

STOCK PURCHASE AGREEMENT

between

HOSPITAL SERVICE ASSOCIATION OF NORTHEASTERN PENNSYLVANIA

and

DENTAQUEST, LLC

Dated as of May 8, 2013

***REGARDING ALL OF THE OUTSTANDING COMMON STOCK OF
SIGNIFICA INSURANCE GROUP, INC.***

TABLE OF CONTENTS

	Page
1. DEFINITIONS; INTERPRETATION.....	1
1.1 Definitions.....	1
1.2 Interpretation.....	8
2. PURCHASE AND SALE OF SHARES.....	8
2.1 Purchase and Sale of Shares	8
2.2 The Closing.....	8
2.3 Purchase Price.....	8
2.4 Payment of Purchase Price; Delivery of Shares	9
2.5 Transactions to be Effected at Closing	9
2.6 Final Calculation of Purchase Price.....	9
3. REPRESENTATIONS AND WARRANTIES OF SELLER.....	11
3.1 Corporate Existence	11
3.2 Authorization; Enforcement.....	11
3.3 Capital Stock of the Company; Ownership of Shares	11
3.4 Subsidiaries	12
3.5 No Conflict.....	12
3.6 Articles of Incorporation and By-laws.....	12
3.7 Consents and Approvals	12
3.8 Compliance with Law	13
3.9 Litigation.....	13
3.10 Certificates of Authority	13
3.11 Contracts	13
3.12 Finder's Fees.....	14
3.13 Statutory Statements	14
3.14 Assets and Properties	14
3.15 Employee Benefits	14
3.16 Company Liabilities.....	14
3.17 No Material Adverse Effect.....	14
3.18 Intellectual Property.....	15
3.19 Employees.....	15

TABLE OF CONTENTS
(continued)

	Page
3.20 Security Deposits	15
3.21 Powers of Attorney; Guarantees; Required Insurance; Agents	15
3.22 Bank Accounts	15
3.23 Tax Matters	15
3.24 Absence of Certain Changes	18
3.25 Noncompetition Agreements	18
4. REPRESENTATIONS AND WARRANTIES OF BUYER	18
4.1 Corporate Existence	18
4.2 Authorization; Enforcement	19
4.3 No Conflict	19
4.4 Consents and Approvals	19
4.5 Litigation	19
4.6 Finder's Fees	19
4.7 Investment Purpose	19
4.8 Financing	20
5. COVENANTS AND AGREEMENTS	20
5.1 Conduct of Business of the Company	20
5.2 Restrictions	20
5.3 Access to Information; Due Diligence	21
5.4 Approvals of Governmental Authorities	22
5.5 Further Assurances	23
5.6 Notification of Changes; Deficiencies	23
5.7 Performance of Conditions to Closing	24
5.8 Publicity	24
5.9 Authority, Bank Accounts, Etc	24
5.10 Post-Closing Access to Books and Records and Cooperation	24
5.11 No Intercompany Accounts	25
5.12 Interim Financial Statements	25
5.13 Confidentiality	25
5.14 Investment Assets at Closing	25

TABLE OF CONTENTS
(continued)

	Page
6. TAX MATTERS.....	25
6.1 Preparation and Filing of Tax Returns.....	25
6.2 Amended Returns.....	27
6.3 Assistance and Cooperation.....	27
6.4 Tax Contests.....	28
6.5 Carrybacks	29
6.6 Tax Sharing.....	29
6.7 Tax Refunds.....	29
6.8 Transfer Taxes	29
7. CONDITIONS TO CLOSING	29
7.1 Conditions Precedent to Obligation of Buyer.....	29
7.2 Conditions Precedent to Obligation of Seller	31
8. TERMINATION.....	32
8.1 Termination.....	32
8.2 Effect of Termination.....	33
8.3 Deposit Release or Return	33
9. SURVIVAL OF REPRESENTATIONS AND WARRANTIES AND COVENANTS	33
10. INDEMNIFICATION.....	34
10.1 Indemnification by Seller.....	34
10.2 Buyer's Obligation to Indemnify.....	35
10.3 Right to Contest Third Party Claims.....	35
10.4 Limitations on Indemnification.....	36
10.5 Payments.....	36
10.6 Exclusive Remedies	36
10.7 Cooperation.....	36
10.8 Tax Treatment of Indemnification Payments	37
11. MISCELLANEOUS PROVISIONS.....	37
11.1 Waivers and Amendments; Non-Contractual Remedies; Preservation of Remedies.....	37
11.2 Exhibits and Schedules	37

TABLE OF CONTENTS
(continued)

	Page
11.3 Entire Agreement.....	37
11.4 Governing Law; Choice of Forum.....	37
11.5 Notices	38
11.6 Counterparts.....	38
11.7 Expenses	39
11.8 No Joint Venture or Partnership Intended	39
11.9 Severability	39
11.10 No Third Party Beneficiaries	39
11.11 Negotiated Agreement	39
11.12 Waiver of Jury Trial.....	39
11.13 Binding; Assignment	40

STOCK PURCHASE AGREEMENT

STOCK PURCHASE AGREEMENT, dated as of May 8, 2013 (this "Agreement"), between **DENTAQUEST, LLC**, a limited liability company organized under the laws of the State of Delaware ("Buyer"), and **HOSPITAL SERVICE ASSOCIATION OF NORTHEASTERN PENNSYLVANIA**, a nonprofit corporation organized under the laws of the Commonwealth of Pennsylvania ("Seller").

WHEREAS, Seller owns beneficially and of record all of the issued and outstanding shares (the "Shares") of the common stock, par value \$2.25 per share (the "Common Stock") of Significa Insurance Group, Inc., an insurance company organized under the laws of the Commonwealth of Pennsylvania (the "Company"); and

WHEREAS, Buyer desires to purchase from Seller, and Seller desires to sell to Buyer, the Shares on the terms and subject to the conditions set forth herein.

NOW, THEREFORE, in consideration of the premises and the mutual promises made herein, and in consideration of the respective representations, warranties, covenants, agreements and conditions contained herein, each of the parties hereto, intending to be legally bound hereby, agrees as follows:

1. DEFINITIONS; INTERPRETATION

1.1 Definitions. The terms defined in this Section 1.1, whenever used in this Agreement, shall have the following meanings for all purposes of this Agreement:

"Act" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

"Affiliate" means, with respect to any specified Person, a Person that directly, or indirectly through one or more intermediaries, controls, is controlled by or is under common control with such specified Person. As used herein, the term "control" (including, with correlative meaning, 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 a Person, whether through the ownership of voting securities, by Contract or otherwise.

"Agreement" has the meaning set forth in the preamble of this Agreement.

"Annual Statement" means, with respect to any Person, the annual statement of such Person prepared in accordance with SAP, as filed with or submitted to the Insurance Department in such Person's jurisdiction of domicile on the forms prescribed or permitted by such Insurance Department.

"Asserted Liability" has the meaning set forth in Section 10.1(b).

"Books and Records" means all of the Company's books and records (including all data and other information stored on discs, tapes or other media) relating to the assets,

properties, business and operations of the Company's business, including the Certificates of Authority and all such items relating to the Company's legal existence, stock ownership, corporate management or other such corporate records; provided, however, that, for the purposes of clarity, such Books and Records shall not include any Consolidated Tax Returns.

"Business Day" means any day that is not a Saturday or a Sunday or a day on which banks in the Commonwealth of Pennsylvania are authorized or required by law to close.

"Buyer" has the meaning set forth in the preamble of this Agreement.

"Buyer Indemnitees" has the meaning set forth in Section 10.1(a).

"Certificate of Authority" means a license, certificate of authority, permit or authorization, together with all amendments thereto through the date of this Agreement held by the Company in any of the jurisdictions listed in Schedule 3.10, issued by the applicable Insurance Department authorizing the holder to act as an insurer.

"Closing" has the meaning set forth in Section 2.2.

"Closing Balance Sheet" has the meaning set forth in Section 2.6(a).

"Closing Date" means the actual date on which the Closing occurs.

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

"Common Stock" has the meaning set forth in the first recital of this Agreement.

"Company" has the meaning set for in the first recital of this Agreement.

"Confidentiality Agreement" has the meaning set forth in Section 5.13.

"Consolidated Tax Returns" has the meaning set forth in Section 6.1(a).

"Contract" means any written or oral contract, agreement, instrument, commitment or other arrangement, but shall not include Products.

"Department" means the Pennsylvania Insurance Department.

"Deposit" has the meaning set forth in Section 2.4(a).

"Disputed Amount" has the meaning set forth in Section 2.6(d).

"Enforceability Exceptions" has the meaning set forth in Section 3.2.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended, and the regulations promulgated thereunder.

"Estimated Purchase Price" has the meaning set forth in Section 2.6(a).

“Fair Market Value” means (a) in the case of securities (other than Short-Term Treasuries) listed on an exchange or in an over-the-counter market, the closing price on such exchange or market (or the average of the closing bid and asked prices if there is no closing price) plus all accrued but unpaid interest on such securities through the last Business Day preceding the Closing Date if such amount is not already reflected in such closing price (or such bid and asked prices) and (b) in the case of cash, cash equivalents and Short-Term Treasuries, the face amount thereof.

“Final Balance Sheet” has the meaning set forth in Section 2.6(b).

“Five-Year Financial Examination” has the meaning set forth in Section 2.4(b).

“Governmental Authority” means any foreign, federal, state, local or other court, arbitration, administrative agency or commission, insurance or securities regulatory or self-regulatory body or securities or commodities exchange.

“Governmental Order” means any order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Governmental Authority.

“HIPAA” means Health Insurance Portability and Accountability Act of 1996, as amended from time to time.

“Insurance Department” means, with respect to any United States jurisdiction, the Governmental Authority primarily charged with the regulation of the business of insurance in such jurisdiction.

“Intercompany Account Settlement” has the meaning set forth in Section 5.11.

“Investment Assets” means, cash and invested assets determined in accordance with SAP, in a manner consistent with line 12 on the “Assets” page of the 2012 NAIC Annual Statement Blank.

“Knowledge” of any Person means the actual knowledge after due inquiry of each Person listed on Schedule 1.1(a), in the case of Seller, and each Person listed on Schedule 1.1(b), in the case of Buyer.

“Laws” has the meaning set forth in Section 3.8.

“Liability” means, with respect to any Person, any direct or indirect indebtedness, liability, claim, loss, damage, deficiency, obligation, expense or responsibility (whether known, unknown, accrued, absolute, contingent, unliquidated, due or to become due or otherwise) and regardless of when such liability or obligation was or is asserted, and includes, in the case of Liabilities relating to insurance policies and Contracts listed on Schedule 3.11(a), any extra-contractual obligations or payments in excess of policy or contract limits.

“Licenses Purchase Price” has the meaning set forth in Section 2.3.

“Lien” means any lien (statutory or otherwise), community property interest, lease, assessment, pledge, mortgage, option, security interest, encumbrance, restriction, easement, limitation, claim, preferential arrangement, condition, equitable interest, license, right-of-way, easement, encroachment, right of first refusal, charge or defect of title of any kind or nature whatsoever.

“Litigation” has the meaning set forth in Section 3.9.

“Losses” mean any and all losses, Liabilities, damages, deficiencies, costs or expenses, including interest, penalties and reasonable attorneys’ and accountants’ fees, expenses and disbursements, after deducting all amounts recovered or recoverable by the indemnified party as a recovery under any insurance policy (net of any deductible paid under such insurance policy) or bond which relates to such Loss, but excluding (a) any special, punitive, consequential or exemplary damages, except for those special, punitive, consequential or exemplary damages that are a result of third-party claims, and (b) any damages attributable to diminution of value or lost profits unless such damages are a result of third party claims.

“Material Adverse Effect” means any effect, event, occurrence, fact, condition or change that would be materially adverse to the business, condition (financial or otherwise), results of operations, assets, properties or liabilities of the Company taken as a whole; provided, however, that any effect, event, occurrence, fact, condition or change resulting from any of the following shall not be considered when determining whether a Material Adverse Effect shall have occurred (a) changes in general political, economic or financial market conditions, (b) acts of terrorism, armed hostilities or war, (c) any change in law, rule or regulation or SAP or interpretations thereof applicable to the Company, (d) changes in industry conditions that do not disproportionately affect the Company, (e) changes resulting from the announcement of the transactions contemplated by this Agreement, or (f) changes resulting from the parties’ compliance with the terms of this Agreement.

“Material Representations” has the meaning set forth in Section 10.4.

“Notice of Disagreement” has the meaning set forth in Section 2.6(d).

“Ordinary Course of Business” means an action taken by a Person if such action is consistent with the past practices of such Person and is taken in the normal day-to-day operations of such Person.

“Outside Date” has the meaning set forth in Section 8.1.

“Permitted Liens” means (a) any Liens (i) relating to Taxes not yet due or payable or which are being contested in good faith by Seller or the Company or (ii) arising in the Ordinary Course of Business by operation of Law, in either case that is not yet due and payable or which is being contested in good faith by Seller or the Company; (b) mechanics’, materialmen’s, carriers’, workers’, repairers’ and other similar Liens arising or incurred in the Ordinary Course of Business relating to obligations as to which there is no default on the part of Seller or the Company or the validity of which are being contested in good faith by Seller or the Company; (c) any Lien that will be released prior to or at the Closing; and (d) any Liens created

by, through or under, or arising as a result of the acts or omissions of, Buyer or any of its Affiliates.

“Person” means any individual, corporation, limited liability company, partnership, firm, joint venture, association, trust, unincorporated organization, Governmental Authority or other entity.

“Plan” means any “employee benefit plan” (as that term is defined in Section 3(3) of ERISA), and any other written or unwritten plan or Contract involving direct or indirect compensation, established, maintained or contributed to by Seller or the Company, or under which the Company has any present or future Liability with respect to any employees or former employees or their dependents or beneficiaries of the Company, including each retirement, pension, profit-sharing, thrift, savings, target benefit or employee stock ownership plan, cash or deferred, each other deferred or incentive compensation, bonus, stock option, employee stock purchase, “phantom stock” or stock appreciation right plan, each other program providing payment or reimbursement for or of medical, dental or visual care, psychiatric counseling, or vacation, sick or disability pay and each other “fringe benefit” plan or arrangement.

“Pre-Closing Periods” has the meaning set forth in Section 6.1(b).

“Preparing Party” has the meaning set forth in Section 6.1(c).

“Prior Transactions” has the meaning set forth in Section 3.11(b).

“Products” means those accident and health and life insurance policies and annuity contracts that have been issued or assumed by the Company prior to the Closing in the Ordinary Course of Business.

“Property” means real, personal or mixed property, tangible or intangible.

“Proposed Final Purchase Price” has the meaning set forth in Section 2.6(b).

“Purchase Price” has the meaning set forth in Section 2.3.

“Quarterly Statement” means, with respect to any Person, the quarterly statement of such Person prepared in accordance with SAP, as filed with or submitted to the Insurance Department in such Person’s jurisdiction of domicile on the forms prescribed or permitted by such Insurance Department.

“Representative” means, with respect to any Person, any and all members, managers, directors, officers, employees, consultants, financial advisors, counsel, accountants and other agents of such Person.

“Resolution Period” has the meaning set forth in Section 2.6(e).

“Reviewing Party” has the meaning set forth in Section 6.1(c).

“SAP” means, with respect to any Person, the statutory accounting practices prescribed or permitted by the Insurance Department of such Person’s jurisdiction of domicile, applied on a basis consistent with that of prior periods (other than where a lack of consistency results from changes in statutory accounting practices so prescribed).

“Scheduled Contracts” has the meaning set forth in Section 3.11(a).

“SEC” means the Securities and Exchange Commission.

“Security Deposits” has the meaning set forth in Section 3.20.

“Seller” has the meaning set forth in the preamble of this Agreement.

“Seller Indemnitees” has the meaning set forth in Section 10.2(a).

“Seller Affiliated Group” has the meaning set forth in Section 3.23(b).

“Settlement Auditor” has the meaning set forth in Section 2.6(e).

“Shares” has the meaning set forth in the first recital of this Agreement.

“Short-Term Treasuries” means U.S. Treasury obligations having a remaining term to maturity as of the last Business Day preceding the Closing Date (or such other applicable date as the context may require) of less than 90 days.

“Statutory Capital and Surplus” means, as of the date of determination, capital and surplus determined in accordance with SAP and in a manner consistent with the calculation of surplus on line 33 on the “Liabilities, Surplus and Other Funds” page of the 2012 NAIC Annual Statement Blank, adjusted to reflect: (i) the Investment Assets held in the general account of the Company at their Fair Market Value and (ii) the Intercompany Account Settlement pursuant to Section 5.11.

“Statutory Statements” has the meaning set forth in Section 3.13.

“Straddle Periods” has the meaning set forth in Section 6.1(b).

“Subsidiary” means, with respect to any Person, any corporation, limited liability company, limited or general partnership, joint venture, association, joint stock company, trust, unincorporated organization or other entity analogous to any of the foregoing of which a majority of the equity ownership (whether voting stock or comparable interest) is, at the time, owned, directly or indirectly, by such Person.

“Tax” or “Taxes” means any and all federal, national, state, local, or foreign taxes, charges, fees, levies, deficiencies, or other assessments of whatever kind or nature, including without limitation all net income, premium, gross income, profits, gross receipts, excise, value added, real or personal property, sales, ad valorem, withholding, social security, social insurance, retirement, employment, unemployment, minimum estimated, severance, stamp, property, occupation, environmental, windfall profits, use, service, net worth, payroll,

franchise, license, gains, customs, transfer, recording, and other taxes, customs duties, fees, assessments, or charges of any kind whatsoever, imposed by any taxing authority, including any liability therefor for a predecessor entity or as a transferee under Section 6901 of the Code or any similar provision of applicable federal, state, local, or foreign law, as a result of U.S. Treasury Regulation §1.1502-6 or any similar provision of federal, state, local, or foreign applicable law, or as a result of any Tax sharing or similar agreement, together with any interest, penalties, or additions relating thereto.

“Tax Authority” means any Governmental Authority having jurisdiction over the assessment, determination, collection or other imposition of Taxes.

“Tax Contest” has the meaning set forth in Section 6.4(b).

“Tax Dispute” has the meaning set forth in Section 6.1(c).

“Tax Returns” means any return, declaration, report, claim for refund, information return, or statement, and any schedule, attachment, or amendment thereto, including without limitation any consolidated, combined, or unitary return or other document and any schedule, attachment, or amendment thereto filed or required to be filed by any taxing authority in connection with the determination, assessment, collection, imposition, payment, refund, or credit of any federal, state, local, or foreign Tax or the administration of the laws relating to any Tax.

“Transaction Documents” means this Agreement and each document, agreement and certificate to be executed pursuant hereto or thereto.

“Transfer Taxes” has the meaning set forth in Section 6.8.

“Treasury Regulations” means the regulations promulgated under the Code.

“Unconditional and Incurable Non-Renewal” means with respect to a Certificate of Authority, any instance where the Insurance Department that issued such Certificate of Authority has delivered written notice to the Company (without the ability to cure) prior to the Closing that the Insurance Department (a) restricted the use of the Certificate of Authority to only administering insurance policies that were issued or assumed by the Company prior to the Closing (*i.e.*, run-off business), and (b) does not permit the use of the Certificate of Authority to write new business under the lines of authority authorized by the Certificate of Authority on or after the Closing; provided, that (i) the restrictions, conditions or limitations imposed under HIPAA and affecting the Certificates of Authority in Arizona, Ohio, Pennsylvania and Virginia as of the date hereof shall not be considered an Unconditional and Incurable Non-Renewal of such Certificate of Authority for purposes of this definition, (ii) the restriction of no new business imposed on the face of the Certificate of Authority in North Carolina as of the date hereof shall not be considered an Unconditional and Incurable Non-Renewal of such Certificate of Authority for purposes of this definition, and (iii) the lack of a health insurance line of business authority on the Certificate of Authority in Kansas as of the date hereof shall not be considered an Unconditional and Incurable Non-Renewal of such Certificate of Authority for purposes of this definition.

1.2 Interpretation. When a reference is made in this Agreement to a Section, Article, Schedule or Exhibit, such reference shall be to a Section, Article, Schedule or Exhibit of this Agreement unless otherwise indicated or unless the context shall otherwise require. The table of contents and headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. The definitions of terms in this Agreement shall be applicable to both the plural and the singular forms of the terms defined when either such form is used in this Agreement. 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 “hereunder” and other words of similar import, refer to this Agreement as a whole and not to any particular Article, Section, subsection, paragraph or clause. Whenever the last day for the exercise of any right or the discharge of any duty under this Agreement falls on other than a Business Day, the party having such right or duty shall have until the next Business Day to exercise such right or discharge such duty. Unless otherwise indicated, the word “day” shall be interpreted as a calendar day. All dollar references in this Agreement are to, and all transactions under this Agreement will be, in the currency of the United States.

2. PURCHASE AND SALE OF SHARES

2.1 Purchase and Sale of Shares. Upon the terms and subject to the conditions set forth herein, at the Closing, Seller shall sell, transfer and deliver to Buyer, free and clear of all Liens, and Buyer shall purchase from Seller, the Shares for the Purchase Price.

2.2 The Closing. The closing of the purchase and sale of the Shares (the “Closing”) will take place at the offices of Blue Cross of Northeastern PA, 19 N. Main Street, Wilkes-Barre, Pennsylvania 18711, at 10:00 a.m., Eastern Time, with effect as of 12:01 a.m., Eastern Time: (a) on the fifth Business Day following the date of satisfaction or waiver of the last condition to the Closing set forth in Sections 7.1 and 7.2 (other than those conditions that only can be performed or satisfied on the Closing Date, but subject to the satisfaction or waiver of such conditions) or (b) at such other place, time or date as the parties may mutually agree in writing. Notwithstanding the foregoing, the parties agree to (i) use good faith efforts to have the Closing on a calendar quarter end or month end, and (ii) if practical to effectuate a Closing via facsimile and other electronic transmission of signature pages and other required Closing deliveries.

2.3 Purchase Price. The total purchase price (the “Purchase Price”) for the Shares shall be the sum of (a) the aggregate amount of the Company’s Statutory Capital and Surplus as of the close of business on the Business Day immediately preceding the Closing Date and (b) \$1,950,000 (the “Licenses Purchase Price”); except that the Licenses Purchase Price shall be reduced by \$50,000, but to no lower than \$1,750,000 in the aggregate, for each Certificate of Authority as to which, prior to Closing, the Company or Seller has received written notice, from the Insurance Department for the jurisdiction which issued such Certificate of Authority, of (i) a revocation of such Certificate of Authority, or (ii) an Unconditional and Incurable Non-Renewal of such Certificate of Authority.

2.4 Payment of Purchase Price; Delivery of Shares.

(a) Promptly upon the execution and delivery of this Agreement, Buyer shall pay to Seller \$100,000 (the "Deposit"), by wire transfer of immediately available funds to a bank account designated in writing by Seller at least two Business Days prior to the execution and delivery of this Agreement. Such Deposit is to be held by Seller in escrow pending Closing or the earlier termination of this Agreement pursuant to Section 8.3.

(b) At the Closing, (i) Buyer shall pay to Seller the Estimated Purchase Price, less the previously paid Deposit, by wire transfer of immediately available funds to the bank account designated in writing by Seller pursuant to Section 2.4(a) or such other bank account as Seller may designate in writing at least two (2) Business Days prior to the Closing Date, and (ii) Seller shall deliver to Buyer (x) a certificate or certificates representing all of the Shares, duly endorsed in blank or accompanied by duly executed instruments of transfer reasonably acceptable to Buyer and accompanied by all requisite stock transfer tax stamps, if any, and (y) all of the Books and Records; provided, however, that Seller is expressly permitted to retain copies of all of the Books and Records necessary to (A) prepare and finalize the Final Balance Sheet (as defined below) and any statutory financial statements of the Company or Seller to be prepared by Seller, and (B) comply with the five year financial examination of the Department (the "Five-Year Financial Examination").

2.5 Transactions to be Effected at Closing. On the Closing Date, Buyer and Seller shall execute and deliver, or shall cause their Affiliates, as appropriate, to execute and deliver to the appropriate party, all of the Transaction Documents and such other agreements, instruments and documents as are required by this Agreement to be executed and delivered on such date.

2.6 Final Calculation of Purchase Price.

(a) At least three (3) Business Days prior to the Closing Date, Seller will deliver to Buyer an estimated balance sheet of the Company as of the close of business on the Business Day immediately preceding the Closing Date (the "Closing Balance Sheet"), together with a calculation in reasonable detail of the estimated Statutory Capital and Surplus of the Company, also as of the close of business on the Business Day immediately preceding the Closing Date. Along with the Closing Balance Sheet, Seller will deliver to Buyer an estimation of the Purchase Price calculated in accordance with Section 2.3 and the amounts reflected in the Closing Balance Sheet (the "Estimated Purchase Price").

(b) Seller shall, on or before the date that is 45 calendar days after the Closing Date, prepare and deliver to Buyer a final balance sheet of the Company as of the close of business on the Business Day immediately preceding the Closing Date (the "Final Balance Sheet"), in the same format as the Closing Balance Sheet, together with a calculation in reasonable detail of the Statutory Capital and Surplus of the Company as of the date of the Final Balance Sheet (the "Proposed Final Purchase Price").

(c) Following the delivery of the Final Balance Sheet and the Proposed Final Purchase Price, Seller shall (i) provide to Buyer copies of any work papers and other documents

of Seller relating to its preparation of the Final Balance Sheet and Proposed Final Purchase Price, in each case as Buyer may reasonably request and (ii) cooperate with, and be reasonably available to, Buyer for the purpose of providing such other information as Buyer may reasonably request concerning the same.

(d) In the event that Buyer has any disagreement or set of disagreements with the Proposed Final Purchase Price, Buyer shall give written notice of such disagreement (a "Notice of Disagreement") to Seller within 30 calendar days after the Proposed Final Purchase Price is delivered to Buyer. Any Notice of Disagreement shall set forth each amount in disagreement (a "Disputed Amount") and shall provide reasonable specificity as to the basis for each disagreement with supporting backup documents and information and shall specify (to the extent possible) the total adjustment to the Purchase Price as proposed by Buyer as a result of such items of disagreement.

(e) If Buyer does not deliver a Notice of Disagreement to Seller within such 30-day period, the Proposed Final Purchase Price shall be final and binding upon the parties hereto and shall constitute the final calculation of the Purchase Price. If Buyer delivers a Notice of Disagreement to Seller within such 30-day period, the parties shall (and shall cause their respective auditors to) negotiate in good faith to resolve all disagreements within 30 calendar days after the delivery of the Notice of Disagreement (the "Resolution Period"). Any changes in the Proposed Final Purchase Price that are agreed to by Buyer and Seller within the Resolution Period shall be incorporated into a final calculation of the Purchase Price. If the parties and their respective auditors are unable to resolve all disagreements within the Resolution Period, then all unresolved disagreements will be submitted to McGladrey LLP or, if McGladrey LLP is unable to serve, Buyer and Seller shall appoint by mutual agreement the office of an impartial nationally recognized firm of independent certified public accountants (the "Settlement Auditor"). The parties shall and shall cause their respective Affiliates and independent auditors to, cooperate in good faith with the Settlement Auditor and shall give the Settlement Auditor access to all books, records, work papers and other information requested by the Settlement Auditor for purposes of such resolution. The Settlement Auditor shall, within 30 calendar days after its engagement, deliver to Buyer and Seller a conclusive written resolution of all disagreements submitted to it, including a definitive calculation of the Purchase Price which shall be made in accordance with this Agreement and shall be final and binding upon the parties hereto; provided, however, that the dollar amounts of each Disputed Amount shall be determined within the range of dollar amounts proposed by Seller and Buyer, respectively. Seller shall pay a portion of the fees and expenses of the Settlement Auditor equal to 100% multiplied by a fraction, the numerator of which is the amount of Disputed Amounts submitted to the Settlement Auditor that are resolved in favor of Buyer (that being the difference between the Settlement Auditor's determination and Seller's determination) and the denominator of which is the total amount of Disputed Amounts submitted to the Settlement Auditor (that being the sum total by which Buyer's determination differs from Seller's determination). Buyer shall pay that portion of the fees and expenses of the Settlement Auditor that Seller is not required to pay hereunder.

(f) In the event the aggregate amount of the Estimated Purchase Price is less than the Purchase Price, as finally determined and binding upon the parties pursuant to Section 2.6(e), Buyer shall transfer to Seller additional cash in the amount of such difference, together with interest thereon from and including the Closing Date to but not including the date of such

transfer. The amount of payment to be made pursuant to this Section 2.6(f) shall bear interest from and including the Closing Date but excluding the date of payment at a rate per annum equal to the Prime Rate as published in the Wall Street Journal, Eastern Edition in effect on the Closing Date. Such interest shall be payable at the same time as the payment to which it relates and shall be calculated daily on the basis of a year of 365 days and the actual number of days elapsed, without compounding. In the event the aggregate amount of the Estimated Purchase Price is greater than the Purchase Price, as finally determined and binding upon the parties pursuant to Section 2.6(e), Seller shall transfer to Buyer cash in the amount of such difference, together with interest thereon computed at the annual rate as specified above from and including the Closing Date but not including the date of such transfer. Any transfer of cash required under this Section 2.6(f) shall be made within ten Business Days of the date the Purchase Price is determined and binding upon the parties pursuant to this Section 2.6(f). Any settlement or payment or adjustments to the Purchase Price or return of payment of funds shall be excluded from the operation of any indemnification provision under this Agreement and shall be paid by Seller or Buyer, as the case may be, without regard to any minimum requirements or limitations under Article 10 of this Agreement.

3. REPRESENTATIONS AND WARRANTIES OF SELLER

Seller hereby represents and warrants to Buyer as of the date hereof and as of the Closing Date as follows:

3.1 Corporate Existence. The Company is an insurance company organized and validly subsisting under the laws of the Commonwealth of Pennsylvania. Seller is a nonprofit corporation organized and validly subsisting under the laws of the Commonwealth of Pennsylvania. The Company has full power and authority to own, lease and operate its assets and properties and to conduct its business as now being conducted. Except as otherwise disclosed on Schedule 3.1, the Company is licensed to transact its business and is in good standing in each jurisdiction listed in Schedule 3.1, which includes each state or other jurisdiction in which either the ownership or use of the properties owned or used by it, or the nature of the activities conducted by it, requires such qualification, except where the failure to be so qualified would not, individually or in the aggregate, have a Material Adverse Effect.

3.2 Authorization; Enforcement. Seller has full corporate power and authority to execute and deliver this Agreement and to perform its obligations hereunder. Seller has taken all necessary action to duly and validly authorize its execution and delivery of this Agreement and the consummation of the transactions contemplated hereby. This Agreement has been duly executed and delivered by Seller and, assuming due execution and delivery by Buyer, constitutes a valid and binding obligation of Seller, enforceable against Seller in accordance with its terms except that such enforcement may be subject to applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereafter in effect affecting creditors' rights generally (collectively, the "Enforceability Exceptions").

3.3 Capital Stock of the Company; Ownership of Shares.

(a) The entire authorized capital stock of the Company consists of 7,200,000 shares of Common Stock, 1,208,599 of which are issued and outstanding and constitute the

Shares. All of the Shares are duly authorized, validly issued and fully paid and non-assessable. The Shares have not been issued in violation of, and none of the Shares are subject to, any preemptive or subscription right, right of first refusal or any other right of any Person. Other than the Shares, there are no shares of capital stock or other securities of the Company outstanding except for the Products that qualify as securities. There are no outstanding warrants, options, Contracts, convertible or exchangeable securities or other commitments (other than this Agreement) pursuant to which Seller or the Company is obligated to issue, sell, purchase, return or redeem any shares of capital stock or other securities of the Company, and there are no equity securities of the Company reserved for issuance for any purpose.

(b) Seller is the record and beneficial owner of the Shares, free and clear of any Liens. Upon consummation of the transactions contemplated by this Agreement, Buyer will acquire record and beneficial ownership of the Shares, free and clear of any Liens. Other than this Agreement, the Shares are not subject to any voting trust agreement or other Contract, agreement, arrangement, commitment or understanding, including any such agreement, arrangement, commitment or understanding restricting or otherwise relating to the voting, dividend rights or disposition of the Shares.

3.4 Subsidiaries. The Company does not have any Subsidiaries and, as of the Closing Date, will not directly or indirectly own or record or beneficially any capital stock of or other equity interest in any Person other than equity securities held or obtained in the Ordinary Course of Business that do not in any case represent more than five percent (5%) of any one issuer.

3.5 No Conflict. Except as set forth on Schedule 3.5, neither the execution, delivery and performance by Seller of this Agreement, nor the consummation of the transactions contemplated hereby will: (a) violate any provision of the amended and restated articles of incorporation, by-laws or similar documents of organization of Seller or the Company; (b) violate, conflict with or result in the breach of any of the terms of, result in any modification of the effect of, otherwise give any other contracting party the right to terminate, or constitute (with or without notice or lapse of time or both) a default under, any material Contract to which Seller or the Company is a party or by or to which any of them or their assets or properties may be bound; (c) violate any Governmental Order against, or binding upon, or condition imposed by, any Governmental Authority binding upon, Seller or the Company, or the properties or assets of Seller or the Company; (d) violate any Law of any jurisdiction as such Law relates to Seller or the Company, or to the business, properties or assets of Seller or the Company; or (e) result in the creation or imposition of any Lien other than Permitted Liens on any properties or assets of Seller or the Company.

3.6 Articles of Incorporation and By-laws. Seller has delivered to Buyer true, complete and correct copies of the amended and restated articles of incorporation and the by-laws of the Company, and all amendments thereof as currently in effect.

3.7 Consents and Approvals. Except as set forth on Schedule 3.7, no consent, notice, waiver, license, approval, order or authorization of, or registration, declaration or filing with, any third party, including any Governmental Authority, is required to be obtained, made or

given by or with respect to Seller or the Company in connection with the execution, delivery and performance of this Agreement or the consummation of the transactions contemplated hereby.

3.8 Compliance with Law. Except as set forth on Schedule 3.8, the Company complied in all material respects with, and is now complying in all material respects with, all foreign, federal, state and local statutes, laws, rules, regulations, ordinances, judgments, injunctions, orders, licenses, approvals, and permits (collectively, "Laws") applicable to it or its business, properties or assets, and the Company has not received written notice from any Governmental Authority asserting noncompliance with any Law.

3.9 Litigation. Except as set forth on Schedule 3.9, there are no actions, suits, proceedings, claims or legal, administrative or arbitration proceedings or investigations (collectively, "Litigation") pending or, to the Knowledge of Seller, threatened (a) against or involving the Company or its business, properties or assets, other than any such matter constituting an insurance claim with respect to a Product issued by the Company in the Ordinary Course of Business, or (b) which question the validity of this Agreement or any action taken by Seller or the Company pursuant to this Agreement or the transactions contemplated hereby.

3.10 Certificates of Authority. Schedule 3.10 includes a true, complete and correct list of the jurisdictions in which the Company possesses a Certificate of Authority that is in full force and effect, contains no restrictions and is in good standing as of the date hereof, in each case, except as otherwise listed on Schedule 3.10. Schedule 3.10 also includes a true, complete and correct list of the jurisdictions in which the Company conducts business and in which a Certificate of Authority is not required by applicable Law for the activities it conducts in such jurisdictions.

3.11 Contracts.

(a) Schedule 3.11(a) sets forth a true, complete and correct list of each Contract (collectively, the "Scheduled Contracts") to which the Company is a party or by which it is bound that is in effect as of the date hereof and is not terminable by the Company without penalty or payment on less than 90 days' notice, including all Contracts relating to: insurance, reinsurance or loss portfolio transfers; transactions between Affiliates; managing general agents; agents and brokers; third-party administrators; borrowing of money; purchase of materials; supplies, equipment, products or services; the use of trademarks, trade names or copyrights; distribution of insurance products; leases (capital or otherwise); or transactions with Governmental Authorities.

(b) The Scheduled Contracts that consist of transactions under which the Company (i) previously sold any subsidiary or block or line of its business, (ii) reinsures any portion of a block or line of business, or (iii) has engaged a third-party administrator to manage a book of business and under which the Company retains responsibilities, obligations and/or potential liability are also set forth on Schedule 3.11(b) (the "Prior Transactions").

(c) The Scheduled Contracts which Seller and Buyer have agreed will be terminated as to the Company as of the Closing Date are also set forth on Schedule 3.11(c).

(d) With respect to the Company's performance of its obligations under the Scheduled Contracts, no event of default or non-compliance, or, to the Knowledge of Seller, event which with the passage of time, giving of notice or both, would constitute such an event of default or non-compliance, has occurred or is continuing under any such Scheduled Contract. With respect to the performance by any other party of its obligations under the Scheduled Contracts, to the Knowledge of Seller, no event of default or non-compliance, or, to the Knowledge of Seller, event which with the passage of time, giving of notice or both, would constitute such an event of default or non-compliance, has occurred or is continuing under any such Scheduled Contract.

3.12 Finder's Fees. No broker or finder has acted directly or indirectly for Seller or any of its Affiliates in connection with this Agreement or the transactions contemplated hereby, nor has Seller or any of its Affiliates taken any action in connection with this Agreement or the transactions contemplated hereby so as to give rise to any valid claim against Buyer or the Company for any broker's or finder's fee or other commission or compensation.

3.13 Statutory Statements. Seller has delivered to Buyer true, correct and complete copies of the Annual Statements of the Company as filed with the Department, for the years ended December 31, 2012, 2011 and 2010 in each case including all exhibits, interrogatories, schedules and any actuarial opinions, if any, affirmations or certifications or other supporting documents filed in connection therewith (collectively, the "Statutory Statements"). The Statutory Statements were prepared in accordance in all material respects with SAP and present fairly in all material respects in accordance with SAP the statutory financial position of the Company as at the respective dates thereof and the results of operations of the Company for the respective periods then ended. The Statutory Statements complied in all material respects with all applicable Laws when filed, and no material deficiency has been asserted with respect to any Statutory Statements by any Governmental Authority.

3.14 Assets and Properties. Except for the limited restrictions imposed by Insurance Departments on the securities listed on Schedule 3.20, the Company has good and marketable title to all assets and properties that it purports to own, free and clear of any Liens other than Permitted Liens. The Company owns no real property.

3.15 Employee Benefits. The Company does not maintain, contribute to or otherwise participate in any Plan and does not have any Liabilities under any Plan.

3.16 Company Liabilities. Except as set forth on Schedule 3.16, the Company has no Liabilities, other than (a) Liabilities provided for or reflected in the Statutory Statements (including the footnotes), (b) Liabilities disclosed in this Agreement (or any schedule hereto), and (c) Liabilities incurred since December 31, 2012 in the Ordinary Course of Business.

3.17 No Material Adverse Effect. Since December 31, 2012, no Material Adverse Effect has occurred, and, to the Knowledge of Seller, there has been no change, development, action or occurrence that would reasonably be expected to result in a Material Adverse Effect.

3.18 Intellectual Property. Except as set forth on Schedule 3.18, to the Knowledge of Seller, the Company is not infringing, and has not received any written notice that it is infringing (or is alleged to be infringing), on any trademark, trade name registration, copyright or any application pending therefor.

3.19 Employees. The Company has no employees.

3.20 Security Deposits. Schedule 3.20 sets forth a true, correct and complete list, as of March 31, 2013, of all securities deposited by the Company with or as directed by one or more Insurance Departments (“Security Deposits”).

3.21 Powers of Attorney; Guarantees; Required Insurance; Agents. Except as set forth on Schedule 3.21, the Company does not have any outstanding powers of attorney or any Liability as guarantor, surety, cosigner or endorser (other than for purposes of collection in the Ordinary Course of Business of the Company). The Company is not obligated to maintain insurance for the benefit of any Person, including its customers, other than in the Ordinary Course of Business. Prior to the date hereof, the Company has canceled all Contracts with, and otherwise withdrawn the authority of, all brokers or agents previously appointed by it.

3.22 Bank Accounts. Seller has delivered a true, correct and complete list of bank accounts and investment accounts maintained by the Company, including the name of each bank or other institution, account numbers and a list of signatories to such account.

3.23 Tax Matters. Seller represents and warrants to Buyer that:

(a) All Tax Returns required to be filed by or with respect to the Company (including any such Tax Return required to be filed by the Seller Affiliated Group) have been timely filed or will be filed before the extended due date. All such filed Tax Returns were true, correct and complete in all material respects and all Taxes owed by the Company, whether or not shown on any such Tax Return, have been timely paid. Except as set forth in Schedule 3.23(a), the Company is not currently the beneficiary of nor has it requested any extension of time within which to file any Tax Return which has not yet been filed. Since January 19, 2007, no claim has ever been made by any Governmental Authority in any jurisdiction where the Company does not file Tax Returns that the Company is or may be subject to taxation by, or required to file Tax Returns in, such jurisdiction. No Taxes will become payable by the Company as a result of the execution, delivery, or performance of this Agreement, or the consummation of the purchase and sale of the Shares and the other transactions contemplated by this Agreement.

(b) Since January 19, 2007, the Company has never been (i) a member of any affiliated group filing or required to file a consolidated, combined, unitary, or other similar Tax Return (other than any such group of which Seller is the common parent (the “Seller Affiliated Group”)) or (ii) except as set forth in Schedule 3.23(b), a party to or bound by, nor does it have or has it ever had any obligation under, any Tax sharing or Tax allocation agreement or similar contract or arrangement. The Company does not have any liability for Taxes of any other Person under Treasury Regulations Section 1.1502-6 (or any corresponding or similar provision of state, local, or non-United States law), as a transferee or successor, by contract, or otherwise. Immediately after the Closing Date, the Company will not have any deferred intercompany items

within the meaning of Treasury Regulations Section 1.1502-13, and at such time there will not exist any excess loss account within the meaning of Treasury Regulations Section 1.1502-19 with respect to the stock of the Company. None of the Shares being transferred pursuant to this Agreement constitute a "loss share" within the meaning of Treasury Regulation Section 1.1502-36 to which the provisions of such regulation could apply.

(c) Seller and the Company are members of a group that will file a federal Consolidated Tax Return which will include the operations of the Company through the Closing Date. All material Tax Returns required to be filed (taking into account extensions thereof) by the Seller Affiliated Group for each taxable period during which the Company was a member of such group have been duly and timely filed. All material Taxes owed by the Seller Affiliated Group have been timely and fully paid.

(d) There are no Liens with respect to Taxes upon any of the assets or properties of the Company, other than Liens for Taxes not yet due and payable. No deficiency for any Taxes has been proposed or threatened in writing against the Company or the Seller Affiliated Group which deficiency has not been paid in full or reserved against on the balance sheet included in the Statutory Statements, and, to the Knowledge of Seller, there is no basis upon which any such Tax deficiency would reasonably be expected to be asserted. To the Knowledge of Seller, no issue relating to the Company or involving any Tax for which the Company might be liable has been resolved in favor of any Taxing authority in any audit or examination that, by application of the same principles, could reasonably be expected to result in a deficiency for Taxes of the Company for any other period. Except as set forth on Schedule 3.23(d), there are no audits, examinations, written claims or assessments regarding Taxes in process or pending or, to the Knowledge of Seller, proposed against the Company or the Seller Affiliated Group. There are no outstanding agreements, waivers, or arrangements extending the statutory period of limitation (or any other period during which any Tax can be assessed) applicable to any claim for, or the period for the collection or assessment of, any Taxes with respect to the Company or the Seller Affiliated Group, and there are no outstanding requests or demands to extend or waive any such period of limitation. Except as set forth on Schedule 3.23(d), no power of attorney with respect to Taxes has been executed or filed with any Governmental Authority by or with respect to the Company that will remain in effect after the Closing.

(e) Schedule 3.23(e) lists all Tax Returns filed by or with respect to the Company (including any such Tax Return filed by the Seller Affiliated Group with respect to the Company) for all taxable periods ended on or after December 31, 2007, copies of which have been provided to Buyer (which copies, in the case of any Seller Affiliated Group Tax Return, are in the form of pro-forma returns for the relevant period for the Company used in preparing such Seller Affiliated Group Tax Return), and indicates those Tax Returns that have been audited or subject to similar examination by a Taxing authority and those Tax Returns that currently are the subject of such audit or examination. Seller has delivered to the Purchaser true, correct, and complete copies of all private letter rulings, notices of proposed deficiencies, audit interrogatories and reports, deficiency notices, closing agreements, settlement agreements, and pending ruling requests, relating to Taxes for all taxable periods ended on or after December 31, 2009 submitted, received, or agreed to by or on behalf of the Company.

(f) The Company will not be required to include any item of income in, or exclude any item of deduction from, the determination of taxable income for any taxable period (or portion thereof) after the Closing Date as a result of any (i) adjustment under Section 481 of the Code (or any similar provision of applicable state, local, or non-United States law) by reason of a change in accounting method or otherwise; (ii) "closing agreement" as described in Section 7121 of the Code (or any corresponding or similar provision of applicable state, local, or non-United States law) or Tax-related ruling received from any Governmental Authority and executed on or prior to the Closing Date; (iii) intercompany transaction or excess loss account described in Treasury Regulations under Section 1502 of the Code (or any corresponding or similar provision of state, local, or non-United States law); (iv) installment sale or open transaction made on or prior to the Closing Date; (v) prepaid amount received on or prior to the Closing Date; or (vi) election under Section 108(i) of the Code.

(g) The Company has not constituted either a "distributing corporation" or a "controlled corporation" (within the meaning of Section 355(a)(1)(A) of the Code) in a distribution of stock intended to qualify for tax-free treatment under Section 355 of the Code (i) in the two years before the date of this Agreement or (ii) in a distribution which could otherwise constitute a part of a plan or a series of related transactions (within the meaning of Section 355(e) of the Code) that includes the transactions contemplated by this Agreement.

(h) The Company has never had a permanent establishment or other taxable presence in any foreign country, as determined pursuant to applicable foreign law and any applicable Tax treaty or convention between the United States and such foreign country. The Company does not own stock in any other corporation which is a passive foreign investment company within the meaning of Section 1297 of the Code or a controlled foreign corporation within the meaning of Section 957 of the Code. The assets of the Company do not include any ownership interests in any partnership, joint venture, limited liability company, or other entity taxed as a partnership or other pass-through entity for U.S. federal income Tax purposes.

(i) The Company has not participated or engaged in any "reportable transaction" within the meaning of Section 6707A of the Code or Treasury Regulations Section 1.6011-4. The Company is not subject to any current limitation (excluding for this purpose any such limitation arising as a result of the purchase and sale of the Shares pursuant to this Agreement) under Sections 382, 383, or 384 of the Code (or any corresponding or similar provision of state, local, or non-United States law) on its ability to utilize its net operating losses, built-in losses, credits, or other similar items.

(j) With respect to any taxable period for which Taxes are not yet due and owing, the Company has made adequate and sufficient accruals for Taxes on the Statutory Statements in accordance with SAP, and the unpaid Taxes of the Company did not, as of December 31, 2012, exceed the reserve for actual Taxes (as opposed to any reserve for deferred Taxes established to reflect timing differences between book and Tax income) as shown on the face of the balance sheet included in the Statutory Statements prepared as of such date, and will not exceed such reserve as adjusted to reflect the ordinary operations of the Company through the Closing Date, in accordance with the reasonable past customs and practice of the Company in filing Tax Returns.

(k) Since January 19, 2007, (i) the Company has not been nor is it currently in violation (or, to the Knowledge of Seller, with or without notice or lapse of time or both, would it be in violation) of any applicable law or regulation relating to the payment, collection, or withholding of Taxes, or the remittance thereof, and (ii) all withholding and payroll Tax requirements required to be complied with by the Company up to and including the date hereof have been satisfied. For periods prior to January 19, 2007, to the Knowledge of Seller, (a) the Company has not been in violation of any applicable law or regulation relating to the payment, collection, or withholding of Taxes, or the remittance thereof, and (b) all withholding and payroll Tax requirements required to be complied with by the Company up to and including January 19, 2007 have been satisfied.

(l) Tax basis, loss and loss adjustment expense reserves, and unearned premium reserves for the Company have been computed and maintained in the manner required under Sections 807, 832, and 846 of the Code and any other applicable Tax provision in all material respects. The Company does not have a positive policyholder surplus account within the meaning of Section 815 of the Code, and does not maintain a "special loss discount account" or make "special estimated tax payments" within the meaning of Section 847 of the Code. Since January 19, 2007, the Company has never issued, assumed, reinsured, modified, exchanged, or sold any policies, contracts, or other products to customers that are intended to or have ever been intended to qualify as a "pension plan contract" within the meaning of Section 818(a) of the Code or were otherwise intended to qualify under or subject to any requirements of Sections 401, 403, 408, 412 or 457 of the Code.

3.24 Absence of Certain Changes. Except as set forth on Schedule 3.24, since December 31, 2012, there has not been:

- (a) any redemption, purchase or other acquisition of the Company's capital stock;
- (b) any payment, dividend or other distribution by the Company to its stockholders declared or made with respect to the Company's capital stock; or
- (c) any merger or consolidation of the Company with or into any corporation or other entity.

3.25 Noncompetition Agreements. Except as set forth on Schedule 3.25, The Company is not a party to or bound by any contractual obligation, which, by its terms, restricts its rights to compete with other entities or engage in any line of business.

4. REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer hereby represents and warrants to Seller as of the date hereof and as of the Closing Date as follows:

4.1 Corporate Existence. Buyer is a limited liability company duly formed and validly existing under the laws of the State of Delaware.

4.2 Authorization; Enforcement. Buyer has the full power and authority to execute and deliver this Agreement and to perform its respective obligations hereunder. Buyer has taken all necessary action to duly and validly authorize its execution and delivery of this Agreement and the consummation of the transactions contemplated hereby. This Agreement has been duly executed and delivered by Buyer and, assuming due execution and delivery by Seller, constitutes a valid and binding obligation of Buyer, enforceable against Buyer in accordance with its terms, subject to the Enforceability Exceptions.

4.3 No Conflict. Neither the execution, delivery and performance by Buyer of this Agreement nor the consummation of the transactions contemplated hereby will: (a) violate any provision of the certificate of formation or operating agreement of Buyer; (b) violate, conflict with or result in the breach of any of the terms of, result in any modification of the effect of, otherwise give any other contracting party the right to terminate, or constitute (with or without notice or lapse of time or both) a default under, any Contract to which Buyer is a party or by or to which it or its assets or properties may be bound or subject; (c) violate any Governmental Order against, or binding upon, or condition imposed by, any Governmental Authority binding upon, Buyer or the business, properties or assets of Buyer; or (d) violate any Law of any jurisdiction as such Law relates to Buyer or to the business, properties or assets of Buyer.

4.4 Consents and Approvals. Except as set forth on Schedule 4.4, no consent, license, approval, waiver, order or authorization of, or registration, declaration or filing with, any third party, including any Governmental Authority, is required to be obtained, made or given by or with respect to Buyer in connection with the execution, delivery and performance of this Agreement or the consummation of the transactions contemplated hereby. To Buyer's Knowledge, no fact or circumstance relating to Buyer or its Affiliates exists that would render Buyer unable to obtain an approval of any Form A (Acquisition of Control) Statement filed in connection with the transactions contemplated hereby.

4.5 Litigation. There are no actions, suits, proceedings, claims or legal, administrative or arbitration proceedings or investigations pending or, to the Knowledge of Buyer, threatened which question the validity of this Agreement or any action taken by Buyer pursuant to this Agreement or the transactions contemplated hereby or thereby.

4.6 Finder's Fees. Except as set forth on Schedule 4.6, no broker or finder has acted directly or indirectly for Buyer or any of its Affiliates in connection with this Agreement or the transactions contemplated hereby, nor has Buyer or any of its Affiliates taken any action in connection with this Agreement or the transactions contemplated hereby so as to give rise to any valid claim against Seller for any broker's or finder's fee or other commission or compensation.

4.7 Investment Purpose. Buyer is buying the Shares for investment purposes only and not with a view to resale in connection with any distribution of any of the Shares except in compliance with the Act and all other applicable securities laws. Buyer understands that the Shares have not been registered under the Act or under the securities laws of any state and that the Shares may not be sold, transferred, offered for sale, pledged, hypothecated or otherwise disposed of in the absence of an effective registration under the Act except pursuant to a valid exemption from such registration. Buyer (a) possesses such knowledge and experience in

financial and business matters that it is capable of evaluating the risks of its investment hereunder, and (b) has examined to the extent it deems appropriate, copies of all agreements and documents referred to herein (including the disclosure schedules) and has conducted such due diligence as it has deemed appropriate.

4.8 Financing. Buyer has, and on the Closing Date will have, sufficient funds available to purchase the Shares on the terms and conditions contemplated by this Agreement, to consummate the other transactions contemplated by this Agreement and to pay all associated costs and expenses to be paid by Buyer.

5. COVENANTS AND AGREEMENTS

5.1 Conduct of Business of the Company. Except as otherwise contemplated by this Agreement or specifically consented to in writing by Buyer, from the date of this Agreement through the Closing Date, Seller shall cause the Company to (a) maintain insurance coverages consistent with past practices, (b) use commercially reasonable efforts to preserve and maintain in full force and effect its Certificates of Authority, and (c) otherwise conduct its operations only in the Ordinary Course of Business.

5.2 Restrictions. Except as otherwise expressly required by this Agreement, as set forth on Schedule 5.2, as specifically consented to in writing by Buyer (which consent may not unreasonably be withheld, delayed or conditioned) or in the Ordinary Course of Business, from the date of this Agreement through the Closing Date, Seller shall not authorize or permit the Company to:

(a) amend or restate its by-laws or amended and restated articles of incorporation;

(b) issue, sell, pledge or dispose of any additional shares of, or securities convertible or exchangeable for, or any options, warrants or rights of any kind to acquire any shares of, the Company's capital stock of any class;

(c) incur, suffer or permit any Lien, other than Permitted Liens, upon any of its properties, assets or Shares, or split, combine or reclassify any Shares;

(d) except as otherwise provided herein, enter into any material Contract or materially amend any of its Contracts;

(e) incur any indebtedness for borrowed money or guarantee any such indebtedness or issue or sell any debt securities or guarantee any debt securities of others;

(f) (i) change, revoke, or make any material Tax elections or adopt or change any method of Tax accounting or accounting period, (ii) enter into any settlement or compromise of, or file any appeal with respect to, any Tax liability or refund, (iii) consent to or file any appeal with respect to any claim or assessment relating to Taxes, or consent to any extension or waiver of the limitation period applicable to any Tax claim or assessment, or (iv) file any amended Tax Returns or claim for refund;

(g) make any material change in any of its methods of accounting or accounting practices or policies that would be binding on the Company following the Closing Date, other than those expressly required by SAP or any applicable Law;

(h) acquire or agree to acquire by merging, consolidating with, or purchasing a substantial portion of the assets or stock of, or by any other manner, any Person or division thereof or otherwise acquire or dispose of or agree to acquire or dispose of any of its assets that are material to the Company;

(i) authorize, recommend, propose or announce an intention to adopt a plan of complete or partial liquidation or dissolution;

(j) hire any employees;

(k) amend or alter any of its Certificates of Authority except to expand the lines of authority under such Certificates of Authority unless required by applicable Laws or an Insurance Department regulator; or

(l) agree, whether in writing or otherwise, to do any of the foregoing.

5.3 Access to Information; Due Diligence.

(a) Prior to the Closing Date, Buyer shall be entitled, through its employees, agents and representatives, to make such reasonable investigation of the assets, liabilities, financial condition, properties, business and operations of the Company as Buyer may reasonably deem necessary or appropriate, and for such purposes to have access to the Books and Records and Contracts and facilities of the Company, and access to the personnel of the Company and Seller with respect to the Company, including an examination of the corporate records and minute books, financial statements, Insurance Department filings, reports and examinations, summaries of pending litigation, Tax Returns and other Tax information, accounting and actuarial methods, in each case wherever located, of the Company. Any such investigation, access and examination shall be conducted during regular business hours upon reasonable prior notice, and Seller, the Company and their respective employees, agents and representatives, including their respective counsel and independent public accountants, shall cooperate as reasonably requested with such employees and representatives in connection with such investigation, access and examination. Until the Closing Date, Buyer shall hold such documents and other material in confidence and use them only in connection with fulfilling its obligations hereunder unless and until such time as such information otherwise becomes publicly available (through no breach of this Agreement), and, in the event of the termination of this Agreement, upon request by Seller shall deliver to it all documents and other material so obtained by Buyer including all excerpts, abstracts and copies thereof.

(b) Following the Closing, each party will take such actions as may be necessary or reasonably requested by the other party, including by providing reasonable access to necessary information within the control of such party, in connection with the preparation of the financial statements of the Company or the consolidated financial statements of Seller, as Buyer or Seller, as the case may be, may from time to time cause to be prepared. Seller shall prepare and furnish to Buyer, at least five calendar days prior to the filing deadline, drafts of the statutory

financial statements of the Company for any quarterly or annual period ended prior to the Closing. Buyer shall prepare and furnish to Seller, at least five calendar days prior to the filing deadline, drafts of the statutory financial statements of the Company for the first quarter-end and first calendar year-end after the Closing.

5.4 Approvals of Governmental Authorities.

(a) Within 20 calendar days following the date of this Agreement, Buyer shall make, or cause to be made, all filings and submissions required under any Law applicable to it or any of its Affiliates with respect to the transactions contemplated by this Agreement and the Transaction Documents.

(b) Each party hereto shall use commercially reasonable efforts to obtain, or cause to be obtained, all consents, authorizations, orders and approvals from all Governmental Authorities that may be or become necessary for the consummation of the transactions contemplated by this Agreement and the Transaction Documents. Each party shall cooperate fully with the other party and its Affiliates in promptly seeking to obtain all such consents, authorizations, orders and approvals. The parties hereto shall not willfully take any action that will have the effect of delaying, impairing or impeding the receipt of any required consents, authorizations, orders or approvals.

(c) Seller and Buyer shall use commercially reasonable efforts to give all notices to, and obtain all consents from, all third parties that are described in Schedule 3.7 and Schedule 4.4.

(d) Without limiting the generality of the parties' undertakings pursuant to subsections (a) and (b) above, each of the parties hereto shall use commercially reasonable efforts to:

(i) respond to any inquiries by any Governmental Authority regarding antitrust or other matters with respect to the transactions contemplated by this Agreement or any Transaction Document;

(ii) avoid the imposition of any restrictions on the Certificates of Authority or the ability of the Company to conduct its business;

(iii) avoid the imposition of any order or the taking of any action that would restrain, alter or enjoin the transactions contemplated by this Agreement or any Transaction Document; and

(iv) in the event any Governmental Order adversely affecting the ability of the parties to consummate the transactions contemplated by this Agreement or any Transaction Document has been issued, to have such Governmental Order vacated or lifted.

(e) Each party hereto shall have the right to review in advance, subject to applicable Laws relating to the exchange of information and provided that such review would not reasonably be expected to cause any waiver of the attorney-client privilege, all of the information

that appears in any filing made by the other party, or written information submitted to any Governmental Authority in connection with the transactions contemplated under this Agreement, except those portions of such filings and submissions that contain confidential information. To the extent permitted by applicable Law, each party hereto shall keep the other apprised of the status of matters relating to the completion of the transactions contemplated by this Agreement and shall promptly inform the other parties hereto of any oral communication with, and provide copies of any written communications with, any Governmental Authority regarding the transactions contemplated under this Agreement; provided that such correspondence does not contain or reveal confidential information of the parties hereto or their respective Affiliates (unless otherwise required by applicable Law).

(f) Notwithstanding anything contained herein to the contrary, prior to the Closing, Buyer shall not call or otherwise contact any Insurance Department regulator in order to verify the status of any Certificate of Authority, except as necessary to give all pre-Closing notices to, and obtain all pre-Closing consents from, all third parties that are described in Schedule 3.7 and Schedule 4.4.

5.5 Further Assurances. On and after the Closing Date, each of the parties shall execute, and shall cause its respective Affiliates to execute, such reasonable documents, instruments and conveyances and take, and cause its respective Affiliates to take, such further reasonable actions as may be reasonably required or desirable to carry out the transactions contemplated by this Agreement, including vesting in Buyer good and valid title to the Shares free and clear of any Liens.

5.6 Notification of Changes; Deficiencies.

(a) Seller shall promptly notify, or shall cause the Company promptly to notify, Buyer in writing of the occurrence of any event, circumstance or existence of any state of facts or the discovery of any inaccuracy, omission or mistake, that Seller becomes aware of prior to the Closing Date that would (i) make any of the representations and warranties of Buyer or Seller contained in this Agreement untrue or inaccurate in any material respect, or (ii) otherwise constitute a Material Adverse Effect. Seller shall also promptly notify Buyer in writing of any breach by Buyer of any representation, warranty or covenant of Buyer contained in this Agreement that Seller becomes aware of prior to the Closing Date. A disclosure by Seller pursuant to this Section 5.6(a) shall be deemed a supplement to the disclosure schedules; provided, however, such supplement to the disclosure schedules shall not be deemed to limit or otherwise affect the remedies that would have otherwise been made available to Buyer under this Agreement if such supplement to the disclosure schedules had not been made.

(b) Buyer shall promptly notify Seller in writing of the occurrence of any event, circumstance or existence of any state of facts or the discovery of any inaccuracy, omission or mistake, that Buyer becomes aware of prior to the Closing Date that would make any of the representations and warranties of Buyer or Seller contained in this Agreement untrue or inaccurate in any material respect. Buyer shall also promptly notify Seller in writing of any breach by Seller of any representation, warranty or covenant of Seller contained in this Agreement that Buyer becomes aware of prior to the Closing Date.

5.7 Performance of Conditions to Closing. Seller shall, and shall cause the Company to, take all reasonable steps necessary or appropriate, and shall use commercially reasonable efforts, to effect as promptly as practicable the satisfaction of the conditions required to be satisfied in order for Buyer and Seller to consummate the transactions contemplated by this Agreement and the Transaction Documents, including all conditions set forth in Section 7.1. Buyer shall take all reasonable steps necessary or appropriate, and shall use commercially reasonable efforts, to effect as promptly as practicable the satisfaction of the conditions required to be satisfied in order for Buyer and Seller to consummate the transactions contemplated by this Agreement and the Transaction Documents, including all conditions set forth in Section 7.2.

5.8 Publicity. Seller and Buyer agree that no public release or announcement concerning the transactions contemplated by this Agreement may be issued by either party without the prior written consent of the other party (which consent may not be unreasonably withheld or delayed), except such release or announcement as may be required by Law or applicable stock exchange rules or regulations, in which case the party required to make the release or announcement shall allow the other party three Business Days (to the extent practicable) to comment on such release or announcement in advance of such issuance.

5.9 Authority, Bank Accounts, Etc. Any and all resignations, appropriately executed signature cards, and other documentation needed in preparation for closing all bank and other investment accounts of the Company and any deposits maintained by the Company with any Governmental Authority, or transferring signature authority therefor, will be provided to Buyer by Seller upon the Closing. Seller will use commercially reasonable efforts to cooperate with and assist Buyer in obtaining, subsequent to the Closing, any statutory or regulatory approvals required to enable the Company to make the appropriate closings or transfers, including transfers of signature authorization, and in providing all notices thereof as may be required by appropriate Governmental Authorities. From and after the Closing, no agent or officer of Seller shall take any action with respect to any such accounts or deposits other than as may be expressly authorized in writing by Buyer.

5.10 Post-Closing Access to Books and Records and Cooperation. After the Closing, Seller and Buyer will each afford (or cause their respective Affiliates to afford) to the other or to such other's representatives or agents reasonable access during normal business hours (on terms not unreasonably disruptive to the business, operations or employees of the party or parties of which access is sought) to the personnel and books and records in the possession of the party or its Affiliates, to the extent such access is reasonably necessary (a) to prepare and file financial and regulatory reports required to be made including, but not limited to, the Annual Statement of the Company for the year ended December 31, 2013; (b) to prosecute or defend on behalf of the Company litigation controlled by Seller or Buyer, as the case may be; (c) to comply with requests made by any Governmental Authority conducting an audit, investigation or inquiry relating to the Company's activities and to defend against that audit, investigation or inquiry; and (d) to satisfy any other request of Seller or Buyer, as the case may be, which is reasonable under the circumstances. Seller shall hold in confidence all information obtained pursuant to this Section 5.10, directly or indirectly (except to the extent that such information otherwise becomes public other than through actions of Seller or Affiliates), and will not disclose any such information other than (i) to the Representatives of Seller who Seller in good faith believes need to know such information for the purposes for which it was obtained, (ii) as required by

applicable Law and (iii) information that is publicly known through no breach of this Agreement by Seller, any of its Affiliates or their respective Representatives.

5.11 No Intercompany Accounts. Seller shall cause the intercompany accounts receivable or payable (whether or not currently due or payable) between the Company, on the one hand, and Seller, any of its Affiliates or any of the directors, officers or employees of Seller or any of its Affiliates, on the other hand, to be settled in full (without any premium or penalty or ongoing liabilities or obligations) at or prior to the Closing (collectively, the "Intercompany Account Settlement"). At or prior to the Closing, Seller shall advise Buyer as to the approximate amounts of all such intercompany accounts and the methods of settlement thereof.

5.12 Interim Financial Statements. Seller shall, as soon as available but no later than 45 days after the end of the relevant quarter, deliver promptly to Buyer any and all Quarterly Statements of the Company, audited or unaudited, prepared for Seller or the Company or for any regulatory authorities after the date of this Agreement and prior to the Closing Date. The Company shall duly file all necessary Statutory Statements required to be filed by any regulatory authorities after the date of this Agreement and prior to the Closing Date.

5.13 Confidentiality. Each party hereto acknowledges and agrees that the information being provided to it in connection with the transactions contemplated herein is subject to the terms of the confidentiality agreement, dated December 28, 2012 between Buyer and Seller (the "Confidentiality Agreement"), the terms of which are incorporated herein by reference. Upon the Closing, the Confidentiality Agreement shall continue in full force and effect, except with respect to Confidential and Proprietary Information (as defined in the Confidentiality Agreement) that relates to the Company.

5.14 Investment Assets at Closing. Prior to the Closing, Seller shall cause the Investment Assets, other than Security Deposits, to be converted to cash or cash equivalents.

6. TAX MATTERS

6.1 Preparation and Filing of Tax Returns.

(a) Seller shall prepare or cause to be prepared and timely file or cause to be timely filed all consolidated, unitary, combined, or similar Tax Returns that include the Company and Seller or any Affiliate of Seller (other than the Company) for any Taxable period (or portion thereof, determined in accordance with Section 6.1(d)) ending on or before the Closing Date that are due (giving effect to any permitted extensions) after the Closing Date (the "Consolidated Tax Returns"), and shall timely pay all Taxes required to be paid with respect to such Tax Returns. All such Tax Returns shall be prepared in accordance with the past custom and practice of the Company (except to the extent otherwise required by applicable Laws).

(b) Buyer shall prepare or cause to be prepared and timely file or cause to be timely filed all Tax Returns (other than any Consolidated Tax Returns) for the Company (i) for all Tax periods ending on or before the Closing Date that are due (giving effect to any permitted extensions) after the Closing Date (the "Pre-Closing Periods") and (ii) for all Tax periods that begin on or before the Closing Date and end after the Closing Date (the "Straddle Periods"). Buyer shall, subject to Section 6.1(d) and the provisions of Section 10.1, timely pay all Taxes

reflected on such Tax Returns. All such Tax Returns shall be prepared in accordance with the past custom and practice of the Company (except to the extent otherwise required by applicable Laws).

(c) For each Tax Return to which the provisions of Section 6.1(a) or 6.1(b) apply, the party responsible for preparing or causing to be prepared such Tax Return (the "Preparing Party") shall provide a copy of such Tax Return (in the case of any Consolidated Tax Return, a pro forma Tax Return of the Company included in such Consolidated Tax Return for the period covered by such Consolidated Tax Return and used in preparing such Consolidated Tax Return shall be provided) to the other party (the "Reviewing Party") not later than thirty (30) Business Days prior to the due date (including any extension thereof) for the filing of such Tax Return; provided that any such Tax Return to which Section 6.1(b) applies that is required to be filed prior to the date that is sixty (60) days after the Closing Date shall be provided as soon as reasonably practicable after the Closing Date. The Reviewing Party shall have the right to review and comment on such Tax Return prior to the filing of such Tax Return, and shall provide the Preparing Party with written notice of any objections it has with respect to such Tax Return (a "Tax Dispute") within ten (10) Business Days of the delivery to it of such Tax Return. In the event that a Tax Dispute notice is not timely delivered by any Reviewing Party, such party shall be deemed to have consented to the filing of the applicable Tax Return in the form provided to such Reviewing Party. In the event of the timely delivery by any Reviewing Party of a Tax Dispute notice, the parties shall in good faith attempt to resolve any such dispute for a period of five (5) Business Days following the date on which the Preparing Party was notified of the Tax Dispute in order to permit the timely filing of such Tax Return. If such dispute is not settled within such time period, the parties shall promptly submit all such remaining disputed matters to the Settlement Auditor for resolution in a timely manner so that such Tax Return may be timely filed. If the Settlement Auditor is unable to make a determination with respect to any disputed issue within five (5) Business Days before the due date (including extensions) for the filing of the Tax Return in question, then the Preparing Party may file such Tax Return on the due date (including extensions) therefor without such determination having been made and without the consent of the Reviewing Party; provided, however, that such Tax Return shall incorporate such changes as have at the time of such filing been agreed to by the parties pursuant to this Section 6.1(c). Notwithstanding the filing of such Tax Return, the Settlement Auditor shall make a determination with respect to any disputed issue, and the amount of Taxes, if any, with respect to which Seller may be responsible pursuant to this Section 6.1 with respect to the filing of such Tax Return shall be calculated consistently with such determination. The decision by the Settlement Auditor shall be final and binding on the parties. The fees and expenses of the Settlement Auditor pursuant to this Section 6.1(c) shall be borne equally by both parties.

(d) The Seller shall reimburse Buyer in accordance with Section 10.1 for all Taxes of the Company with respect to (i) the Pre-Closing Periods, except to the extent such Taxes were reflected as a liability in the calculation of the final Statutory Capital and Surplus of the Company pursuant to Section 2.6(e) and resulted in a reduction of the Purchase Price as finally determined pursuant to Section 2.6(e), and (ii) the portion of the Straddle Periods ending on the Closing Date, in each case within fifteen (15) days after payment by Buyer or the Company of such Taxes. For purposes of this section, in the case of any Taxes that are payable for a Straddle Period, the portion of such Taxes that relates to the portion of such taxable period ending on the Closing Date shall (i) in the case of the Taxes other than Taxes based on or related

to income or receipts, be deemed to be 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 ending on the Closing Date and the denominator of which is the number of days in the entire taxable period; (ii) in the case of any Tax based upon or related to income or receipts (except as provided below for premium Taxes) be deemed equal to the amount which would be payable if the relevant taxable period ended on the Closing Date; and (iii) in the case of any Taxes imposed on the basis of gross premiums shall be based upon the amount of the premium written as of the Closing Date. Any credits relating to a Straddle Period shall be taken into account as though the relevant taxable period ended at the Closing Date.

(e) Nothing in this Section 6.1 shall excuse Seller from its responsibility for its share, as determined in accordance with this Section 6.1 and Section 10.1, of any Taxes if the amount of Taxes as ultimately determined (on audit or otherwise) for the periods covered by any Tax Return to which this Section 6.1 applies exceeds the amount initially determined under this Section 6.1.

6.2 Amended Returns.

During the period in which Buyer may make a claim for indemnification under Section 10.1, Buyer shall not cause nor permit the Company to amend or modify any Tax Return of the Company relating to any Pre-Closing Period or the portion of any Straddle Period ending on the Closing Date without the consent of the Seller, which consent shall not be unreasonably withheld, conditioned or delayed.

6.3 Assistance and Cooperation. Each of Buyer and Seller shall, and shall cause their Affiliates to, cooperate fully, as and to the extent reasonably requested by any other party to this Agreement, in connection with the filing of Tax Returns pursuant to Section 6.1 and any audit, litigation, or other proceeding with respect to Taxes of the Company. Such cooperation shall include the retention and (upon the other party's request) the provision of records and information that are reasonably relevant to the preparation of any such Tax Return or to any such audit, litigation, or other proceeding, including copies of relevant Tax Returns or portions thereof, together with accompanying schedules, related work papers and documents relating to rulings or other determinations by any Taxing authority. Each party and its Affiliates shall make its employees available on a basis mutually convenient to both parties to provide explanations of any documents or information provided hereunder. Seller shall (i) retain all books and records in its possession with respect to Tax matters pertinent to the Company relating to any taxable period beginning before the Closing Date until the expiration of the applicable statute of limitations (and, to the extent notified by Buyer or the Company, any extension thereof) of the applicable taxable periods, and abide by all record retention agreements entered into with any taxing authority, and (ii) give to Buyer and the Company reasonable written notice before transferring, destroying or discarding any such books and records and, if Buyer or the Company so requests, shall allow Buyer or the Company to take possession of such books and records.

6.4 Tax Contests.

(a) Buyer shall promptly notify Seller in writing upon receipt by Buyer or the Company of written notice of any pending or threatened federal, state, local or foreign Tax audits or assessments which would reasonably be expected to affect the Tax liabilities of the Company for which Seller would be required to indemnify Buyer pursuant to Section 6.1 or Section 10.1, provided that failure to comply with this provision shall not affect Buyer's right to indemnification hereunder except to the extent such failure directly results in an increase in the amount for which Seller is liable under Section 6.1 or Section 10.1. Seller shall promptly notify Buyer in writing upon receipt by Seller or any of Seller's Affiliates of notice of any pending or threatened federal, state, local or foreign Tax audits or assessments which may affect the Tax liabilities of the Company for which Seller would be required to indemnify Buyer pursuant to Section 6.1 or Section 10.1.

(b) Seller shall have the right, by written notice delivered to Buyer within ten (10) days following receipt or delivery by Seller of notice of such audit or proceeding pursuant to Section 6.4(a), to control any Tax audit or administrative or court proceeding relating to Taxes of or with respect to the Company (each a "Tax Contest") for any taxable period ending on or before the Closing Date. Buyer may, at its own expense, participate in but not control any such Tax Contest which Seller elects to control. Notwithstanding the foregoing, if Buyer reasonably concludes that counsel selected by Seller with respect to any such Tax Contest which Seller has elected to control has a material conflict of interest because of the availability of different or additional defenses to any such Tax Contest to Buyer or other facts, such that the conflict of interest cannot be resolved to the reasonable satisfaction of Buyer by the consent of Buyer and Seller to joint representation, then Buyer shall have the right to select separate counsel, reasonably satisfactory to Seller, to participate in the defense of such action on its behalf, and the reasonable fees and expenses of Buyer's counsel shall be at the expense of Seller. Notwithstanding the foregoing, Seller shall not be entitled to settle, compromise and/or concede any such Tax Contest without the prior written consent of Buyer, such consent not to be unreasonably withheld, conditioned or delayed.

(c) At its own expense, Seller shall be entitled to participate in any Tax Contest for any Straddle Period that may result in an indemnification obligation of Seller under Section 6.1 or Section 10.1.

(d) If Seller does not timely assume the defense and control of any Tax Contest which it has the right to control pursuant to this Section 6.4, or if Seller after timely assuming such control fails to take reasonable steps necessary to defend actively and diligently any such Tax Contest, Buyer may assume such defense and control, and the reasonable fees and expenses of its attorneys will be covered by the indemnity provided for in Section 10.1 upon determination of Seller's indemnity obligations related to such Tax Contest.

(e) Seller, Buyer and the Company shall fully cooperate with each other with respect to any Tax Contest covered under this Section 6.4. For the purpose of clarity, this Section 6.4, and not Section 10.3, shall control with respect to any Tax Contests.

6.5 Carrybacks. Buyer and Seller agree that the Company shall not carry back any post-closing net operating loss, post-closing loss from operations, post-closing credit, or any other post-closing Tax attribute of the Company to any Taxable year or period (or portion thereof, determined in accordance with Section 6.1(d)) that ends on or before the Closing Date without the written consent of Seller, which consent may not be unreasonably withheld, conditioned, or delayed.

6.6 Tax Sharing. Seller shall cause the Company's participation in all Tax allocation and Tax sharing agreements and arrangements to be terminated as of the Closing Date; and the Company shall not be bound thereby or have any further obligations or liabilities thereunder at any time thereafter. All powers of attorney granted by or with respect to the Company related to Taxes shall be terminated as of the Closing Date.

6.7 Tax Refunds. Buyer shall forward to Seller any refund (whether direct or indirect through a right of set-off or credit) of Taxes of the Company with respect to any Taxable year or period (or portion thereof, determined in accordance with Section 6.1(d)) ending on or before the Closing Date, but only to the extent such refund was not taken into account as an asset in the calculation of the Statutory Capital and Surplus utilized in determining the Purchase Price as finally determined pursuant to Section 2.6; provided, however, that any such Tax refund that is attributable to a carryback of any Company loss, credit, or other Tax attribute from a Taxable period or portion thereof beginning after the Closing Date shall not be required to be paid to the Seller hereunder and shall be and remain the property of the entity receiving the benefit of such refund.

6.8 Transfer Taxes. All transfer, documentary, sales, use, stamp, real property transfer, registration, ad valorem and other similar Taxes and fees, and all conveyance fees, recording charges, and other similar fees (including in each case any penalties and interest) incurred in connection with the consummation of the transactions contemplated by this Agreement (the "Transfer Taxes") shall be paid by the Seller when due, and the Seller will, at its own expense, file all necessary Tax Returns and other documentation with respect to all such Transfer Taxes and, if required by applicable law, Buyer and the Company will, and will cause their Affiliates to, join in the execution of any such Tax Returns and other documentation.

7. CONDITIONS TO CLOSING

7.1 Conditions Precedent to Obligation of Buyer. The obligation of Buyer to consummate the Closing is subject to satisfaction of the following conditions on or prior to the Closing Date (unless expressly waived in writing by Buyer on or prior to the Closing Date):

(a) Compliance by Seller. All of the terms, covenants and conditions of this Agreement to be complied with and performed by Seller on or prior to the Closing Date shall have been complied with and performed by it in all material respects, and the representations and warranties made by Seller in this Agreement shall be true and correct in all material respects on and as of the Closing Date with the same force and effect as though such representations and warranties had been made on and as of the Closing Date, except that any such representations and warranties that relate to a particular date or period shall be true and correct in all material respects as of such date or period; provided, that with respect to agreements, covenants and

conditions that are qualified by materiality, Seller shall have performed such agreements, covenants and conditions, as so qualified, in all respects.

(b) Compliance Certificate. Seller shall deliver to Buyer a certificate dated the Closing Date and signed by an officer of Seller certifying that the conditions specified in Section 7.1(a) have been fulfilled.

(c) No Injunctions or Restraints. No temporary restraining order, preliminary or permanent injunction or other order issued by any Governmental Authority or other legal restraint or prohibition preventing the consummation of the Closing shall be in effect.

(d) Resignation of Officers and Directors. Buyer shall have received the written resignation of each officer and director of the Company, effective as of the Closing Date.

(e) Corporate Action. Buyer will have received from Seller a certificate of the Secretary or Assistant Secretary of Seller, dated as of the Closing Date, certifying as to (i) the resolutions of the board of directors of Seller approving and authorizing the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby and thereby and that all such resolutions are in full force and effect and are all the resolutions adopted in connection with the transactions contemplated hereby and thereby and (ii) the names and signatures of the officers of Seller authorized to sign this Agreement, the Transaction Documents and the other documents to be delivered hereunder and thereunder.

(f) Certificates/References of Good Standing. Seller shall deliver to Buyer (i) a certificate of good standing or compliance or a certified copy of the Certificate of Authority from the Insurance Department of each United States jurisdiction in which the Company has a Certificate of Authority dated as of a date not more than thirty (30) Business Days prior the Closing Date in the jurisdictions where the applicable Insurance Department provides certificates of good standing or compliance or a certified copy of the Certificate of Authority, or (ii) a reference (as to the good standing of the Company) to the information posted on the website of the Insurance Department of each United States jurisdiction in which the Company has a Certificate of Authority as of a date not more than thirty (30) Business Days prior the Closing Date in the jurisdictions where the applicable Insurance Department does not provide certificates of good standing or compliance or a certified copy of the Certificate of Authority (in each case, a "Certificate/Reference of Good Standing"). Notwithstanding the foregoing, the condition precedent listed in this Section 7.1(f) is not applicable when neither a certificate of good standing or compliance or a certified copy of the Certificate of Authority nor a reference to information posted on a website is available from the applicable Insurance Department; provided that, for each jurisdiction in which the Company has a Certificate of Authority where Seller is unable to deliver a Certificate/Reference of Good Standing within five (5) Business Days prior to the Closing Date, Buyer and Seller shall conduct a joint conference call (led by Seller) with the Insurance Department regulator of each applicable jurisdiction to discuss the basis for not providing the applicable Certificate/Reference of Good Standing.

(g) Consents and Approvals. All consents, licenses, approvals, waivers, orders or authorizations of, or registrations, declarations or filings with, any third party, including any Governmental Authority required in connection with the consummation of the

transactions contemplated hereby or by the Transaction Documents shall have been made or obtained and shall be in full force and effect at the Closing, without the imposition of any conditions or limitations that would reasonably be expected to restrict materially and adversely the ability of Buyer to own or control the Company or conduct insurance business through the Company after the Closing Date, other than (i) those restrictions, conditions or limitations under HIPAA, and regulations promulgated thereunder affecting the Certificates of Authority in Arizona, Ohio, Pennsylvania and Virginia as of the date hereof, (ii) the restriction of no new business imposed on the face of the Certificate of Authority in North Carolina as of the date hereof, and (iii) the lack of a health insurance line of business authority on the Certificate of Authority in Kansas as of the date hereof.

(h) Transaction Documents. The Transaction Documents shall have been executed and delivered by Seller or its Affiliates on the Closing Date and each such document shall be in full force and effect with respect to Seller or its Affiliates.

(i) Statutory Capital and Surplus and Investment Assets. Seller shall provide Purchaser with reasonable evidence, such as a bank statement or other similar document, that all Investment Assets, other than Security Deposits, have been converted to cash and cash equivalents of the types that are or would be listed on Part 1 and Part 2 of Schedule E of the Company's Statutory Statement and that the Closing Date Statutory Capital and Surplus is less than \$8,500,000 unless additional Statutory Capital and Surplus is required by any Insurance Department.

(j) FIRPTA Certificate. Seller shall deliver to Buyer a certification from Seller and signed by a responsible officer of Seller, as contemplated under Section 1.1445-2(b)(2) of the Treasury Regulations, certifying that Seller is not a foreign Person.

(k) Contract Terminations. Seller shall deliver to Buyer written evidence of the termination of the Scheduled Contracts set forth in Schedule 3.11(c) which Seller and Buyer have agreed will be terminated as to the Company as of the Closing Date.

7.2 Conditions Precedent to Obligation of Seller. The obligation of Seller to consummate the Closing is subject to satisfaction of the following conditions on or prior to the Closing Date (unless expressly waived in writing by Seller on or prior to the Closing Date):

(a) Compliance by Buyer. All of the terms, covenants and conditions of this Agreement to be complied with and performed by Buyer on or prior to the Closing Date shall have been complied with and performed by it in all material respects, and the representations and warranties made by Buyer in this Agreement shall be true and correct in all material respects on and as of the Closing Date with the same force and effect as though such representations and warranties had been made on and as of the Closing Date, except that any such representations and warranties that relate to a particular date or period shall be true and correct in all material respects as of such date or period; provided, that with respect to agreements, covenants and conditions that are qualified by materiality, Buyer shall have performed such agreements, covenants and conditions, as so qualified, in all respects.

(b) Compliance Certificate. Buyer shall deliver to Seller a certificate dated the Closing Date and signed by an officer of Buyer certifying that the conditions specified in Section 7.2(a) have been fulfilled.

(c) No Injunctions or Restraints. No temporary restraining order, preliminary or permanent injunction or other order issued by any Governmental Authority or other legal restraint or prohibition preventing the consummation of the Closing shall be in effect.

(d) Consents and Approvals. All consents, licenses, approvals, waivers, orders or authorizations of, or registrations, declarations or filings with, any third party, including any Governmental Authority required in connection with the consummation of the transactions contemplated hereby or by the Transaction Documents shall have been made or obtained and shall be in full force and effect at the Closing.

(e) Corporate Action. Seller will have received from Buyer a certificate of the Secretary or Assistant Secretary of the Buyer, dated the Closing Date, certifying as to (i) the resolutions of the board of managers of Buyer approving and authorizing the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby and thereby and that all such resolutions are in full force and effect and are all the resolutions adopted in connection with the transactions contemplated hereby and thereby and (ii) the names and signatures of the officers of Buyer authorized to sign this Agreement, the Transaction Documents and the other documents to be delivered hereunder and thereunder.

(f) Transaction Documents. The Transaction Documents shall have been executed and delivered by Buyer or its Affiliates on the Closing Date and each such document shall be in full force and effect with respect to Buyer or its Affiliates.

8. TERMINATION

8.1 Termination. This Agreement may be terminated at any time prior to the Closing: (a) by mutual written consent of Seller and Buyer; (b) by Buyer, if Seller breaches or fails in any material respect to perform or comply with any of its representations, warranties, covenants or agreements set forth in this Agreement, so as to cause any of the conditions set forth in Section 7.1 not to be satisfied, and any such breach of or failure to perform or comply that can be cured is not cured within 30 days after Buyer has provided written notice thereof to Seller; (c) by Seller, if Buyer breaches or fails in any material respect to perform or comply with any of its representations, warranties, covenants or agreements set forth in this Agreement, so as to cause any of the conditions set forth in Section 7.2 not to be satisfied, and any such breach of or failure to perform or comply that can be cured is not cured within 30 days after Seller has provided written notice thereof to Buyer; (d) by either Buyer or Seller if (i) there shall be any Law that makes consummation of the transactions contemplated by this Agreement illegal or otherwise prohibited or (ii) any Governmental Authority shall have issued a Governmental Order restraining or enjoining the transactions contemplated by this Agreement, and such Governmental Order shall have become final and non-appealable; or (e) by either Buyer or Seller if the Closing shall not have occurred on or before September 30, 2013 (the "Outside Date"); provided, however, that the right to terminate this Agreement under Section 8.1(e) will not be available to any party whose failure to fulfill any obligation under this Agreement has been the

cause of, or resulted in, the failure of the Closing to occur on or before such date. The termination of this Agreement shall be effectuated by the delivery of a written notice of such termination from the party terminating this Agreement to the other party.

8.2 Effect of Termination. If this Agreement is terminated pursuant to Section 8.1, this Agreement shall become void and of no effect with no liability on the part of any party hereto, except that nothing herein will relieve any party from liability for fraud; provided, however, that the provisions of Articles 10 and 11 will survive any termination hereof.

8.3 Deposit Release or Return. Notwithstanding Section 8.2, if this Agreement is terminated by Buyer pursuant to Section 8.1(b), Seller shall return the Deposit in full to Buyer promptly but in no event later than three Business Days following termination of this Agreement by wire transfer of immediately available funds to an account designated by Buyer in writing; provided however, if this Agreement is terminated by Seller or Buyer for any other reason, then the Deposit paid by Buyer pursuant to Section 2.4 shall irrevocably be released to Seller.

The parties acknowledge that the agreements contained in this Section 8.3 are an integral part of the transactions contemplated by this Agreement and that, without these agreements, the parties would not enter into this Agreement. Accordingly, if any party fails to make any payments due to the other party pursuant to Section 2.4 in the case of the Deposit or return such amounts pursuant to this Section 8.3 and, in order to obtain such payment, the party that has not received such payment commences a suit that results in a judgment against the other party, such other party shall pay to such party that had not received such payment (in addition to the amount of such judgment) all reasonable out-of-pocket costs and expenses (including, without limitation, reasonable fees and disbursements of counsel, financial advisors, actuaries and accountants) incurred by the party that had not received such payment in connection with such suit, together with interest on the amount of such judgment at a rate per annum equal to the Prime Rate as published in the Wall Street Journal, Eastern Edition in effect on the date that such payment was required to be made (in lieu of and not in addition to any other interest payable under applicable Law).

This Section 8.3 shall survive any termination of this Agreement.

9. SURVIVAL OF REPRESENTATIONS AND WARRANTIES AND COVENANTS

Each of the representations and warranties, and each of the covenants and agreements that by their terms are required to be performed on or prior to the Closing Date, of Seller and Buyer under this Agreement will survive the execution and delivery of this Agreement and the Closing and remain in effect until, and no claim for indemnification with respect to any breach thereof may be brought after, the one year anniversary of the Closing Date, except that (a) the representations and warranties of Seller contained in Sections 3.1, 3.2, 3.3 and 3.12 and the representations and warranties of Buyer contained in Sections 4.1, 4.2 and 4.6 shall survive the Closing and remain in effect in perpetuity and (b) the representations and warranties of Seller contained in Section 3.23 shall survive the Closing and remain in full force and effect until sixty (60) days after the expiration of the applicable statute of limitations (giving effect to any waiver,

mitigation, or extension thereof) with respect to the underlying claim. The covenants and agreements set forth in this Agreement that by their terms are required to be performed after the Closing Date shall survive the Closing and remain in effect until the end of all applicable statutes of limitation (giving effect to any waiver, mitigation or extension thereof). Notwithstanding the preceding sentences, any breach of a representation, warranty, covenant or agreement in respect of which indemnity may be sought under this Agreement shall survive the time at which it would otherwise terminate pursuant to the preceding sentences, if the indemnified party had given to the indemnifying party notice of the inaccuracy or breach giving rise to such right of indemnity prior to such time.

10. INDEMNIFICATION

10.1 Indemnification by Seller.

(a) From and after the Closing, Seller hereby agrees to indemnify, defend and hold harmless Buyer and the Company and their respective managers, officers, directors, employees, Affiliates, agents, Representatives, permitted successors and permitted assigns (collectively, the "Buyer Indemnitees") from and against any and all Losses any of them may sustain arising out of, in connection with or caused by (i) any inaccuracy in or breach of any representation or warranty of Seller contained in this Agreement; or (ii) any breach or non-fulfillment of any covenant or agreement of Seller contained in this Agreement; (iii) the Prior Transactions; (iv) the Litigation matters set forth on Schedule 3.9; (v) the incidence of any liability for (w) any Tax of the Company with respect to any taxable period (or portion thereof, determined in a manner consistent with Section 6.1(d)) ending on or before the Closing Date, (x) any Tax of the Company resulting from or attributable to the consummation of the transactions contemplated by this Agreement (including without limitation Sections 5.11 and 5.14), (y) any Transfer Taxes, or (z) any liability of the Company for the unpaid Taxes of any person other than the Company under Treasury Regulation Section 1.1502-6, as a transferee or successor, by contract or otherwise; (vi) any fines and penalties relating to the Company's pre-Closing activities levied by the Department in connection with the Five-Year Financial Examination; or (vii) 95% of expenses incurred by the Department and billed to the Company in connection with the Five-Year Financial Examination, provided, however, if Buyer's apportionment exceeds \$10,000, Seller shall indemnify Buyer for any and all amounts in excess of \$10,000.

(b) Promptly after receipt by Buyer of notice of (i) any demand, claim or circumstances which, with the lapse of time, would give rise to a Loss with respect to which a Buyer Indemnitee would be entitled to indemnification pursuant to this Section 10.1 or (ii) any claim or the commencement (or threatened commencement) of any action, proceeding or investigation (an "Asserted Liability") that may result in a Loss with respect to which a Buyer Indemnitee would be entitled to indemnification pursuant to this Section 10.1, Buyer shall give notice thereof to Seller, describing in reasonable detail based on available information such demand, claim, circumstances or Asserted Liability and the specific circumstances thereof, and indicating the amount (estimated, if necessary) of the Loss that has been or may be suffered by such Buyer Indemnitee in connection therewith. Buyer's failure to give notice of any such demand, claim, circumstances or Asserted Liability to Seller in a prompt manner will not be deemed a waiver of the Buyer Indemnitee's right to indemnification hereunder for Losses in connection herewith; provided that no delay on the part of Buyer in giving any such notice shall

relieve Seller of any indemnification obligation hereunder unless and only to the extent that Seller is actually prejudiced by such delay.

10.2 Buyer's Obligation to Indemnify.

(a) From and after the Closing, Buyer hereby agrees to indemnify, defend and hold harmless Seller and Seller's officers, directors, employees, Affiliates, agents, Representatives, permitted successors and permitted assigns (collectively, the "Seller Indemnitees") from and against, for and in respect of any and all Losses which any of them may sustain arising out of, in connection with or caused by (i) any inaccuracy in or breach of any representation or warranty of Buyer contained in this Agreement or (ii) any breach or non-fulfillment of any covenant, agreement or obligation to be performed by Buyer pursuant to this Agreement (other than the covenant of Buyer contained in Article 6, the indemnification obligations of which are governed by Article 6).

(b) Promptly after receipt by Seller of notice of (i) any demand, claim or circumstances which, with the lapse of time, would give rise to a Loss with respect to which a Seller Indemnitee would be entitled to indemnification pursuant to this Section 10.2 or (ii) an Asserted Liability that may result in a Loss with respect to which a Seller Indemnitee would be entitled to indemnification pursuant to this Section 10.2, Seller shall give notice thereof to Buyer, describing in reasonable detail based on available information such demand, claim, circumstances or Asserted Liability and the specific circumstances thereof, and indicating the amount (estimated, if necessary) of the Loss that has been or may be suffered by such Seller Indemnitee in connection therewith. Seller's failure to give notice of any such demand, claim, circumstances or Asserted Liability to Buyer in a prompt manner will not be deemed a waiver of the Seller Indemnitee's right to indemnification hereunder for Losses in connection herewith; provided that no delay on the part of any Seller in giving any such notice shall relieve Buyer of any indemnification obligation hereunder unless and only to the extent that Buyer is actually prejudiced by such delay.

10.3 Right to Contest Third Party Claims. The indemnifying party shall have the right, upon written notice to the indemnified party, to investigate, contest, defend or settle, by its own counsel, any Asserted Liability that may result in a Loss with respect to which the indemnified party is entitled to indemnification pursuant to this Article 10; provided that the indemnified party may, at its option and at its own expense, participate in the investigation, contesting, defense or settlement of any such Asserted Liability through representatives and counsel of its own choosing; provided further that if, under applicable standards of professional conduct for attorneys an actual conflict on any significant issue between the indemnifying party and the indemnified party exists in respect of such Asserted Liability, then the indemnifying party shall reimburse the indemnified party for the reasonable fees and expenses of one additional outside counsel to handle such matter, promptly upon presentation by the indemnified party of invoices or other documentation evidencing such amounts to be reimbursed; and provided further that the indemnifying party shall not settle any Asserted Liability unless such settlement is on exclusively monetary terms (with no injunctive or remedial remedies or admissions) or the indemnified party shall have consented to the terms of such settlement. Unless and until the indemnifying party elects to defend the Asserted Liability, the indemnified party shall have the right, at its option and at the expense of the indemnifying party, to do so in

such a manner as it deems appropriate. Except as otherwise provided in the first sentence of this Section 10.3, the indemnifying party shall bear all costs of defending any Asserted Liability.

10.4 Limitations on Indemnification. Notwithstanding anything in this Agreement to the contrary, except with respect to claims that relate to the representations and warranties contained in Sections 3.1, 3.2, 3.3, 3.12, 3.23, 4.1, 4.2, and 4.6 (collectively, the “Material Representations”), no party to this Agreement will be entitled to indemnification under Section 10.1(a)(i) or Section 10.2(a)(i) unless the Losses incurred by such party exceed, in the aggregate, \$50,000, at which point such indemnifying party shall be required to pay or be liable to the indemnified party for Losses in excess of \$25,000. In no event shall the aggregate amount of Losses from all indemnifiable claims paid by an indemnifying party to an indemnified party under Section 10.1(a)(i) or Section 10.2(a)(i) exceed \$550,000, except with respect to claims that relate to Material Representations. For the sole purpose of determining the amount of the Losses under this Article 10, any inaccuracy in or breach of any representation or warranty shall be determined without regard to materiality, Material Adverse Effect or other similar qualification contained in or otherwise applicable to such representation or warranty. Notwithstanding anything in this Agreement to the contrary, no party to the Agreement will be entitled to indemnification under this Article 10 more than once for a single identified Loss.

10.5 Payments. Once a Loss is agreed to by the indemnifying party or finally adjudicated to be payable pursuant to this Article 10, the indemnifying party shall satisfy its obligations within 15 Business Days of such final, non-appealable adjudication by wire transfer of immediately available funds. The parties hereto agree that should an indemnifying party not make full payment of any such obligations within such 15 Business Day period, any amount payable shall accrue interest from and including the date of agreement of the indemnifying party or final, non-appealable adjudication to and including the date such payment has been made at a rate per annum equal to eight percent. Such interest shall be calculated daily on the basis of a 365-day year and the actual number of days elapsed.

10.6 Exclusive Remedies. The parties acknowledge and agree that their sole and exclusive remedy with respect to any and all claims (other than claims arising from fraud, criminal activity or willful misconduct on the part of a party hereto in connection with the transactions contemplated by this Agreement) for any breach of any representation, warranty, covenant, agreement or obligation set forth herein or otherwise relating to the subject matter of this Agreement, shall be pursuant to the indemnification provisions set forth in this Article 10. In furtherance of the foregoing, each party hereby waives, to the fullest extent permitted under Law, any and all rights, claims and causes of action for any breach of any representation, warranty, covenant, agreement or obligation set forth herein or otherwise relating to the subject matter of this Agreement it may have against the other parties hereto and their Affiliates and each of their respective Representatives arising under or based upon any Law, except pursuant to the indemnification provisions set forth in this Article 10. Nothing in this Section 10.6 shall limit any Person’s right to seek and obtain any equitable relief to which any Person shall be entitled or to seek any remedy on account of any Person’s fraudulent, criminal or willful misconduct.

10.7 Cooperation. Upon a reasonable request by the indemnifying party, each indemnified party seeking indemnification hereunder in respect of any direct claim, hereby

agrees to consult with the indemnifying party and act reasonably to take actions reasonably requested by the indemnifying party in order to attempt to reduce and mitigate the amount of Losses in respect of such direct claim. Any costs or expenses associated with taking such actions shall be included as Losses hereunder.

10.8 Tax Treatment of Indemnification Payments. All indemnification payments made pursuant to this Article 10 shall be treated as an adjustment to Purchase Price for all Tax purposes, unless otherwise required by Law.

11. MISCELLANEOUS PROVISIONS

11.1 Waivers and Amendments; Non-Contractual Remedies; Preservation of Remedies. This Agreement may be amended, superseded, canceled, renewed or extended, and the terms or conditions hereof may be waived, only by a written instrument signed by each of the parties or, in the case of a waiver, by the party waiving compliance. No delay or omission on the part of any party in exercising any right, power, privilege, or remedy accruing to any party, under this Agreement, upon any breach or default of any other party under this Agreement, shall impair any such right, power or remedy of such non-breaching or non-defaulting party nor shall it operate as, nor shall it be construed to be, a waiver thereof, or an acquiescence therein, or of or in any similar breach or default thereafter occurring; nor shall any waiver on the part of any party of any right, power or privilege, nor any single or partial exercise of any such right, power or privilege, or preclude any further exercise thereof or the exercise of any other such right, power or privilege; nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. The rights and remedies herein provided are cumulative and are not exclusive of any rights or remedies that any party may otherwise have at law or in equity.

11.2 Exhibits and Schedules. The Exhibits and the Schedules to this Agreement that are specifically referred to herein are a part of this Agreement as if fully set forth herein.

11.3 Entire Agreement. This Agreement and its exhibits and schedules constitute the entire agreement between the parties hereto relating to the subject matter hereof and supersede all prior and contemporaneous agreements, understandings, negotiations and discussions, whether oral or written, of the parties, and there are no general or specific warranties, representations or other agreements by or among the parties in connection with the entering into of this Agreement or the subject matter hereof, except as specifically set forth or contemplated herein or therein.

11.4 Governing Law; Choice of Forum. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania (regardless of the laws that might otherwise govern under applicable principles of conflicts of law). The parties hereto irrevocably consent to the jurisdiction of the Court of Common Pleas of Luzerne County in the Commonwealth of Pennsylvania in connection with any dispute based on or arising out of or in connection with this Agreement.

11.5 Notices. Any notice or other communication required or permitted hereunder shall be in writing and shall be deemed given if delivered personally, by facsimile (which is confirmed) or sent by overnight courier (providing proof of delivery), to the parties at the following address:

(a) if to Seller, to:

Hospital Service Association of Northeastern Pennsylvania
19 N. Main Street
Wilkes-Barre, PA 18771
Attention: Senior Vice President & Chief Financial Officer
Facsimile: (570) 200-7662

With a copy to:

Cozen O'Connor
1900 Market Street
Philadelphia, PA 19103
Attention: Edward L. Baxter, Esq.
Facsimile: (215) 701-2237

(b) if to Buyer, to:

DentaQuest, LLC
465 Medford Street
Boston, MA 02129
Attn: James Hawkins, Esq.
Facsimile: (617) 886-1390

With a copy to:

Edwards Wildman Palmer LLP
20 Church Street
Hartford, CT 06103
Attn: Charles R. Welsh
Facsimile: (888) 325-9468

Any party may, by notice given in accordance with this Section 11.5 to the other parties, designate another address or Person for receipt of notices hereunder provided that notice of such a change shall be effective upon receipt.

11.6 Counterparts. This Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument. Delivery of an executed counterpart by facsimile or other means of electronic transmission will be as effective as delivery of a manually executed counterpart.

11.7 Expenses. Except as expressly set forth in this Agreement, whether or not the transactions contemplated hereby are consummated, all costs and expenses incurred in connection with this Agreement and transactions contemplated hereby, including all fees and expenses of agents, representatives, brokers, finders, counsel, financial advisors, actuaries and accountants, shall be paid by the party incurring such costs or expenses; provided, however, that Buyer shall pay any filing fees required in connection with filing applications with the Department to acquire control of the Company.

11.8 No Joint Venture or Partnership Intended. Notwithstanding anything herein to the contrary, the parties hereby acknowledge and agree that it is their intention and understanding that the transactions contemplated hereby do not in any way constitute or imply the formation of a joint venture or partnership between Buyer and Seller.

11.9 Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, Seller and Buyer direct that such court interpret and apply the remainder of this Agreement in the manner that it determines most closely effectuates their intent in entering into this Agreement, and in doing so particularly take into account the relative importance of the term, provision, covenant or restriction being held invalid, void or unenforceable.

11.10 No Third Party Beneficiaries. The terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties. Except for the Buyer Indemnitees in Section 10.1 and the Seller Indemnitees in Section 10.2, nothing in this Agreement is intended or shall be construed to give any Person (including, but not limited to, the employees of Seller or any Affiliate of Seller), other than the parties hereto, their successors and permitted assigns, any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision contained herein.

11.11 Negotiated Agreement. This Agreement has been negotiated by the parties and the fact that the initial and final draft will have been prepared by either party will not give rise to any presumption for or against any party to this Agreement or be used in any respect or forum in the construction or interpretation of this Agreement or any of its provisions.

11.12 Waiver of Jury Trial. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY AND ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER BASED ON CONTRACT, TORT, OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE ACTIONS OF ANY PARTY HERETO IN NEGOTIATION, ADMINISTRATION, PERFORMANCE OR ENFORCEMENT HEREOF. THE PARTIES HERETO AGREE THAT ANY OF THEM MAY FILE A COPY OF THIS PARAGRAPH WITH ANY COURT AS WRITTEN EVIDENCE OF THE KNOWING, VOLUNTARY AND BARGAINED-FOR AGREEMENT AMONG THE PARTIES IRREVOCABLY TO WAIVE TRIAL BY JURY AND THAT ANY PROCEEDING WHATSOEVER BETWEEN THEM RELATING TO THIS AGREEMENT OR ANY OF THE CONTEMPLATED TRANSACTIONS SHALL INSTEAD BE TRIED IN A COURT OF COMPETENT JURISDICTION BY A JUDGE SITTING WITHOUT A JURY.

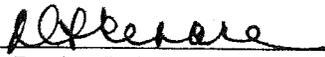
11.13 Binding; Assignment. The terms and conditions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective permitted successors and assigns and legal representatives. Neither this Agreement, nor any rights, interests or obligations hereunder, may be directly or indirectly assigned, delegated, sublicensed or transferred by any party to this Agreement, in whole or in part, to any other Person by operation of Law or otherwise, whether voluntarily or involuntarily, without the prior written consent of the other party hereto; provided, however, that no such prior written consent from Seller is required for Buyer to assign its rights, interests or obligations under this Agreement to an Affiliate. Any assignment or attempted assignment of this Agreement in violation of the terms of this Section 11.13 shall be void *ab initio*.

(Signature Page to Follow)

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

SELLER:

HOSPITAL SERVICE ASSOCIATION OF
NORTHEASTERN PENNSYLVANIA

By: 
Name: Denise S. Cesare
Title: President & CEO

By: _____
Name: William Farrell
Title: Senior Vice President - Finance, CFO &
Treasurer

BUYER:

DENTAQUEST, LLC

By: _____
Name: James E. Collins
Title: Executive Vice President, CFO & Treasurer

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

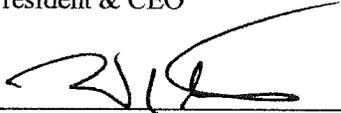
SELLER:

HOSPITAL SERVICE ASSOCIATION OF
NORTHEASTERN PENNSYLVANIA

By: _____

Name: Denise S. Cesare

Title: President & CEO

By:  _____

Name: William Farrell

Title: Senior Vice President - Finance, CFO &
Treasurer

BUYER:

DENTAQUEST, LLC

By: _____

Name: James E. Collins

Title: Executive Vice President, CFO & Treasurer

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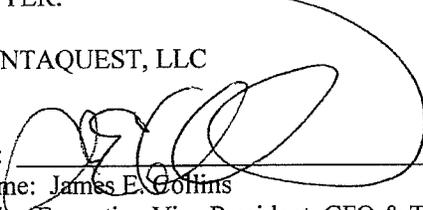
HOSPITAL SERVICE ASSOCIATION OF
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By: _____
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Title: President & CEO

By: _____
Name: William Farrell
Title: Senior Vice President - Finance, CFO &
Treasurer

BUYER:

DENTAQUEST, LLC

By:  _____
Name: James E. Collins
Title: Executive Vice President, CFO & Treasurer