated time schedule for implementing the Change Request; and (v) any other material information then-known by Provider that is reasonably requested by PMI in the Change Request and reasonably necessary for PMI to make an informed decision regarding the Change Request.

(d) After receipt of Provider's Change Control Document, the Parties will negotiate in good faith such request, including the negotiation of (i) the increased charges for the then-current Services, (ii) the impact of such request on Provider's ability to perform and PMI's ability to exit the Services, (iii) project implementation and deployment cost estimates, (iv) a project plan and timeline, (v) a project scope document and (vi) a statement of work for such request rejecting such proposal or a written document.

(e) No change in or addition to the Services or any other aspect of this Agreement requested by PMI in a Change Request shall become effective or binding upon the Parties unless and until it has been approved and memorialized in a written statement of work executed by a duly authorized representative of each Party on terms consistent with those set forth in this Agreement. If PMI and Provider elect to agree and accept such statement of work based on a Change Control Document, as evidenced by the written approval of PMI and Provider, any changes in or additions to the Services described therein shall thereafter be deemed "Services," any other changes described in such statement of work shall be deemed to have amended this Agreement, and such statement of work shall be deemed included within and a part of this Agreement and subject to its terms. For the avoidance of doubt, no estimate set forth in any such statement of work shall be binding upon Provider. Provider shall be

entitled to charge PMI, and PMI shall reimburse Provider for, all of the costs and expenses incurred by Provider in connection with evaluating and implementing each Change Request, and shall be entitled to (i) reimbursement of the costs and expenses incurred in connection with each Change Request (including full lifecycle costs) and (ii) an increase in the charges for the Services to reflect any increases in Provider's cost of providing such Services due to a Change Request.

(f) Without limiting the foregoing or either Party's rights under this Agreement, the Parties acknowledge and agree that over the Term the nature of and requirements for the Services may change (including as a result of changes in regulatory or business environments), each Party may propose adjustments or changes to the Services to accommodate such change, and in the event of such a proposal, the Parties will negotiate such adjustments in good faith.

ARTICLE 11

TERM & TERMINATION

11.1 Term. The initial term of this Agreement shall commence on the Effective Date and, unless earlier terminated in accordance with its terms, shall continue thereafter until December 31, 2018 (the "Initial Term"). Upon the expiration of the Initial Term, at the option of PMI, this Agreement may be renewed for up to one additional period of two (2) years (the "Two-Year Renewal Term"). Upon the expiration of the Two-Year Renewal Term, at the option of PMI, this Agreement may be renewed for up to four (4) additional consecutive periods of one (1) year (the Two Year Renewal Term and each such one (1) year period, a "Renewal Term"). PMI may exercise its option to renew this Agreement by giving notice to Provider not later than one (1) year prior to the end of the Initial Term or the applicable Renewal Term. If (i) PMI opts not to renew this Agreement for the Two-Year Renewal Term, and (ii) this Agreement terminates on December 31, 2018 pursuant to the first sentence of this Section 11.1, then PMI shall pay Provider Seven Hundred Fifty Thousand Dollars ($750,000) within thirty (30) days after such date. Notwithstanding the foregoing, Provider shall have no obligation to provide the following Services ("Non-Core Services") after the expiration of the two (2) year period commencing upon the Effective Date, or such other period as may be mutually agreed upon in writing by the Parties: (i) "Core Technology Management Services" (as referenced in Appendix G); and (ii) "Payroll Services, Human Resources, Administrative Services" (as referenced in Appendix W).

11.2 Termination by PMI. PMI may terminate this Agreement by written notice to Provider upon the occurrence of any of the following (each, a "Provider Event of Default"):

(a) Provider's unexcused material breach of this Agreement and failure to cure such breach within ninety (90) days after written notice of the breach from PMI;

(b) After the expiration of the six (6) month period following the Effective Date, the occurrence of a Service Level Termination Event, as defined in Exhibit A;

(c) An unexcused failure by Provider to comply with the deposit and verification provisions of Section 7.2(g) (to the extent termination is permitted in Section 7.2(g));

(d) Either of the Provider Parties enters into a supervisory agreement with any Government Entity or enters into receivership; any petition is filed or Action is commenced with respect to either Provider Party under any provision or chapter of the United States Bankruptcy Code or any other similar federal or state law relating to insolvency, bankruptcy, rehabilitation, liquidation or reorganization either of the Provider Parties makes a general assignment for the benefit of its creditors; an Order for relief is entered against either of the Provider Parties under any state law relating to insolvency, bankruptcy, rehabilitation, liquidation or reorganization; or either of the Provider Parties becomes subject to an Order appointing a custodian, trustee or receiver for such Provider Party or all or any material portion of its assets or authorizing the taking of possession of the assets of such Provider Party;

(e) All of Provider's affiliated U.S. mortgage insurers either (i) elect to cease offering mortgage insurance policies or certificates; or (ii) are prohibited for a period of not less than ninety (90) consecutive days from continuing to offer mortgage insurance policies or certificates by the insurance department of its state of domicile.

Notwithstanding the foregoing, PMI may not terminate this Agreement under Section 11.2(a), 11.2(b) or 11.2(c) unless the matter has first been escalated to the Senior Executives pursuant to Sections 9.4 and 9.4 and such matter has not been resolved within the time frame specified in Section 9.4.

11.3 Termination by Provider. Provider may terminate this Agreement by written notice to PMI upon the occurrence of any of the following:

(a) PMI's failure to pay any invoice when due and PMI's failure to cure such non-payment within fifteen (15) Business Days after notice thereof by Provider (it being understood that PMI's deposit of disputed amounts in escrow in accordance with and pursuant to Section 4.4(d) shall not be deemed a failure to pay for purposes of this Section 11.3(a)); or

(b) Any material breach (other than as described in clause (a) above or clause (d) below) by PMI of this Agreement, and failure to cure such breach within ninety (90) days after written notice of the breach from Provider;

(c) The Receiver ceases to maintain possession and control of PMI;

(d) PMI breaches Section 3.1(c).

Notwithstanding the foregoing, Provider may not terminate this Agreement under Section 11.3(b) unless the matter has first been escalated to the Senior Executives pursuant to Sections 9.3 and 9.4 and such matter has not been resolved within the time frame specified for such escalation in Section 9.4. In the event of any termination by Provider, Provider shall make available to PMI a copy of all PMI Data that is in electronic form in Provider's possession or control in a

Non-Proprietary Format or in the format then maintained by Provider. Nothing herein shall release Provider from the obligation described elsewhere in this Agreement to maintain records, or for PMI to reimburse Provider for the costs of maintaining such records, after the termination or expiration of this Agreement, whether arising directly or from a Litigation Hold.

11.4 Transition Services Remedy. Upon termination by PMI by reason of a Provider Event of Default, Provider may cease providing the Services. Upon termination by PMI by reason of a Provider Event of Default, (a) PMI may request the Source Code Escrow Holder to release to PMI the Escrow Materials and PMI will have the license specified in Section 7.4; (b) Provider will at no cost to PMI provide PMI and its consultants and advisors with Continued Access (as defined below) to the Designated Applications and all PMI Data in Provider's possession or control for up to one (1) year, solely for the purpose of transitioning the Run-Off to a new hardware platform and/or service provider; (c) Provider will at no additional cost to PMI deliver to PMI a complete copy of all PMI Data that is in electronic form in Provider's possession or control in a Non-Proprietary Format or in the format then-maintained by Provider; and (d) Provider will at no additional cost to PMI reasonably cooperate with PMI and its consultants and advisors for up to one (1) year solely for the purpose of transitioning the Run-Off to a new hardware platform and/or service provider; and (e) except in the case of a termination by PMI under Section 11.2(e), Provider will reimburse PMI for its reasonable out of pocket, third party costs actually incurred in effecting the transition from Provider (it being understood that any amounts paid or payable by Provider under this clause (e) shall be considered and counted as liabilities subject to the liability cap set forth in Section 12.8(b)); provided, however, that Provider's obligations pursuant to this Section 11.4 are contingent upon PMI (i) obtaining all Required Consents for such activities, and (ii) paying to Provider all outstanding undisputed amounts payable hereunder as of the date of such termination. Any internal costs reasonably incurred by Provider pursuant to clauses (a), (b), (c) and (d) of this Section 11.4 shall be considered and counted as liabilities subject to the liability cap set forth in Section 12.8(b), up to a maximum of Two Million Dollars ($2,000,000) of such costs. "Continued Access" means and is limited to such access as is necessary for PMI to use the Designated Applications (other than email services, internet access, print services and telephony systems) to process insurance transactions during its transition to a new service provider and to facilitate such transition, and excludes provision of any of the Services. To the extent that PMI would like Provider to continue to provide any of the Services after termination for up to one year, PMI shall request such Services in writing from Provider not less than sixty (60) days prior to the otherwise effective date of termination, and Provider shall continue to provide such Services for the fees provided for in this Agreement and all other terms and conditions of this Agreement shall continue to apply to the provision of such Services.

11.5 Effect of Termination.

(a) Expiration or termination of this Agreement shall not act as a waiver of any breach of this Agreement and shall not act as a release of either Party for any liability or obligation incurred under this Agreement through the effective date of such expiration or termination, including with respect to any Fees or expenses that accrued on or before the effective date of such expiration or termination.

(b) Any provision of this Agreement that contemplates performance or observance subsequent to any termination or expiration of this Agreement shall survive any termination or expiration of this Agreement and continue in full force and effect, including the following: Articles 4 (Fees), 6 (Intellectual Property Matters), 8 (Confidentiality), 11 (Term & Termination), 12 (Indemnification, Limitations on Liability & Insurance), 13 (Certain Employee Matters), 14 (Provider Parent Guaranty) 15 (Warranty Disclaimers), and 16 (Miscellaneous).

ARTICLE 12

INDEMNIFICATION, LIMITATIONS ON LIABILITY & INSURANCE

12.1 Indemnification of PMI. The Provider shall indemnify, defend and hold harmless each PMI Indemnified Party from and against any Qualifying Losses incurred by such PMI Indemnified Party due to a Third Party Claim to the extent arising out of or relating to the gross negligence or willful misconduct of Provider in providing the Services pursuant to this Agreement; provided, however, that to the extent and in the proportion Losses arise out of or relate to the performance (or failure to perform) by PMI of its obligations under this Agreement, or any act or failure to act of any PMI Indemnified Party, then Provider's indemnity under this Section 12.1 shall not apply.

12.2 Indemnification of Provider. Without limiting Provider's liability to PMI as provided (and limited) under this Agreement, PMI shall indemnify, defend and hold harmless each Provider Indemnified Party from and against any Qualifying Losses incurred by such Provider Indemnified Party due to a Third Party Claim arising out of or relating to this Agreement, including the performance (or failure to perform) by Provider of its obligations under this Agreement and including all Losses that arise out of or are due to Provider following PMI's claims and other insurance administration policies, guidelines and procedures or other instructions or directions; provided, however, that to the extent and in the proportion Losses arise out of or relate to the gross negligence or willful misconduct of Provider, then PMI's indemnity under this Section 12.2 shall not apply.

12.3 Notice of Third Party Claims; Assumption of Defense.

(a) If a claim or Action by a Person who is not a Party or an Affiliate thereof (a "Third Party Claim") is made or brought against any PMI Indemnified Party or Provider Indemnified Party (an "Indemnified Party") and such Indemnified Party intends to seek indemnification under this Agreement with respect to such claim or Action, such Indemnified Party shall give notice as promptly as is reasonably practicable, and in no event later than ten (10) Business Days, after receiving notice thereof, to the Party obligated to

provide such indemnification under this Agreement (the "Indemnifying Party"). Such notice shall specify the provision of this Agreement pursuant to which indemnity is sought, the facts alleged to constitute the basis for such claim, the identity of the Persons bringing such claim or Action, the representations, warranties, covenants or agreements or provision of Law or contract alleged to have been breached, as applicable, and the amount (or, to the extent not then determinable, the Indemnified Party's good faith estimate thereof) that the Indemnified Party intends to seek from the Indemnifying Party hereunder. The failure to promptly give such notification will not affect the indemnification provided hereunder except to the extent the Indemnifying Party's defense or other rights available to it is actually prejudiced as a result of such failure, and then only to the extent of such prejudice.

(b) The Indemnifying Party shall have the sole power, at its option, to assume the conduct and control of the settlement or defense of any Third Party Claim for which indemnification may be sought, at its own expense through counsel of its own choosing (which counsel shall be reasonably acceptable to the Indemnified Party), by giving written notice thereof to the Indemnified Party; provided, however, that the Indemnifying Party must notify the Indemnified Party of its election to assume such conduct and control within thirty (30) days following the Indemnifying Party's receipt of notice of such Third Party Claim; provided, further, that the Indemnifying Party shall thereafter consult with the Indemnified Party upon the Indemnified Party's reasonable request for such consultation from time to time with respect to such Third Party Claim. If the Indemnifying Party assumes the conduct and control of such settlement or defense, the Indemnified Party shall cooperate with the Indemnifying Party in connection therewith, and the Indemnified Party shall have the right (but not the obligation) to participate in (but not control) such settlement or defense and to employ counsel, at its own cost and expense, separate from the counsel employed by the Indemnifying Party; provided, however, that, if the Indemnified Party shall have reasonably concluded that joint representation presents a material conflict of interest because of the availability of different or additional defenses to such Indemnified Party or other facts and the conflict of interest cannot be resolved to the reasonable satisfaction of the Indemnified Party by the consent of the Indemnifying Party and the Indemnified Party to the joint representation, then such Indemnified Party shall have the right to select separate counsel, reasonably satisfactory to the Indemnifying Party, to participate in the defense of such action on its behalf, and the reasonable fees and expenses of the Indemnified Party's counsel shall be at the expense of the Indemnifying Party, subject to the limitations in this Agreement. The assumption of the conduct and control of such settlement or defense shall not be deemed to be an admission or assumption of liability by the Indemnifying Party. So long as the Indemnifying Party is using commercially reasonable efforts to contest any such Third Party Claim in good faith, the Indemnified Party shall not pay or settle any such claim. If the Indemnifying Party elects not to assume the conduct and control of the settlement or defense of such Third Party Claim, then, subject to Section 12.4 below, the Indemnified Party shall have the right to pay or settle such claim.

(c) Notwithstanding anything in this Agreement to the contrary, whether or not the Indemnifying Party shall have assumed the conduct or control of the defense or settlement of a Third Party Claim, no Indemnified Party shall admit any liability with respect to, or settle, compromise or discharge, any Third Party Claim without the prior written

consent of the Indemnifying Party (which shall not be unreasonably withheld, conditioned or delayed). If the Indemnifying Party does not notify the Indemnified Party within thirty (30) days after the receipt of the Indemnified Party's notice of claim pursuant to Section 12.3(a) that it elects to assume the conduct or control of the defense or settlement thereof, the Indemnified Party shall have the right to contest, settle or compromise the claim and shall not thereby waive any right to indemnity therefor pursuant to this Agreement. The Party who assumes the defense of any Third Party Claim pursuant to Section 12.3(b), Section 12.3(c) or Section 12.3(d) is referred to herein as the "Controlling Party" and the other Party with respect to any such Third Party Claim is referred to herein as the "Non-Controlling Party".

(d) Anything to the contrary herein notwithstanding, if a Third Party Claim is a criminal claim (a "Criminal Third Party Claim"), the subject of such Criminal Third Party Claim may elect to assume the defense of such claim. If a PMI Indemnified Party and a Provider Indemnified Party are each subjects of such Criminal Third Party Claim, each such Party may elect to defend the claims against it, no Party shall be deemed to be the Controlling Party and no Party shall have the right to make any settlement, compromise or offer to settle or compromise such Criminal Third Party Claim as it relates to the other Party.

(e) Other than with respect to Criminal Third Party Claims, any Non-Controlling Party may become the Controlling Party with respect to any Third Party Claim either (i) if the other Party fails to assume the conduct and control of the defense such Third Party within the time period contemplated by Section 12.2(b) or fails to conduct such defense in a commercially reasonable manner, which failure remains uncured ten (10) Business Days following notice by the Non-Controlling Party thereof, or (ii) by releasing the initial Controlling Party from any and all indemnification obligations under this Agreement with respect to such Third Party Claim; provided, however, that if a Third Party Claim alleges wrongdoing by the Controlling Party or its Affiliates or involves other reputational matters relating to the Controlling Party or its Affiliates, the Non-Controlling Party may only become the Controlling Party with the consent of the initial Controlling Party, which consent shall not be unreasonably withheld.

(f) The Parties shall reasonably cooperate in the defense or prosecution of any Third Party Claim in respect of which indemnity may be sought hereunder and each Party (or a duly authorized representative of such Party) shall (and shall cause its Affiliates to) furnish such records, information and testimony, and attend such conferences, discovery proceedings, hearings, trials and appeals, as may be reasonably requested in connection therewith.

12.4 Settlement or Compromise. The Controlling Party with respect to any Third Party Claim shall have the right to make any settlement, compromise, judgment or offer to settle or compromise such Third Party Claim with the prior written consent of the Non-Controlling Party (which shall not be unreasonably withheld), binding upon such Non-Controlling Party in the same manner as if a final judgment or decree had been entered by a court of competent jurisdiction in the amount of such settlement or compromise; provided, however, that such written consent of the Non-Controlling Party shall not be required in the event (i) such settlement, compromise, judgment or offer to settle or compromise such Third Party Claim does not (A) involve any finding

or admission of any violation of Law or admission of any wrongdoing by the Non-Controlling Party or (B) materially encumber any of the assets of any Non-Controlling Party or adversely affect in any material respect the post-Closing operation of the business of the Non-Controlling Party or its Affiliates in any manner, and (ii) the Controlling Party shall (A) pay or cause to be paid all amounts required to be paid by it under the indemnification provisions of this Agreement arising out of such settlement or judgment upon the effectiveness of such settlement or judgment, and (B) obtain, as a condition of any settlement, compromise, judgment or offer to settle or compromise, or other resolution, an appropriate release of each Non-Controlling Party from any and all corresponding liabilities in respect of such Third Party Claim or the applicable portion thereof.

12.5 Net Losses; Subrogation; Mitigation; No Set-Off.

(a) Notwithstanding anything contained herein to the contrary, the amount of any Qualifying Losses incurred or suffered by an Indemnified Party shall be calculated after giving effect to (i) any insurance proceeds received by the Indemnified Party (or any of its Affiliates) with respect to such Losses, (ii) any recoveries actually obtained by the Indemnified Party (or any of its Affiliates) from any other third party in respect of such Qualifying Loss and (iii) any tax benefits actually received with respect to Qualifying Losses in the year such Qualifying Losses arose. If any such proceeds or recoveries are received by an Indemnified Party (or any of its Affiliates) with respect to any Qualifying Losses after an Indemnifying Party has made a payment to the Indemnified Party with respect thereto, the Indemnified Party (or such Affiliate) shall pay to the Indemnifying Party the amount of such proceeds or recoveries (up to the amount of the Indemnifying Party's payment). No Indemnified Party will be entitled to recover from an Indemnifying Party more than once in respect of the same Qualifying Losses.

(b) In the event any payment is made in respect of Qualifying Losses, the Indemnifying Party who made such payment will be subrogated to the extent of such payment to any related rights of recovery of the Indemnified Party receiving such payment against any third party. Such Indemnified Party (and its Affiliates) and Indemnifying Party shall execute upon request all instruments reasonably necessary to evidence or further perfect such subrogation rights. If any Indemnified Party recovers, under insurance policies or from other collateral sources, any amount in respect of a matter for which the Indemnifying Party made a payment pursuant to the indemnification provisions of this Agreement, such Indemnified Party shall promptly pay over to the Indemnifying Party the amount so recovered (after deducting therefrom the amount of the expenses incurred by such Indemnified Party in procuring such recovery), but not in excess of the sum of (i) any amount previously so paid by the Indemnifying Party to or on behalf of such Indemnified Party in respect of such matter and (ii) any amount expended by the Indemnifying Party in pursuing or defending any claim arising out of such matter.

(c) Neither the Provider nor PMI shall have any right to set off any indemnification claim pursuant to this Agreement against any payment due pursuant to this Agreement.

(d) To the extent reasonably requested by PMI, the Provider shall cause the applicable Provider Indemnified Party to use commercially reasonable efforts to mitigate any Qualifying Losses for which any Provider Indemnified Party seeks indemnification pursuant to this Agreement, which mitigation may include pursuing recoveries against third parties or insurance proceeds, in each case, to the extent commercially reasonable and reasonably requested by PMI. PMI shall reimburse the Provider Indemnified Parties for all costs and expenses incurred by any of them in complying with this Section 12.5(d); provided, however, that the Provider may not seek reimbursement for any increased insurance premiums unless the Provider previously disclosed to PMI the potential and the reasonably anticipated magnitude of such increase prior to taking the requested mitigation. Upon receipt of such notification, PMI may rescind its mitigation request. Anything to the contrary notwithstanding, in no event shall any breach or purported breach by the Provider of this Section 12.5(d) obviate, reduce or limit PMI's obligation to indemnify, defend and hold harmless the Provider Indemnified Parties for any Qualifying Loss incurred by any Provider Indemnified Party, subject to and in accordance with the terms and conditions of this Agreement. PMI's sole recourse for any breach by the Provider of this Section 12.5(d) shall be to assert a claim for indemnification in accordance with this Agreement for any Qualifying Losses suffered by PMI as a result thereof.

12.6 Insurance.

(a) Provider and PMI will each maintain in full force and effect during the Term (and for two (2) years thereafter if written on a claims made basis), with a reputable insurer rated A- or better by A.M. Best, insurance of the type and in amounts that are customary for the performance of such Party's obligations hereunder, including: (a) workers' compensation covering its employees throughout the term of this Agreement to the extent required by applicable Law; (b) employment practices liability insurance covering the hiring and dismissal of such Party's employees; (c) commercial general liability insurance on a per-occurrence-basis; (d) automotive liability insurance; (e) commercial crime insurance coverage for theft (including by computer and funds transfer fraud); (f) errors and omissions liability insurance; and (g) umbrella insurance in commercially reasonable amounts in excess to and independent from the insurance described above.

(b) Each indemnified Party shall be named as an additional insured on the commercial general liability, automotive liability and umbrella polices of the indemnifying Party as appropriate to cover the express indemnification obligations hereunder. Any deductible or similar obligation under such insurances policies shall be the sole responsibility of the providing Party. The insurance required by this Section shall be primary insurance and any other valid and collectible insurance existing for the indemnified Party's benefit shall be excess of such primary insurance and shall not contribute with it. Each policy shall be endorsed to state that coverage shall not be suspended, voided or canceled, or reduced in coverage or limits, except after thirty (30) days' prior written notice to the indemnified Party. To the extent commercially available, Provider shall include its subcontractors as insureds under such policies or require them to comply with the requirements of this Section. Promptly following the Effective Date, and annually thereafter, each Party shall provide the other with certificates of insurance evidencing compliance with

this Section, signed by authorized representatives of the respective insurers. The obligation of each Party to provide the insurance specified herein shall not limit such Party's indemnification or other obligations set forth elsewhere in this Agreement.

12.7 Receivership Assets; Administrative Expenses. Notwithstanding any other provision of this Agreement and without limiting PMI's obligations hereunder or Provider's rights to payments, all payments to be made by PMI pursuant to this Agreement, in respect of Fees, indemnification obligations or otherwise, shall be made solely from the Receivership Assets, as defined in the Order for Appointment of Receiver and Injunction filed March 14, 2012 in Maricopa County, Arizona Superior Court, Case No. CV2011-018944. PMI acknowledges and agrees that, notwithstanding any other provisions of applicable Law, Fees and other and amounts due to Provider under this Agreement constitute costs and expenses in connection with administration of the current delinquency proceedings against PMI within the meaning of A.R.S. Section 20-269.A.11.

12.8 Limitations of Liability. Notwithstanding any other provision of this Agreement, the Parties agree that, to the maximum extent permitted by applicable Law:

(a) Neither Provider, nor any other Provider Indemnified Party, shall have any liability under this Agreement to PMI, or any other PMI Indemnified Party, whether in contract, tort (including negligence) or otherwise, for or in connection with this Agreement, the Services performed or to be performed for PMI pursuant to this Agreement, Provider's systems (including the Platform), or any Provider Indemnified Party's actions or inactions in connection therewith (collectively, "Provider's Actions or Inactions"), except if and to the extent that PMI or any other PMI Indemnified Party suffers a loss that results from a Provider Indemnified Party's gross negligence or willful misconduct in connection with this Agreement, any such Services, or Provider's Actions or Inactions, and even then, subject to the limitations set forth in Section 12.8(b), provided, however, that nothing in this Section 12.8(a) shall limit (i) PMI's right to terminate this Agreement pursuant to Section 11.2, (ii) PMI's rights or remedies under Section 11.4, or (iii) Provider's indemnification obligation under Section 13.3;

(b) Subject to Section 12.8(f), the total aggregate liability of the Provider Indemnified Parties under or in connection with this Agreement or any of Provider's Actions or Inactions, regardless of the form of the action or the theory of the recovery, whether in contract, tort (including negligence) or otherwise, will not exceed, in the aggregate, the lesser of (i) Ten Million Dollars ($10,000,000) or (ii) the aggregate Fees paid to Provider under this Agreement for the six (6) month period immediately prior to the first occurrence of the event giving rise to such claim.

(c) Provider and PMI each agree to, and shall use reasonable best efforts to cause the Provider Indemnified Parties and PMI Indemnified Parties, respectively, to use commercially reasonable efforts to mitigate and otherwise minimize its and their respective losses, whether direct or indirect, due to, resulting from or arising in connection with any failure by a Provider Indemnified Party or PMI Indemnified Party, as applicable, to perform fully any obligations under, and to comply with, this Agreement.

(d) Any claim by PMI with respect to any Service will be deemed waived if not made in writing to Provider before the day that is one hundred eighty (180) days after the date upon which the Service giving rise to such claim was terminated or otherwise ceased to be provided hereunder; provided, however that the foregoing shall not apply with respect to claims by PMI for indemnification under Section 12.1 or Section 13.3.

(e) The limitations and disclaimers of Provider's liability in Articles 12 and 14 shall apply to all Provider Indemnified Parties.

(f) NO PROVIDER INDEMNIFIED PARTY SHALL BE LIABLE TO OR OTHERWISE RESPONSIBLE TO PMI OR ANY OTHER PMI INDEMNIFIED PARTY FOR EXEMPLARY, CONSEQUENTIAL, INDIRECT, SPECIAL, INCIDENTAL, TREBLE OR PUNITIVE DAMAGES OR FOR DAMAGES BASED ON LOST PROFITS, LOST SALES, LOST SAVINGS, BUSINESS INTERRUPTION OR LOST BUSINESS THAT ARISE OUT OF OR RELATE TO THIS AGREEMENT OR THE PERFORMANCE (OR FAILURE TO PERFORM) HEREUNDER, REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE OR A PROVIDER INDEMNIFIED PARTY HAD BEEN APPRISED OF THE LIKELIHOOD THEREOF; PROVIDED THAT THE FOREGOING SHALL NOT APPLY WITH RESPECT TO SUCH DAMAGES TO THE EXTENT RECOVERED BY THIRD PARTIES IN CONNECTION WITH CLAIMS THAT ARE THE SUBJECT OF INDEMNIFICATION UNDER SECTION 12.1 OR SECTION 13.3.

ARTICLE 13

CERTAIN EMPLOYEE MATTERS

13.1 Independent Contractor. Nothing in this Agreement is intended to, or shall be construed to, create a partnership, agency, joint venture or employment relationship between PMI and Provider or between either Party and the other Party's Personnel. Each Party is and shall perform its respective obligations under this Agreement as an independent contractor and, as such, shall have and maintain complete control over all its Personnel and its own operations. Provider may receive direction from PMI as to the end results to be accomplished, but Provider shall have sole control over the manner and means of accomplishing the work to be performed. Except as expressly set forth in this Agreement or agreed in writing by a Party, neither Party nor any Personnel of such Party shall be authorized to make any representation, contract or commitment on behalf of the other Party.

13.2 No Entitlement to Benefits. All employees other than PMI Personnel involved in the performance of the Services shall be employees of Provider (or its affiliate or third party contractor) exclusively. No Provider Personnel shall be eligible for or receive any compensation or benefits that may accrue to PMI employees, including health and welfare benefits, retirement benefits, stock option or equity benefits, workers compensation benefits, or vacation and sick leave or other paid time off benefits applicable to the period following the Effective Date. Provider expressly waives any claim it may have or acquire to such compensation or benefits. Provider accepts exclusive liability for the payment or withholding of all such Taxes or

contributions that are measured by the wages, salaries or other remuneration paid to Provider Personnel (including, but not limited to federal, state and local income and employment Taxes) applicable to the period following the Effective Date, and to reimburse and indemnify PMI for such Taxes or contributions or penalties which PMI may be compelled to pay, and to reimburse PMI for any reasonable attorneys' fees PMI may be forced to pay in defending any such claim by any Person. Provider also agrees to comply with all valid administrative regulations respecting the assumption of liability for such Taxes and contributions. In addition, Provider accepts exclusive liability for any leaves of absence or health or welfare benefits required by federal or state law with respect to the Provider Personnel applicable to the period following the Effective Date.

13.3 Joint Employer. Provider shall indemnify, defend and hold harmless each PMI Indemnified Party from and against any Qualifying Losses incurred by such PMI Indemnified Party in connection with any claim or Action (A) asserted by any Provider Personnel applicable to the period after the Effective Date (or, if earlier, the date on which such Personnel become Provider Personnel), unless such claim or Action relates exclusively to Excluded Liabilities described in Section 2.3(b) of the Purchase Agreement, or (B) asserted by any Provider Personnel or Governmental Entity applicable to the period after the Effective Date alleging that PMI is an employer or joint employer, except in each of (A) or (B) (i) to the extent that such claims or Actions that are alleged to be the result of the fault of PMI or PMI Personnel, and (ii) in the event that such claims or Actions that are alleged to be the joint fault of PMI and/or PMI Personnel, on the one hand, and any other party, on the other, PMI shall be responsible for its proportionate share of such fault based on the principles of comparative fault. For purposes of the foregoing, PMI Personnel shall not include any Provider Personnel as to whom PMI is (as of the relevant time) alleged or deemed to be a joint employer, and the fault of PMI or PMI Personnel shall not include any fault imputed to or alleged to be imputed to PMI or PMI Personnel on the grounds that PMI is (as of the relevant time) a joint employer of such Provider Personnel. Sections 12.3 through 12.5 shall apply to claims for indemnification under this Section 13.3. For the avoidance of doubt, nothing in Section 13.2 or this Section 13.3 is intended to make Provider liable for any Excluded Liabilities.

ARTICLE 14

PROVIDER PARENT GUARANTY

14.1 Guaranty. The Provider Parent hereby absolutely, irrevocably and unconditionally guarantees to PMI, as principal obligor and not merely as surety, the due and punctual payment of each of the Provider's payment obligations under this Agreement, and the Provider Parent shall immediately pay all such obligations upon written demand made at any time by PMI from and after the date such payment obligations are due and payable by the Provider but remain unpaid. The foregoing obligation of the Provider Parent constitutes a continuing guaranty of payment and not of collection and is and shall be absolute and unconditional under any and all circumstances except as set forth in this Agreement, including without limitation circumstances which might otherwise constitute a legal or equitable discharge of a surety or guarantor. Except as set forth in this Agreement, the obligation of the Provider Parent hereunder shall not be discharged, impaired, delayed or otherwise affected by the failure of PMI to assert any claim or demand against the Provider Parent or to enforce or pursue any remedy hereunder. The Provider Parent agrees that its

guarantee under this section shall continue to be effective or be reinstated, as the case may be, if at any time any payment, or any part thereof, of any amounts by or on behalf of the Provider under this Agreement is rescinded or must otherwise be restored upon the insolvency, bankruptcy or reorganization of the Provider or otherwise. The Provider Parent agrees to pay on demand all expenses of PMI (including the reasonable fees and expenses of its counsel) for the protection or enforcement of the rights of PMI against the Provider Parent under this section, except to the extent that a court of competent jurisdiction determines such enforcement to have been invalid.

ARTICLE 15

DISCLAIMER OF WARRANTIES

15.1 Basic PMI Warranty. PMI warrants and represents that (i) PMI has all necessary rights and authority to grant the rights and licenses granted hereunder and to provide to Provider the PMI Materials that PMI provides to Provider in connection with this Agreement, and (ii) such materials, and the use thereof by Provider to provide the Services, and the provision of the Services to PMI or to an Affiliate of PMI (including the use of or access to the Platform) does not and shall not infringe or misappropriate the Intellectual Property rights of any third party.

15.2 Disclaimer. Except as expressly set forth in Section 2.2, subject to Article 12, PMI (on behalf of itself and its Affiliates) acknowledges and agrees that the Services, Provider Systems, Service Materials, Designated Applications and Platform are provided as is and as available, that PMI (on behalf of itself and its Affiliates) assumes all risks and liabilities arising from or relating to its use of and reliance thereupon, and that Provider (on behalf of itself and its Affiliates) makes no representation or warranty with respect thereto. EXCEPT AS EXPRESSLY SET FORTH IN SECTION 2.2, PROVIDER (ON BEHALF OF ITSELF AND ITS AFFILIATES) HEREBY EXPRESSLY DISCLAIMS ALL REPRESENTATIONS, WARRANTIES AND CONDITIONS REGARDING THE SERVICES, THE PROVIDER SYSTEMS AND DESIGNATED APPLICATIONS, WHETHER EXPRESS OR IMPLIED OR STATUTORY, INCLUDING ANY REPRESENTATION OR WARRANTY IN REGARD TO QUALITY, SECURITY, RELIABILITY, PERFORMANCE, NONINFRINGEMENT, COMMERCIAL UTILITY, MERCHANTABILITY OR FITNESS OF THE SERVICES FOR A PARTICULAR PURPOSE, AVAILABILITY OR ERROR-FREE OPERATION OR SOFTWARE DEFECTS. PMI and its Affiliates shall be solely responsible for their compliance with applicable Law, and nothing in this Agreement shall be construed as a representation or warranty by Provider that any Service or other items provided in connection therewith complies with or is sufficient to satisfy any of PMI's obligations under any applicable Law.

ARTICLE 16

MISCELLANEOUS

16.1 Public Announcements. PMI and the Provider shall cooperate with each other in the development and distribution of all news releases and other public disclosures with respect to this Agreement, and except as may be otherwise required by law, neither PMI nor Provider shall issue any news release or other public announcement or communication with respect to this

Agreement unless such news release or other public announcement or communication has been mutually agreed upon by PMI and the Provider; provided, however, that the Party drafting such news release or other public announcement or communication shall in good faith provide, to the extent possible, to the other Party reasonable advance notice and reasonable time to review and comment upon a draft of such news release or other public announcement or communication.

16.2 Notices; Certain Consents. All notices, consents, waivers and deliveries ("Notices") under this Agreement must be in writing and will be deemed to have been duly given when (i) delivered by hand (against receipt), (ii) sent by facsimile or electronic mail (with written confirmation of receipt), (iii) when received by the addressee, if sent by a nationally recognized overnight delivery service (receipt requested) or (iv) five (5) days after being sent registered or certified mail, return receipt requested, in each case to the appropriate addresses and facsimile numbers set forth below (or to such other addresses and facsimile numbers as a Party may hereafter designate by similar Notice to the other Parties):

If to the Receiver or PMI:

Special Deputy Receiver of PMI
300 West Osborn Road, Suite 500
Phoenix, AZ 85013
Attention: Truitte D. Todd
Telephone: 602-277-4943
Fax: 602-277-7404

with copies to:

PMI Mortgage Insurance Co.
3003 Oak Road
Walnut Creek, CA 94597
Attention: General Counsel
Telephone: 925-658-6212
Fax: 925-658-6175

and

Hennelly & Steadman PLC
Goldsworthy House
322 West Roosevelt
Phoenix, AZ 85003
Attention: Joseph M. Hennelly, Jr.
Telephone: 602-230-7000
Fax: 602-230-7707

and

Arnold & Porter LLP
399 Park Avenue

New York, NY 10022
Attention: Robert C. Azarow
Telephone: 212-715-1336
Fax: 212-715-1399

If to either of the Provider Parties:

Arch Capital Group (U.S.) Inc..
300 Plaza Three, Third Floor
Jersey City, NJ 07311
Attention: General Counsel
Telephone 201-743-4000
Fax: 914-872-3613

with a copy to:

Mayer Brown LLP
1675 Broadway
New York, NY 10019
Attention: Kenneth R. Pierce
Reb D. Wheeler
Telephone: 212- 506-2500
Fax: 212-262-1910

16.3 Disputes; Jurisdiction; Venue. Subject to the procedures set forth in Article 9, any Dispute relating to this Agreement shall be brought exclusively in the Court. By execution and delivery of this Agreement, with respect to such disputes, each of the Parties knowingly, voluntarily and irrevocably: (a) consents to the exclusive jurisdiction of the Court; (b) consents to the commencement of Actions for the Court to hear the dispute without regard to time limits or prohibitions against the commencement of actions against the Receiver or PMI that are specified in the Receivership Order or other orders, except for "Order Re Petition No. 2 Governing the Administration of the Receivership" or modifications thereto, entered by the Court in Cause Number CV 2011—018944; and (c) waives any immunity or objection, including any objection to personal jurisdiction or the laying of venue or based on the grounds of *forum non conveniens*, which it may have from or to the bringing of the dispute in such jurisdiction, or, any immunity, defense or objection concerning the authority of PMI to enter into or perform this Agreement. Neither Party may bring any dispute in the Court to enforce this Agreement unless the matter has first been escalated to the Senior Executives pursuant to Sections 9.3 and 9.4 and such matter has not been resolved within the time frame specified in Section 9.4.

16.4 No Implied Waiver. No delay in exercising, failure to exercise, or course of dealing with respect to any right, power, remedy or privilege under this Agreement, or provided by statute or at law or in equity or otherwise, shall impair, prejudice or constitute a waiver of such right, power, remedy or privilege, nor shall any single or partial exercise of any such right, power, remedy or privilege preclude any other or further exercise thereof, or the exercise of any other

right, power, remedy or privilege. The remedies in this Agreement are cumulative and are not exclusive of any other remedies provided at law, in equity or otherwise.

16.5 Specific Performance. The Parties agree that irreparable damage could occur in the event that the provisions contained in this Agreement were not performed in accordance with its specific terms or were otherwise breached. It is accordingly agreed that the Parties shall be entitled to seek an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof in any court of the United States or any state having jurisdiction, this being in addition to any other remedy to which they are entitled at law or in equity.

16.6 Amendments and Waivers. No amendment or waiver of any provision of this Agreement shall be valid unless in writing and signed by the Party to be charged with such amendment or waiver. No waiver by any Party of any default, misrepresentation or breach of warranty or covenant hereunder, whether intentional or not, shall be deemed to extend to any prior or subsequent default, misrepresentation or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence.

16.7 Entire Agreement. This Agreement supersedes all prior agreements among the parties with respect to its subject matter and constitutes (together with the other Transaction Documents) a complete and exclusive statement of the terms of the agreement between the parties with respect to its subject matter. The appendices, exhibits and schedules identified in and attached to this Agreement are incorporated herein by reference and shall be deemed as fully a part hereof as if set forth herein in full. In the event of any inconsistency between the statements in the body of this Agreement and those in the appendices, exhibits and schedules, the statements in the body of this Agreement will control.

16.8 Assignments, Successors and No Third-Party Rights. Neither Party may assign any of its rights or obligations under this Agreement without the prior consent of the other Parties except that the Provider may, without PMI's consent, assign any of its rights under this Agreement to any Affiliate of the Provider, provided, that any such assignment shall not relieve the Provider of its duties and obligations hereunder. Subject to the preceding sentence, this Agreement will apply to, be binding in all respects upon and inure to the benefit of the successors and permitted assigns of the Parties. Nothing expressed or referred to in this Agreement will be construed to give any Person other than the Parties any legal or equitable right, remedy or claim under or with respect to this Agreement or any provision of this Agreement.

16.9 Severability. The determination of any court that any provision of this Agreement is invalid or unenforceable shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity of the offending term or provision in any other situation or in any other jurisdiction. Upon such a determination, the parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

16.10 Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF ARIZONA, WITHOUT REGARD TO RULES GOVERNING CONFLICT OF LAWS THEREIN.

16.11 Counterparts; Facsimile. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute one and the same instrument. Original signatures hereto may be delivered by facsimile or .pdf which shall be deemed originals.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement as of the date first written above.

The RECEIVER FOR PMI MORTGAGE INSURANCE CO. IN REHABILITATION, on behalf of PMI Mortgage Insurance Co.

By: _____
Name:
Title:

ARCH U.S. MI SERVICES INC.

By: _____
Name:
Title:

ARCH CAPITAL GROUP (U.S.) INC.

By: _____
Name:
Title:

PMI – PROVIDER SERVICES AGREEMENT – APPENDICES A - X

Appendices A through X are being submitted under separate cover as Confidential Supplements to the Form A.

EXHIBITS A-I

Exhibits A through I are being submitted under separate cover as Confidential Supplements to the Form A.