

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of report (Date of earliest event reported): August 11, 2017

EMPLOYERS HOLDINGS, INC.

(Exact Name of Registrant as Specified in its Charter)

NEVADA
(State or Other Jurisdiction of
Incorporation)

001-33245
(Commission
File Number)

04-3850065
(I.R.S. Employer
Identification No.)

10375 Professional Circle
Reno, Nevada
(Address of Principal Executive Offices)

89521
(Zip Code)

Registrant's telephone number including area code: (888) 682-6671

No change since last report
(Former Name or Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Section 1 – Registrant's Business and Operations

Item 1.01. Entry into a Material Definitive Agreement.

On August 11, 2017, Employers Group, Inc., a Nevada corporation (the “Company”) and a wholly owned subsidiary of Employers Holdings, Inc., a Nevada corporation, entered into a stock purchase agreement (the “Purchase Agreement”) with Partner Reinsurance Company of the U.S., a New York corporation (“PRUS”), with respect to the acquisition (the “Acquisition”) of all of the outstanding shares of capital stock of PartnerRe Insurance Company of New York, a New York corporation (“PRNY”). The purchase price is equal to the sum of: (i) the amount of statutory capital and surplus of PRNY at closing; plus (ii) \$5.8 million. The Company expects to fund the Acquisition with cash on hand.

Pursuant to the Purchase Agreement, all liabilities and obligations of PRNY existing as of the closing date, whether known or unknown, will be assumed by PRUS. In addition, PartnerRe Ltd., a Bermuda company and the parent company of PRUS, has provided the Company with a Guaranty that unconditionally, absolutely and irrevocably guarantees the full and prompt payment and performance by PRUS of all of its obligations, liabilities and indemnities under the Purchase Agreement and the transactions contemplated thereby.

The Company will not be acquiring any employees or ongoing business operations pursuant to the Acquisition. Prior to the Acquisition, there were no material relationships among the Company and PRUS.

The Acquisition is expected to be consummated upon the satisfaction of certain closing conditions, including, among other things, approval from the Department of Financial Services of the State of New York. There can be no assurance, however, that the Acquisition will be consummated or as to the date by which the Acquisition may be consummated. If the Acquisition is consummated, PRNY will become a wholly-owned subsidiary of the Company.

The foregoing description is qualified in its entirety by reference to the full text of the Purchase Agreement which has been filed as Exhibit 10.1 hereto and is incorporated by reference herein.

The Purchase Agreement contains representations and warranties by PRUS and the Company. These representations and warranties were made solely for the benefit of the parties to the Purchase Agreement and:

- should not be treated as categorical statements of fact, but rather as a way of allocating the risk to one of the parties if those statements prove to be inaccurate;
- may have been qualified in the Purchase Agreement by confidential disclosures that were made to the other party in connection with the negotiation of the Purchase Agreement;
- may apply contractual standards of “materiality” that are different from “materiality” under applicable securities laws; and
- were made only as of the date of the Purchase Agreement or such other date or dates as may be specified in the Purchase Agreement.

Section 9 - Financial Statements and Exhibits

Item 9.01. Financial Statements and Exhibits

10.1 Stock Purchase Agreement between Partner Reinsurance Company of the U.S. and Employers Group, Inc. dated as of August 11, 2017.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

EMPLOYERS HOLDINGS, INC.

Dated: August 15, 2017

/s/ Lenard T. Ormsby

Lenard T. Ormsby

Executive Vice President,

Chief Legal Officer and General Counsel

STOCK PURCHASE AGREEMENT

between

PARTNER REINSURANCE COMPANY OF THE U.S.

and

EMPLOYERS GROUP, INC.

Dated as of August 11, 2017

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STOCK PURCHASE AGREEMENT

THIS STOCK PURCHASE AGREEMENT (this “**Agreement**”) dated as of August 11, 2017, by and between Partner Reinsurance Company of the U.S., a New York corporation (the “**Seller**”), and Employers Group, Inc., a Nevada corporation (the “**Purchaser**” and, with the Seller, collectively, the “**Parties**” and individually a “**Party**”). Defined terms used and not defined herein have the meaning ascribed thereto in Exhibit A.

WITNESSETH:

WHEREAS, the Seller beneficially owns 300,000 shares of common stock, \$20.00 par value per share (the “**Shares**”), representing 100% of the issued and outstanding capital stock, of PartnerRe Insurance Company of New York, a New York corporation (the “**Company**”);

WHEREAS, the Company has been engaged in the Business, for which it has become licensed as an admitted insurer or accredited as a reinsurer in various jurisdictions; and

WHEREAS, the Seller desires to sell to the Purchaser, and the Purchaser desires to purchase from the Seller, all of the Shares, on the terms and conditions hereinafter set forth.

NOW THEREFORE, in consideration of the premises set forth above, and subject to the terms and conditions stated herein, the Parties hereto, intending to be legally bound, agree as follows:

ARTICLE I

The Purchase and Sale Transaction

Section 1.1 **Purchase and Sale of the Shares.** The Purchaser agrees to purchase from the Seller, and the Seller agrees to sell, assign, transfer and deliver to the Purchaser, on the Closing Date, the Shares for the consideration specified in Section 1.2 on the terms and conditions provided for herein.

Section 1.2 **Purchase Price.** (a) Subject to adjustment pursuant to Section 1.3, the Purchaser agrees to pay to the Seller, and the Seller agrees to accept from the Purchaser, as payment for the Shares an amount in cash (the “**Purchase Price**”), equal to the sum of:

(i) The amount of statutory capital and surplus of the Company in accordance with Statutory Accounting Principles as of the Closing as set forth in the Estimated Closing Statement (the “**Initial Statutory Capital and Surplus**”); plus

(ii) Five Million Eight Hundred Thousand Dollars (\$5,800,000.00).

(b) Subject to any Requirement of Law including, without limitation, any approval of the New York Department and any limits imposed by the New York Department restricting the amount of the dividends or other distributions which the Company may pay to the Seller, the Seller will use its reasonable efforts to reduce the Initial Statutory Capital and Surplus of the Company on the Closing Date to an amount not less than the amount required by applicable Requirements of Law after giving effect to the transactions contemplated by the Transfer and Assumption Agreement and not substantially more than Forty Million Dollars (\$40,000,000), which

includes Special Deposits. The Purchaser acknowledges that, on the Closing Date, the Initial Statutory Capital and Surplus shall only include cash, cash equivalents and United States Treasury securities.

(c) Subject to Section 1.3, the Purchase Price shall be payable by the Purchaser at the Closing by wire transfer of immediately available funds to an account designated in writing by the Seller at least three (3) Business Days prior to the anticipated Closing Date.

(d) No later than two (2) Business Days prior to the anticipated Closing Date, the Seller shall provide to the Purchaser a statement (the “**Estimated Closing Statement**”) setting forth an estimated balance sheet of the Company reflecting the Seller’s good faith estimate of the statutory financial position of the Company as of the Closing Date, which shall be in accordance with Statutory Accounting Principles in effect as of the date of the Estimated Closing Statement. The Initial Statutory Capital and Surplus reflected on the Estimated Closing Statement will be calculated as set forth in the immediately preceding sentence (except for the Company’s investment assets, which will be valued at fair market value as of the date of the Estimated Closing Statement) and will be the amount of Initial Statutory Capital and Surplus to be paid by the Purchaser as provided in Section 1.2(b) above.

Section 1.3 Adjustments to Purchase Price.

The Purchase Price shall be subject to adjustment at and/or subsequent to the Closing at the times and as provided in this Section 1.3.

(a) Seller (on or prior to the Closing Date) shall notify Purchaser in writing if any of the Company’s licenses or accreditations to transact insurance or reinsurance business in the jurisdictions listed on Schedule 2.4 or any of the authorizations under each of those licenses or accreditations to write specific lines of insurance or reinsurance business (collectively the “**Licenses**”, and each such jurisdiction a “**Licensed State**”) have been and continue to be rescinded, terminated, revoked, nonrenewed, suspended or are in a proceeding with respect to any of the foregoing or are otherwise materially restricted or impaired (a “**Rescinded License**”) at the time of the Closing as a result of conduct (or a failure to act) occurring prior to the Closing Date by the Seller, the Company or their respective Affiliates. After the Closing Date, if any of the Licenses becomes and continues to be a Rescinded License as a result of conduct (or a failure to act) occurring prior to the Closing Date by the Seller, the Company or their respective Affiliates, Purchaser shall notify Seller in writing prior to the date that is sixty (60) days following the Closing Date.

(b) Prior to and on the Closing Date, the Seller, at its own expense, will use its reasonable efforts, with the cooperation of the Purchaser, as needed, to eliminate, cure or resolve any restriction, impairment or proceeding resulting in a License being a Rescinded License, so as to enable the Company to continue writing all lines of insurance and reinsurance business in such states that the Company was licensed or accredited to write prior to such License becoming a Rescinded License (such elimination or cure, a “**License Cure**”). After the Closing Date, the Purchaser, at Seller’s expense, will use its reasonable efforts, with the cooperation of Seller, to obtain License Cures; provided, that (i) the Purchaser shall, in good faith, give due consideration to any and all recommendations of the Seller in connection with obtaining a License Cure, (ii) the expenses

incurred in connection with a License Cure must be reasonable for a matter of such nature and (iii) in no event shall the Seller's expenses exceed the amount of the License Value for such License.

(c) If there is any Licensed State in which a Rescinded License exists on and as of the Closing Date and, notwithstanding the exercise of Seller's reasonable efforts, the Seller fails to obtain a License Cure prior to the Closing Date with respect thereto, the Purchaser shall withhold the License Value with respect to such Licensed State from the Purchase Price otherwise payable by the Purchaser to the Seller on the Closing Date; provided, however, that (i) if such License Cure has been obtained prior to the date that is three (3) months after the Closing Date, then the Purchaser shall promptly (but in any event no more than fifteen (15) days following such License Cure) pay to the Seller the full License Value for such Licensed State, and (ii) if such License Cure has been obtained after the three (3) month anniversary of the Closing Date but prior to the date that is six (6) months after the Closing Date, then the Purchaser shall promptly (but in any event no more than fifteen (15) days following such License Cure) pay to the Seller seventy-five percent (75%) of the License Value for such Licensed State. For the avoidance of doubt, with respect to this Section 1.3(c), any License Cure obtained after the six (6) month anniversary of the Closing Date shall not entitle the Seller to payment of any part of the License Value with respect to such Licensed State.

(d) If there is any Licensed State where a License becomes a Rescinded License after the Closing Date and prior to the date that is sixty (60) days following the Closing attributable to the action (or failure to act) of the Seller, the Company or their respective Affiliates prior to the Closing Date, (i) the Purchaser will notify the Seller of such status as a Rescinded License promptly after the Purchaser receives written notice of such Rescinded License and provide to Seller any information available to the Purchaser as to the reason for such Rescinded License, and (ii) notwithstanding the exercise of Purchaser's reasonable efforts to obtain a License Cure, the Seller will promptly (but in any event no more than fifteen (15) days following such deadlines below) pay to the Purchaser with respect to such Licensed State (A) twenty-five percent (25%) of the License Value, if such License Cure has not been obtained prior to the date that is three (3) months after the date when the License became a Rescinded License, and (B) the remaining seventy-five percent (75%) of the License Value if such License Cure has not been obtained prior to the date that is six (6) months after the date when the License became a Rescinded License. For the avoidance of doubt, with respect to this Section 1.3(d), if the License Cure is obtained after the six (6) month anniversary of the date when the License became a Rescinded License, the Purchaser shall be entitled to repayment in full of the License Value with respect to such Licensed State.

(e) (i) No later than sixty (60) days after the Closing Date, Purchaser shall deliver to Seller a statement (the "**Final Closing Statement**") setting forth the balance sheet of the Company as of the Closing Date, prepared in good faith from the books and records of the Company and in accordance with Statutory Accounting Principles in effect as of the Closing Date. Seller shall have thirty (30) days from the date on which the Final Closing Statement is delivered to review such statement (the "**Review Period**").

(ii) If Seller disagrees with the Final Closing Statement, Seller may, on or prior to the last day of the Review Period, deliver a notice to Buyer setting forth, in reasonable detail, each disputed item or amount and the basis for Seller's disagreement therewith (the "**Dispute Notice**"). The Dispute Notice shall set forth, with respect to each disputed item, Seller's position

as to the correct amount or computation that should have been included in the Final Closing Statement.

(iii) If no Dispute Notice is received by Purchaser with respect to any item in the Final Closing Statement on or prior to the last day of the Review Period, the amount or computation with respect to such item as set forth in the Final Closing Statement shall be deemed accepted by Seller, whereupon the amount or computation of such item or items shall be final and binding on the parties.

(iv) If a Dispute Notice is received by Purchaser, then the Parties will endeavor in good faith to resolve by mutual agreement all matters identified in the Dispute Notice. In the event that the Parties are unable to resolve by mutual agreement any matter in the Dispute Notice within ten (10) Business Days, then the Parties shall jointly engage PriceWaterhouseCoopers to make a final determination with respect to all matters in dispute, the cost of which shall be borne equally by the Parties. The report of the independent accounting or actuarial firm (the "**Final Report**") shall be final and binding on the Parties, and shall be deemed a final arbitration award that is binding on the Parties, and, absent fraud, no Party shall seek further recourse to courts, other tribunals or otherwise, other than to enforce the Final Report.

(v) If the statutory capital and surplus of the Company reflected in the Final Closing Statement or, if applicable, the Final Report (the "**Final Statutory Capital and Surplus**") is more than the Initial Statutory Capital and Surplus, then Purchaser shall remit to Seller an amount equal to the absolute value of such difference within ten (10) Business Days of the end of the Review Period or the date of the Final Report, as applicable. If the Final Statutory Capital and Surplus is less than the Initial Statutory Capital and Surplus, then Seller shall remit to Purchaser an amount equal to the absolute value of such difference within ten (10) Business Days of the end of the Review Period or the date of the Final Report, as applicable.

Section 1.4 **Closing.** The Closing shall take place at the offices of Morgan, Lewis & Bockius LLP located at One State Street, Hartford, Connecticut at 10:00 a.m., local time, within seven (7) Business Days following the date on which the approval of the acquisition of the Shares by the Purchaser has been obtained from the New York Department or such other time and date as the Parties hereto may agree in writing, subject to satisfaction or waiver of each of the closing conditions set forth in ARTICLES VI and VII. Notwithstanding the foregoing, if the approval of the acquisition of the Shares by the Purchaser is obtained from the New York Department within seven (7) Business Days prior to the end of any calendar quarter and all other conditions to closing have been satisfied or waived, each of the Seller and the Purchaser shall use reasonable efforts to consummate the Closing prior to the end of such calendar quarter.

Section 1.5 **Withholding.** Notwithstanding anything in this Agreement to the contrary, the Purchaser shall be entitled to deduct and withhold from the consideration otherwise payable to any Person pursuant to this Agreement any amount as may be required to be deducted and withheld with respect to the making of such payment under the Code, or any other provision of Tax law; provided, that Purchaser shall take reasonable efforts to provide sufficient time and opportunity for the Seller to review Purchaser's decision to withhold on any payments made pursuant to this Agreement, and that all Parties shall, to the extent reasonably practicable and as permitted by law, work together to avoid or reduce any such withholding obligation. To the extent that amounts are

so withheld or deducted by the Purchaser such withheld amounts shall be treated for all purposes of this Agreement as having been paid to such Person in respect of which such deduction and withholding was made by the Purchaser.

ARTICLE II

Representations and Warranties by the Seller

The Seller hereby represents and warrants to the Purchaser as of the date hereof and as of the Closing Date, in each case as set forth in this ARTICLE II. All disclosures to be made by the Seller in connection with, or exceptions to, these representations and warranties are made by the Seller solely in the Schedules attached to this Agreement.

Section 2.1 **Organization and Qualification of the Seller.** The Seller is a corporation, duly organized, validly existing and in good standing under the laws of the State of New York. The Seller has all requisite corporate authority to carry on its business as the same is being conducted on the date hereof, to own or otherwise possess all of the assets and properties it owns or otherwise possesses on the date hereof, to execute and deliver this Agreement and to perform its obligations hereunder.

Section 2.2 **Corporate Action.** The authorization, execution and delivery of this Agreement and the Transfer and Assumption Agreement by the Seller, and the consummation by the Seller of the transactions contemplated herein and therein, have been authorized by all requisite corporate action, if any, on the part of the Seller, including the approval, if any, by the Board of Directors of the Seller.

Section 2.3 **Authority.** The Seller has full corporate power and authority to execute and deliver the Transaction Agreements to which it is a party and to take the actions and carry out the transactions contemplated by the Transaction Agreements. The execution, delivery and performance by the Seller of the Transaction Agreements to which it is a party, and the consummation of the transactions contemplated thereby, have been duly authorized and approved by all required corporate action on the part of the Seller.

Section 2.4 **Organization and Qualification of the Company.** The Company is a corporation, duly organized, validly existing and in good standing under the laws of the State of New York. Except as set forth in Schedule 2.4 hereto, the Company (i) is duly licensed as a domestic insurance company in the State of New York, (ii) is duly licensed or accredited as a foreign insurance or reinsurance company in each other jurisdiction listed on Schedule 2.4, which are the only jurisdictions other than the State of New York in which the Company is licensed or accredited, and (iii) has the required minimum Statutory Capital and Surplus required in each such jurisdiction. The Seller has made available to the Purchaser true and complete copies of each of the Company's Licenses, reflecting all amendments thereto, for New York and each of the jurisdictions listed in Schedule 2.4 where the Company is licensed or accredited to conduct the Business. Except as set forth in Schedule 2.4, (a) the Company is in good standing in each such jurisdiction, and each License is in full force and effect in all respects, and (b) there are no investigations, proceedings, actions or claims pending, threatened in writing or, to the Seller's Knowledge, threatened orally, in any jurisdiction to suspend, restrict and/or revoke any License of the Company or any of its lines of authority in each state in which it has a License or, to the Knowledge of the Seller, any basis for

any such suspension, restriction or revocation. Except as may be required by an applicable governmental or regulatory authority as a condition to writing new business, the Company is not subject to any Requirement of Law limiting or restricting its ability in any respect to make full use of its Licenses in accordance with the terms thereof. Subject to the receipt of all Required Approvals, none of the Licenses will be terminated or impaired or become terminable, in whole or in part, as a result of the transactions contemplated herein.

Section 2.5 **No Subsidiaries of the Company.** The Company does not own, either directly or indirectly, any voting securities or other equity of any corporation, partnership or other business entity, other than marketable securities and other investments set forth on Schedule 2.5, and is not a participant in any joint venture with any other person, including special purpose vehicles, or other off balance sheet arrangements.

Section 2.6 **Capitalization of the Company.** The entire authorized capital stock of the Company consists of 300,000 shares of common stock with a par value of \$20.00 per share. The Shares have been validly issued and are fully paid and nonassessable and they constitute all of the issued and outstanding capital stock of the Company. The Seller is the sole holder of lawful record and beneficial owner of the Shares free and clear of all Liens. Except for the Shares, there are no outstanding voting securities, equity interests, options or warrants, or other agreements or rights to purchase or otherwise acquire securities convertible into any of the Shares or any other shares of common stock or preferred stock of the Company. Except for this Agreement, neither the Seller nor the Company has made any commitment to issue or to sell any of the Shares or any other shares of common stock or preferred stock of the Company or any options, warrants, rights or convertible securities or evidences of indebtedness of the Company. There are no shareholder agreements, voting trust, proxy or other agreement or understanding with respect to the voting of the Shares. The transfer of the Shares to the Purchaser in accordance with this Agreement will deliver good and marketable title in and to the Shares to the Purchaser, free and clear of all Liens (other than Liens, if any, created by the Purchaser).

Section 2.7 **Certificate of Incorporation and By-laws.** The Seller has delivered to the Purchaser a true, correct and complete copy of the Certificate of Incorporation and the By-Laws of the Company in effect on the date of this Agreement reflecting all amendments thereto.

Section 2.8 **Validity.** Each of this Agreement and the Transfer and Assumption Agreement constitutes the legal, valid and binding obligation of the Seller, enforceable against the Seller in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, reorganization, insolvency, moratorium and other similar laws presently or hereafter in force affecting the enforcement of creditors' rights generally and subject to general equitable principles limiting the right to obtain specific performance or other equitable relief.

Section 2.9 **Governmental Approvals.** Except for the approval of the New York Department, as described in Section 5.1, and any necessary consents, authorizations and regulatory approvals set forth on Schedule 2.9 hereto, no authorization, consent or approval or other order or action of a governmental or regulatory body or authority is required for (i) the execution and delivery of any Transaction Agreement by the Seller to which it is a party, (ii) the consummation by the Seller of the transactions provided for therein, or (iii) the transfer of the Shares to the Purchaser on the Closing Date.

Section 2.10 **Third Party Approvals.** Except for the Required Approvals and as set forth on Schedule 2.10, no authorization, consent or approval from any third party is required for (i) the execution and delivery of any Transaction Agreement by the Seller to which it is a party, (ii) the consummation by the Seller of the transactions provided for herein, or (iii) the transfer on the records of the Company of the Shares to the Purchaser on the Closing Date.

Section 2.11 **Conflict With Laws and Other Instruments.** Assuming the receipt of all Required Approvals, except as disclosed on Schedule 2.11 the execution, delivery and performance of any Transaction Agreement by the Seller and the consummation of the transactions contemplated thereby do not and will not (i) materially conflict with or result in the material breach of any of the terms, conditions or provisions of, or constitute a material default (or an event which with the passage of time or notice or both would become a material default) under (A) the Certificate of Incorporation or By-Laws or other organizational documents, as the case may be, of the Seller or the Company or (B) any material mortgage, note, bond, indenture, agreement, contract, license or other instrument or obligation to which either the Seller or the Company is a party or by which either of them or any of their respective properties may be bound or affected or (ii) violate any law or regulation, or order, writ, judgment, injunction or decree of any court, administrative agency or governmental body applicable to the Seller or the Company in effect on the date hereof or on the Closing Date.

Section 2.12 **Financial Statements.**

(a) The statutory financial statements of the Company, filed with the New York Department (the “**Statutory Financial Statements**”) and delivered to the Purchaser prior to the execution and delivery of this Agreement, for the fiscal years ended December 31, 2015 and 2016 and for the fiscal quarter ended on March 31, 2017, have been prepared in accordance with the Statutory Accounting Principles which, except as noted in the Statutory Financial Statements, have been applied on a consistent basis.

(b) The Statutory Financial Statements fairly present in all material respects the financial condition, the results of operations, surplus as regards policyholders and changes in financial position of the Company as of and for the respective dates and periods indicated therein, in accordance with Statutory Accounting Principles applied thereto on a consistent basis.

Section 2.13 **No Material Adverse Effect.** Except for the transactions contemplated by this Agreement, there has been no event, circumstance or condition occurring or in effect since January 1, 2017, which, individually or in the aggregate, is or would reasonably be expected to result in a Material Adverse Effect.

Section 2.14

Taxes.

(a) All Tax Returns required to have been filed by or with respect to the Company have been timely filed (taking into account any extension of time to file granted or obtained), all such Tax Returns were true, correct and complete in all material respects at the time of filing and all Taxes required to have been paid by or with respect to the Company have been timely paid. The Company has made available to Purchaser all material Tax Returns filed by or with respect to the Company in the past five years (other than the consolidated income Tax Returns for the group of which PartnerRe U.S. Corporation is the parent).

(b) All Taxes required to have been withheld, collected or remitted by the Company have been withheld, collected or remitted, as the case may be.

(c) No deficiency for any material amount of Tax has been proposed, asserted or assessed by any governmental authority in writing against the Company that has not been satisfied by payment, settled or withdrawn.

(d) There is no tax audit, examination, suit or other tax proceeding now in progress, pending, threatened in writing or, to the Knowledge of the Seller, threatened orally against the Company.

(e) There are no outstanding waivers extending the statutory period of limitations on assessment or payment of Taxes due from the Company except as disclosed in Schedule 2.14(e).

(f) There are no Tax Liens (other than Liens for Taxes which are not yet due and payable) on any assets of the Company.

(g) None of the assets of the Company directly or indirectly secures any debt the interest on which is tax exempt under Section 103(a) of the Code.

(h) The Company is a U.S. domestic corporation, and the Company has not been a United States real property holding corporation within the meaning of Section 897(c)(2) of the Code during the applicable period specified in Section 897(c)(1)(A)(ii) of the Code.

(i) The Company has not constituted either a “distributing corporation” or a “controlled corporation” in a distribution of stock qualifying, or intended to qualify, for tax-free treatment under Section 355 of the Code during the two (2) -year period ending on the date of this Agreement.

(j) The Company has not (A) entered into a closing agreement pursuant to Section 7121 of the Code (or any similar provision of state, local or foreign law) with any governmental authority or (B) received or sought, or participated in a request for, a ruling (or other determination or form of advice) from any governmental authority pertaining to the treatment of any item for Tax purposes.

(k) Within the past five (5) years, the Company has not received a written claim from any governmental authority in a jurisdiction where the Company does not file Tax Returns to the effect that, or inquiring as to whether, the Company is or may be subject to taxation by that jurisdiction.

(l) Except as set forth on Schedule 2.14(l), the Company is not a party to any Tax indemnity, Tax sharing or Tax allocation agreement.

(m) The Company has not executed or filed with any Taxing Authority any power of attorney relating to Taxes, which power of attorney remains outstanding.

(n) The Company has not engaged in any “listed transaction” as defined in Section 1.6011-4 of the Treasury Regulations.

(o) The Seller and the Company are members of an “affiliated group” within the meaning of Section 1504 of the Code, and PartnerRe U.S. Corporation is the “common parent” of such affiliated group.

(p) There are no adjustments under Section 481 of the Code (or any similar adjustments under any provision of the Code or the corresponding foreign, state or local Tax laws) that are required to be taken into account by the Company in any period ending after the Closing Date by reason of a change in method of accounting in any taxable period ending on or before the Closing Date.

(q) The Company is not a party to any joint venture, partnership, or other arrangement or contract that could be treated as a partnership for federal income tax purposes.

Section 2.15 **Litigation.** (a) Except as disclosed on Schedule 2.15 and except for claims for payments of amounts due under insurance or reinsurance policies or contracts in the ordinary course of business, for the past two (2) years there have not been, and currently there are no, actions, suits, investigations or claims (including legal, administrative or arbitration proceedings) pending, threatened in writing or, to the Knowledge of the Seller, threatened orally before or by any governmental authority, nor is there any outstanding order, judgment, writ, injunction or decree of any court, governmental authority or arbitration tribunal, in each case by, against or affecting the Company, its Business or any of its assets (including, without limitation, the Licenses).\

(b) There is no action, suit, proceeding or investigation of the Seller which is pending, threatened in writing or, to the Knowledge of the Seller, threatened orally, which questions the validity or propriety of any Transaction Agreement or any action taken by the Seller in connection therewith.

Section 2.16 **Employees.** (a) The Company does not have and for the past two (2) years has not had any employees.

(b) There are no written or oral employment or consulting agreements, severance pay plans, pension, retirement, profit sharing, employee relations policies, practices and arrangements, agreements with respect to leased or temporary employees, executive compensation

plans, incentive compensation plans or arrangements, vacation pay plans or arrangements, sick pay plans, deferred compensation and bonus plans, incentive stock option, stock ownership and stock purchase plans, or any other employee benefit programs, arrangements, agreements or understandings, including medical, vision, dental or other health plans, insurance and disability plans, including, without limitation, “any employee benefit plan” as defined in Section 3(3) of ERISA, in effect to which the Company contributes or is a party, or under which the Company may have liability.

Section 2.17 **Powers of Attorney and Agents.** Except as set forth in Schedule 2.17, no person holds a power of attorney granted by the Company except statutory agents for service of process.

Section 2.18 **Environmental Matters.** (a) Except for claims for payments of amounts due under insurance or reinsurance policies or contracts in the ordinary course of business, there are no litigation, suits, claims, proceedings or investigations or private or governmental enforcement actions or orders pending, threatened in writing or, to the Knowledge of the Seller, threatened orally against the Company with respect to any Hazardous Material or Environmental Law applicable to the Company.

(b) Neither the Seller nor its Affiliates nor the Company has received any written notice in the past two (2) years from any governmental authority or other person of any claims or potential violations by the Company of, or liability under, any Environmental Law.

(c) For purposes of this Section 2.18, “***Environmental Law***” means any Requirement of Law relating to pollution or protection of the environment, health, safety, or natural resources or to the use, handling, transportation, treatment, storage, disposal, release or discharge of Hazardous Materials; and “***Hazardous Material***” means any material, substance, waste, pollutant, contaminant, chemical or other matter that is defined as a hazardous material, hazardous substance, hazardous waste, toxic material, toxic substance or other term having a similar meaning under any Requirement of Law or is otherwise subject to elimination, abatement, removal, remediation or cleanup under any Requirement of Law.

Section 2.19 **Assets and Property.** The Company owns and has good and marketable title to all of its assets and properties, free and clear of any Liens (other than Liens for Taxes which are due and not yet payable and Liens, if any, created by the Purchaser), except for Special Deposits. On the Closing Date, the Company’s assets will be (i) those assets reflected on its Estimated Closing Statement and (ii) all other assets retained by the Company pursuant to the Transfer and Assumption Agreement, including, without limitation, its minute books and other corporate records, operational books and records, Licenses referred to in Schedule 2.4, and the Statutory Capital and Surplus (as provided in Section 1.2 of this Agreement).

Section 2.20 **No Liabilities.** All liabilities of the Company that have arisen or could arise under any insurance contract or any reinsurance contract to which the Company is a party have been and will be assumed pursuant to the Transfer and Assumption Agreement. As of the date of this Agreement, the Company has no liabilities (and there is no existing condition, situation or set of circumstances which will or would reasonably be expected to result in any liability) of any nature, whether absolute, accrued, contingent or otherwise or whether due or to become due, except for (a)

liabilities disclosed on the Reference Balance Sheet, (b) liabilities incurred in the ordinary course of business since the date of the Reference Balance Sheet, which liabilities (i) are not prohibited or limited by this Agreement or any other Transaction Agreement and (ii) would not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect and (c) liabilities to be assumed pursuant to the Transfer and Assumption Agreement. As of the Closing Date, the Company has no liabilities (and there is no existing condition, situation or set of circumstances which will or would reasonably be expected to result in any liability) of any nature, whether absolute, accrued, contingent or otherwise or whether due or to become due, except for (a) liabilities disclosed on the Reference Balance Sheet and (b) liabilities incurred in the ordinary course of business since the date of the Reference Balance Sheet, which liabilities (i) are not prohibited or limited by this Agreement or any other Transaction Agreement, and (ii) would not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect, in the case of each of clause (a), (b)(i) and (b)(ii), other than those assumed pursuant to the Transfer and Assumption Agreement.

Section 2.21 **Special Deposits; Accounts.** (a) Schedule 2.21(a) contains a list of all Special Deposits and the location of such Special Deposits. No other Special Deposits are required by any Requirement of Law in order to maintain any of the Licenses or to conduct the Business.

(b) Schedule 2.21(b) contains a complete and correct listing of each bank account and other financial institution account and safe deposit box maintained by the Company, and the names of persons authorized to access such accounts or boxes.

Section 2.22 **Corporate Records.** Each of the corporate minute books and stock record books of the Company contains, respectively, a true and correct record of all of the material corporate actions and stock records of the Company since March 1, 1999.

Section 2.23 **Compliance.** (a) Except as set forth on Schedule 2.23(a), the Company is not, and at all times during the two (2) year period preceding the date hereof has not been, in violation of any Requirement of Law (i) with respect to the Licenses (including the related lines of authority) that is material or (ii) that, to the Seller's Knowledge, is or would reasonably be expected to result in a Material Adverse Effect. Schedule 2.23(a) sets forth a list of all such violations (including any penalties incurred with respect thereto), and the Seller or the Company, as applicable, has resolved or cured any such violation in the manner set forth on Schedule 2.23(a) such that the violation will not materially impair the Company's Licenses or the ability to do Business. No event has occurred or circumstance exists that, with notice or the passage of time or both, would reasonably be expected to constitute or result in a violation in any material respect of, or failure to comply in all material respects with, any Requirement of Law to which the Company, or to which any of its assets (including the Licenses), owned or used by it, is or has been subject during the two (2) year period preceding the date hereof. Except as set forth on Schedule 2.23(a), neither the Company nor the Seller within the two (2) year period preceding the date hereof has received written notice from any governmental authority regarding any actual, alleged, possible, or potential violation of, or failure to comply with, any Requirement of Law to which the Company, or to which any of its assets (including the Licenses), owned or used by it, is or has been subject.

(b) Schedule 2.23(b) lists all material governmental proceedings, examinations or investigations conducted within the two (2) year period preceding the date hereof with respect to the Company's Business or Licenses and, except as set forth on Schedule 2.23(b), none of which

were determined adversely to the Company. Except as set forth on Schedule 2.23(b), the Company is currently not the subject of, threatened in writing with, or, to the Seller's Knowledge, threatened orally with any governmental proceedings, examinations or investigations, including without limitation any state insurance department proceedings or investigations. The Company has filed all material reports, data, registrations, filings, other information and applications required during the past two (2) years to be filed with or otherwise to be provided to any governmental authority with jurisdiction over the Company or its Business, properties or assets (including the Licenses), and all required regulatory approvals in respect thereof are in full force and effect. Except as set forth in Schedule 2.23(b), all such regulatory filings were complete and correct when filed and remain in compliance with applicable Requirements of Law, and no deficiencies have been asserted by any governmental authority with respect to such regulatory filings which have not been fully cured or otherwise resolved.

Section 2.24 **Brokers or Finders.** (i) No broker, advisor or finder has acted directly or indirectly for the Seller or any of its Affiliates in connection with this Agreement or the transactions contemplated hereby other than Merger & Acquisition Services, Inc., the fees and expenses of which will be paid by the Seller, (ii) no Person is entitled to any brokerage, advisory or finder's fee or other commission based in any way on agreements, arrangements or understandings with the Seller or any of its Affiliates relating to the sale of the Company to the Purchaser ("**Seller Fees**") other than Merger & Acquisition Services, Inc. and (iii) if any Seller Fees are due, they will be the sole obligations of the Seller and neither the Company nor the Purchaser shall have any liability therefor.

Section 2.25 **Contracts.** Except as set forth in Schedule 2.25 hereto, and except for any contracts to be transferred and assumed pursuant to the Transfer and Assumption Agreement, the Company is not:

(a) a party to, nor is it bound by, nor are its assets subject to, any Lien, contract, mortgage, indenture, note guaranty, lease, commitment or agreement of any kind;

(b) a party to any agreement, commitment or instrument evidencing indebtedness of the Company whether directly or indirectly by way of purchase money obligations, conditional sale, lease purchase, guaranty or otherwise;

(c) a party to or obligated under any agreement, contract or other instrument to pay any fees, bonus or other amount upon or following any threatened or actual change in control, or change in the nature of the Company's Business or any other aspect of its operations;

(d) a party to any contract or agreement not of the type covered by any other subsections of this Section 2.25 which by its terms does not terminate or is not terminable by and without penalty or cost to the Company within thirty (30) Business Days and which is not indemnifiable pursuant to this Agreement or assumed under the Existing Reinsurance Contracts;

(e) a party to any contract with any governmental entity or third party containing any provision or covenant (i) restricting, restraining or impairing the ability of the Company to engage in any line of the insurance or reinsurance business, to compete with any Person, to do business with any Person or in any location or to employ any Person, or (ii) restricting, restraining or impairing the ability of any Person to obtain products or services from the Company;

(f) a party to any agreement with any agent, broker, producer or other intermediary that is or was a distributor of products of the Company pursuant to which any such agent, broker, producer or other intermediary currently has authority to bind the Company to insurance policies or other obligations;

(g) a party to any forward foreign exchange contract or substantially identical instrument; or

(h) in default under any agreement, lease, license, accreditation or other arrangement otherwise material to its ability to operate an insurance or reinsurance business.

Section 2.26 **Absence of Certain Changes or Events.** Except as set forth on Schedule 2.26, since January 1, 2017, there has not been:

(a) any change in the assets, liabilities, operating results or condition (financial or otherwise) of the Company that would reasonably be expected to result in a Material Adverse Effect;

(b) any redemption, purchase or other acquisition of any of the Company's capital stock or other securities of the Company except as may occur after the date hereof solely pursuant to the terms of this Agreement;

(c) any grant of any option to purchase or other right to acquire any of the Shares or any capital stock of the Company, any grant of any stock appreciation rights, or any issuance of shares of capital stock (whether treasury shares or otherwise) by the Company;

(d) any indebtedness incurred for borrowed money or commitment to borrow money by the Company;

(e) any sale, assignment or transfer of any Licenses;

(f) any mortgage, pledge, transfer of a security interest in, or Lien, created by the Seller or the Company, with respect to any of the Company's material properties or assets, including but not limited to its Licenses, excluding Liens for taxes not yet due or payable;

(g) any dividend, distribution or payment on shares of capital stock of the Company declared, made, set aside or paid, except as contemplated pursuant to and consistent with the terms of this Agreement;

(h) with respect to the Company, any making, revocation of or change in any election in respect of Taxes, filing of any amended Tax Return, entering into any closing agreement, settling any claim or assessment in respect of Taxes, surrendering by any affirmative action any right to claim a refund of Taxes, or consenting to any extension or waiver of any statute of limitation applicable to any claim or assessment in respect of Taxes; or

(i) any amount which is presently due and payable from the Company in respect of any guaranties or similar instruments, issued by the Company guaranteeing loans advanced to its agents by any financial institution under any agent loan program or similar type program.

The Company has not entered into any oral or written agreement as to any of the acts or things described in this Section 2.26.

Section 2.27 **Embargoed Persons.** The Company is not, and is not acting, directly or indirectly for or on behalf of, any Person, who is (i) identified on the Specially Designated Nationals and Blocked Persons List maintained by the United States Treasury Department Office of Foreign Assets Control or any similar list maintained pursuant to any Requirement of Law, (ii) subject to trade restrictions under United States Requirement of Law, including, without limitation, the International Emergency Economic Powers Act, 50 U.S.C. § 1701 et seq., the Trading with the Enemy Act, 50 U.S.C. App. 1 et seq., and any Executive Orders or regulations promulgated under any such laws, (iii) subject to blocking, sanction or reporting under the USA Patriot Act, as amended; Executive Order 13224, as amended; Title 31, Parts 595, 596 and 597 of the U.S. Code of Federal Regulations, as they exist from time to time; and any other Requirement of Law or Executive Order or regulation through which the U.S. Department of the Treasury has or may come to have sanction authority, or (iv) subject to or covered by any other sanction laws of the United States (the Persons referred to in clauses (i) through (iv), each an “***Embargoed Person***”). The Company is not engaged in, facilitating or taking part in, and to the Knowledge of the Seller has not engaged in, facilitated or taken part in, any transaction or business, directly or indirectly, with, on behalf of or in connection with, any Embargoed Person.

ARTICLE III
Representations and Warranties by the Purchaser

The Purchaser represents and warrants to the Seller as of the date hereof and as of the Closing Date, in each case as set forth in this ARTICLE III. All disclosures to be made by Purchaser in connection with, or exceptions to, these representations and warranties are made by Purchaser solely in the Schedules attached to this Agreement.

Section 3.1 **Corporate Existence, Power and Authority.** The Purchaser is a corporation duly organized, validly existing and in good standing under the laws of the State of Nevada and has all requisite corporate power and authority to enter into this Agreement and to consummate the transactions contemplated herein.

Section 3.2 **Corporate Action.** The execution and delivery of this Agreement by the Purchaser, and the consummation by the Purchaser of the transactions contemplated herein, have been authorized by all requisite corporate action on the part of the Purchaser.

Section 3.3 **Validity.** This Agreement constitutes the legal, valid and binding obligation of the Purchaser, enforceable against the Purchaser in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, reorganization, insolvency, moratorium and other similar laws presently or hereafter in force affecting the enforcement of creditors’ rights generally and subject to general equitable principles limiting the right to obtain specific performance or other equitable relief.

Section 3.4 **Conflict with Other Instruments.** Neither the execution and delivery of this Agreement by the Purchaser nor the consummation of the transactions contemplated hereby (i) conflict with, result in a breach of the terms, conditions or provisions of, or constitute a default (or an event which with notice or passage of time or both would become a default) under, the Articles of Incorporation or By-Laws of the Purchaser or any material indenture, mortgage, lease, agreement, contract, note or other instrument or obligation to which the Purchaser is a party or by which it or its properties may be bound or affected; or (ii) violate any law or regulation to which the Purchaser is subject or by which it or its properties are bound in effect on the date hereof or the Closing Date.

Section 3.5 **Brokers or Finders.** (i) No broker, advisor or finder has acted, directly or indirectly, for the Purchaser in connection with this Agreement, or the transactions contemplated hereby, (ii) no Person is entitled to any brokerage, advisory or finder's fee or other commission based in any way on agreements, arrangements or understandings with the Purchaser relating to the sale of the Company to the Purchaser ("***Purchaser Fees***"), and (iii) if any Purchaser Fees are due, they will be the sole obligations of the Purchaser and neither the Company nor the Seller shall have any liability therefor.

Section 3.6 **Governmental Approvals.** (a) Except for the approval of the New York Department, as described in Section 5.1, and as otherwise set forth on Schedule 3.6, no authorization, consent or approval or other order or action of or filing with any court, administrative agency or other governmental or regulatory body or authority is required for the execution and delivery by the Purchaser of this Agreement or the Purchaser's consummation of the transactions contemplated hereby.

(b) There are no facts or circumstances relating to the Purchaser or any Affiliate thereof (including the operations, management, business or regulatory matters thereof) which, to the Knowledge of the Purchaser, would cause any rejection, limitation or restriction or a delay in connection with the approval of the Acquisition Statement as contemplated by Section 5.1 or any License of the Company as a result of the transactions contemplated hereby.

Section 3.7 **Litigation.** There is no action, suit, proceeding or investigation of the Purchaser which is pending, threatened in writing or, to the Knowledge of the Purchaser, threatened orally against the Purchaser which questions the validity or propriety of any Transaction Agreement or any action taken by the Purchaser in connection therewith.

Section 3.8 **No Securities Acts Violation.** The Purchaser acknowledges that the Shares to be delivered to the Purchaser have not been registered under the Acts. On the Closing Date, the Purchaser will acquire the Shares for its own account for investment, with no intention of reselling or otherwise disposing of all or any portion of the Shares in a manner which would constitute a violation of the Acts.

Section 3.9 **Availability of Funds.** The Purchaser has cash or other assets available or has access to cash or other assets sufficient to enable it to pay the Purchase Price and otherwise consummate the transactions contemplated by this Agreement and the other Transaction Agreements at the Closing.

ARTICLE IV
Covenants of the Seller

Section 4.1. **Operate in the Ordinary Course.** The Seller covenants and agrees that between the date of this Agreement and the Closing Date, the Company will operate its business only in the ordinary course of business consistent with past practice since January 1, 2017, except as otherwise agreed herein.

Section 4.2. **Access to Records.** The Seller agrees that (i) between the date of this Agreement and the Closing Date, the Seller will cause the Company to make available to the Purchaser and its authorized representatives at reasonable times, upon reasonable notice and under reasonable circumstances all the Company records, minute books, stock books, seals, examination reports, annual statements, financial statements, contracts and any other documents of the Company reasonably requested by the Purchaser, and (ii) after the Closing Date, the Seller will provide the Purchaser with any information which the Purchaser reasonably may request in order to respond to litigation and to comply with regulatory requirements and requests, subject to the Seller's rights to withhold such information in order to protect its attorney-client privileged communications or to comply with confidentiality obligations. The Purchaser recognizes the proprietary nature of all of the information as it pertains to the Seller and its Affiliates (other than the Company from and after the Closing) provided pursuant to this Section 4.2, whether in oral or written form, and agrees not to reveal or disclose such information to any third party except as required by law or governmental authority; provided, however, that such confidentiality obligations will not apply to any information that becomes generally available to the public other than as a result of the breach of this Section 4.2 or information not otherwise known by the Purchaser that becomes available to the Purchaser from a Person other than the Seller and which Person is or was not, to the knowledge of the Purchaser, otherwise in violation of a confidentiality agreement with the Seller with respect to the disclosure of such information.

Section 4.3. **[Intentionally omitted].**

Section 4.4. **Cooperation in Regulatory Filings.** The Seller shall reasonably cooperate with the Purchaser in connection with the Purchaser's preparation and filing of the Acquisition Statement and any other filing to be made by the Purchaser in respect of any Required Approval. Upon the request of the Purchaser, the Seller shall use its reasonable efforts to facilitate approval of, and to do or cause to be done all things necessary, proper or advisable by the Seller to consummate and make effective, the transactions contemplated by this Agreement; provided however, that the Seller shall not be required to take any action or agree to any condition or restriction not customarily required for the type of acquisition as set forth in this Agreement.

Section 4.5. **Prohibited Conduct.** Except as set forth on Schedule 4.5 or as otherwise permitted or required by this Agreement, between the date of execution hereof and the Closing Date, unless the Purchaser has given its prior written consent, or such action is required or contemplated by this Agreement or any Requirement of Law, the Seller shall not cause or permit the Company to do any of the following:

(a) issue, sell, pledge, dispose of or encumber any stock or security of the Company of whatsoever kind, or grant any option to purchase, or other right to acquire, any stock or security of the Company;

(b) introduce any new method of accounting for financial reporting or Tax purposes in connection with the Company unless as the result of a Requirement of Law or recommendation by the Seller's auditors;

(c) change the Company's auditors or actuaries without the prior written consent of the Purchaser, which shall not be unreasonably withheld or delayed;

(d) make, revoke or change any election in respect of Taxes, file any amended Tax Return, enter into any closing agreement, settle any claim or assessment in respect of Taxes, surrender any right to claim a refund of Taxes, or consent to any extension or waiver of any statute of limitation applicable to any claim or assessment in respect of Taxes;

(e) mortgage, pledge or grant a Lien on any of the Company's properties or assets;

(f) incur any liabilities (including, without limitation, making any loan commitment by the Company) other than those to be discharged by the Seller at or prior to the Closing;

(g) take any action (or omit to take any action) that would constitute a Material Adverse Effect;

(h) transact any insurance or reinsurance business or any other aspect of its operations except in the ordinary course of business consistent with past practices since January 1, 2017;

(i) make any new or additional investments of the assets of the Company other than in cash, cash equivalents, United States Treasury securities or investment grade corporate bonds, unless required by a Requirement of Law in connection with a Special Deposit; or

(j) make any offer or commitment or incur any obligation to enter into any contract, arrangement or transaction of a type described in this Section 4.5.

Section 4.6. **Special Deposits.** The Special Deposits listed on Schedule 2.21(a) shall be maintained through the Closing Date and will constitute assets to be included in the Company's Statutory Capital and Surplus.

Section 4.7. **Preservation of Licenses.** The Seller covenants and agrees that from and after the date of the execution of this Agreement through and including the Closing Date, the Seller will cause the Company to use its reasonable efforts to preserve and keep in full force and effect the Licenses. In addition, subject to applicable Requirements of Law, the Seller shall, and shall cause the Company to, deliver to the Purchaser promptly upon receipt copies of all communications with state regulatory authorities that involves or could reasonably be expected to result in any

rescission, termination, revocation, nonrenewal, suspension, or material restriction or impairment of any of the Licenses, or any notice of any proceeding or anticipated proceeding with respect to any of the foregoing.

Section 4.8. **No Amendments.** Except as contemplated by this Agreement, the Seller shall take no action to cause or allow the Company's Certificate of Incorporation or By-Laws to be amended prior to the Closing other than as may be necessary, in the reasonable opinion of the Seller and with the prior written consent of the Purchaser (such consent not to be unreasonably withheld), to preserve one or more of the Licenses of the Company or to otherwise comply with any Requirement of Law.

Section 4.9. **Agreements and Indebtedness.** On the Closing Date, the Transfer and Assumption Agreement and the Guaranty shall be in effect, and, other than the Transfer and Assumption Agreement and the Guaranty, there shall be no (i) outstanding indebtedness or other liability of the Seller or any of its Affiliates to the Company, or of the Company to any of its Affiliates, and (ii) agreements in effect between the Company and any other Persons other than such agreements as set forth on Schedule 4.9(a). On or prior to the Closing Date, the Seller shall cause the Company to terminate, or, subject to the approval or non-disapproval of any applicable regulatory authority, terminate the participation of the Company as a party to, each of the contracts set forth on Schedule 4.9(b) (the "***Terminated Agreements***"), which shall include, without limitation, intercompany agreements and agreements pertaining to the Prior Insurance Business (other than the Transfer and Assumption Agreement and the Guaranty).

Section 4.10. **Exclusivity.** Between the date hereof and the Closing Date or the earlier termination of this Agreement, the Seller shall, and shall cause the Company and its and their respective affiliates, officers, directors, employees and representatives, not to directly or indirectly (i) initiate, solicit, encourage or knowingly facilitate the submission of any inquiries, proposals or offers that constitute, or may reasonably be expected to lead to, any Alternative Transaction Proposal, (ii) engage or participate in any discussions or negotiations regarding, or provide or cause to be provided any information or data relating to the Seller or the Company in furtherance of, or have any discussions with any Person relating to, an actual or proposed Alternative Transaction Proposal or (iii) enter into any letter of intent, agreement in principle, merger agreement, acquisition agreement, option agreement or other similar statement of intention or agreement relating to any Alternative Transaction Proposal. The Seller will immediately cease and cause to be terminated any activities, discussions or negotiations conducted prior to the date hereof with any parties other than the Purchaser or its Affiliates with respect to any Alternative Transaction Proposal. The Seller will also promptly notify the Purchaser of any inquiry or proposal received by the Seller, the Company or their respective Affiliates, officers, directors, employees and representatives with respect to an Alternative Transaction Proposal received on or subsequent to the date hereof that relates to an Alternative Transaction Proposal first made prior to the date hereof (including, for the avoidance of doubt, any proposal on or subsequent to the date hereof that relates to an Alternative Transaction Proposal first made prior to the date hereof).

Section 4.11. Delivery of Financial Statements and Regulatory Filings.

(a) No later than ten (10) days prior to filing with the applicable regulatory authorities, the Seller shall cause the Company to deliver to the Purchaser true, correct and complete copies for its information only of any financial statements and other material filings to be made by the Company with any such regulatory authority on or prior to the Closing Date. If the Purchaser communicates any comments relating thereto within five (5) days of its receipt thereof, the Seller shall reasonably and in good faith consider reflecting, in whole or in part, such comments regarding such financial statements and other material filings.

(b) The Seller shall prepare and file (at its sole cost and expense) the Statutory Financial Statements of the Company for each fiscal quarter that ends after the date hereof and prior to the Closing Date and that are required to be filed on or prior to the Closing Date. For any subsequent Statutory Financial Statements, the Seller shall provide the Purchaser and/or the Company with any information in the Seller's possession that the Purchaser and/or the Company may reasonably request in order that the Purchaser and/or the Company may prepare such Statutory Financial Statements. The Statutory Financial Statements prepared by the Seller in accordance with this Section 4.11 will be prepared in accordance with the Statutory Accounting Principles which, except as noted in such financial statements, have been applied on a consistent basis with the Statutory Financial Statements of the Company for the years ended December 31, 2015 and December 31, 2016 filed with the New York Department.

Section 4.12. Termination of Signing Powers. At least three (3) Business Days prior to the Closing Date, the Seller shall, or the Seller shall cause the Company to, deliver written notification to any bank (or other financial institution) which maintains, on behalf of the Company, any account or safe deposit box listed on Schedule 2.21(b) notifying any such bank of the entry into this Agreement, and notifying any and all such banks that the check signing or withdrawal powers or other authority of all persons with respect to the accounts or safe deposit boxes of the Company maintained therein are revoked immediately upon receipt by any such bank from the Seller of notice of the consummation of the Closing. The Seller will cooperate with the Purchaser in communicating with the bank(s) as to the transition of control of these accounts from the Seller to the Purchaser.

Section 4.13. Dividends and Other Distributions. The Seller covenants and agrees that between the date of this Agreement and the Closing Date, the Seller will not cause to be made, or permit the Company to make or agree to, any distribution of cash, properties or other assets of the Company by way of dividends, distributions, redemptions, assignments or otherwise, and whether or not in respect of the Shares; provided, however, that as contemplated by Section 1.2(b), the Company shall, to the extent legally permitted and subject to any Requirement of Law, make distributions and assignments of assets from time to time so that the Statutory Capital and Surplus of the Company shall be in compliance with the requirements set forth in Section 1.2(b).

Section 4.14. Liquidation of Investment Assets. The Seller covenants and agrees that prior to the Closing Date the Seller shall use reasonable efforts to cause the Company, to the extent legally permitted and subject to any Requirements of Laws, to liquidate the Company's investment assets (other than the Special Deposits) such that the Statutory Capital and Surplus of the Company on the Closing Date shall comply with the requirements set forth in Section 1.2(b).

ARTICLE V
Covenants of the Purchaser

Section 5.1 **Acquisition Statement and Compliance with Insurance Laws; Other Approvals.** As soon as reasonably possible and in any event not later than August 31, 2017, the Purchaser shall file the Acquisition Statement with the New York Department and contemporaneously provide the Seller with a copy of such filing. The Purchaser shall take all other actions in connection with such filing and each other Required Approval in order to permit the Purchaser to be authorized (subject to the terms and conditions of this Agreement) to consummate the transactions contemplated by the Transaction Agreements, including, without limitation, the filing of any amendment to the Acquisition Statement required by a Requirement of Law, and shall not take or cause to be taken any action that, to the Knowledge of Purchaser, would have the effect of delaying, impairing or impeding the making of any such filing or the receipt of any Required Approval in connection therewith; provided however, that the Purchaser shall not be required to take any action or agree to any condition or restriction not customarily required for the type of acquisition as set forth in this Agreement. The Purchaser shall provide to the Seller copies of the Acquisition Statement and all other filings in respect of any Required Approval prior to the filing or submission thereof so that the Seller has a reasonable opportunity to review and comment thereon and, subject to applicable Requirements of Law, the Purchaser shall provide the Seller with copies of all material correspondence between the Purchaser or its Affiliates and any governmental or regulatory authority and shall advise the Seller of all material communications with any governmental or regulatory authority concerning any such filing. None of the Purchaser or any of its Affiliates shall participate or agree to participate in any material meeting with any governmental or regulatory authority relating to the Acquisition Statement or any other Required Approval unless it consults with the Seller in advance and, to the extent permitted by such governmental or regulatory authority, affords the Seller the opportunity to attend such meeting (whether in person or by telephone) and provides reasonable notice in advance thereof. The costs and expenses incurred pursuant to this Section 5.1(a) shall be borne by the Purchaser, except for the costs of any action required of the Seller by a governmental or regulatory authority in connection therewith.

Section 5.2 **Post-Closing Access/Responsibilities.** After the Closing, the Purchaser will cause the Company to afford to the Seller and its agents and representatives, at reasonable times during normal business hours, upon reasonable notice and under reasonable circumstances, reasonable access to the properties, books and records of the Company to the extent they relate to the period ending on or before the Closing Date to the extent necessary or desirable to permit the Seller to determine or investigate any matter relating to its rights and obligations with respect to any period ending on or before the Closing Date, subject to the Purchaser's rights to withhold such information in order to protect its attorney-client privileged communications or to comply with confidentiality obligations. The Seller may make and retain copies at its own expense of any books and records of the Company that it reasonably expects to need for the express purposes set forth in the preceding sentence. The Seller recognizes the proprietary nature of all of the information as it pertains to the Purchaser and its Affiliates (including the Company from and after the Closing) provided pursuant to this Section 5.2, whether in oral or written form, and agrees not to reveal or disclose such information to any third party except as required by law or a governmental authority. The Seller shall be entitled to any refunds, reinsurance proceeds or other amounts (i) paid to the Company pursuant to or resulting from any of the Terminated Agreements or any of the rights or assets transferred to the Seller pursuant to the Transfer and Assumption Agreement or (ii) that are

due on any premium tax return or as a result of any assessments by the State of New York or any other state or the agencies thereof, but only to the extent related to any period ending prior to the Closing Date; provided, however, that in the event that a refund is made on amounts paid both before and after the Closing Date, the Seller shall only be entitled to that portion of the refund representing the percentage of amounts paid by the Seller prior to the Closing Date against the total amount upon which such refund is made. The Purchaser shall use its reasonable efforts to cooperate with the Seller and cause the Company, at the Seller's expense, to recoup such assessments and refunds and other amounts on behalf of the Seller. To the extent that the Purchaser, the Company or any of their respective Affiliates receives any tax refund to which the Seller is entitled, in full or in part, pursuant to this Section 5.2, the Purchaser shall cause the recipient of such tax refund to remit within ten (10) days of the receipt thereof the amount due to the Seller pursuant to this Section 5.2 to an account designated by the Seller.

Section 5.3 **Company Name**. On the Closing Date or as soon as practicable and in any case not later than ten (10) days thereafter the Purchaser shall file or cause to be filed with the New York Department a Certificate of Amendment to the Certificate of Incorporation of the Company changing the name of the Company to remove the name "PartnerRe" therefrom. The Purchaser acknowledges and agrees that the names "PartnerRe", "Partner Reinsurance" and any and all derivatives thereof (the "***Excluded Marks***"), and all rights and interest therein, are excluded from the purchase and sale of the Shares pursuant to this Agreement, and that the Excluded Marks are and shall from and after the Closing remain the sole and exclusive property of the Seller and its Affiliates.

ARTICLE VI
Conditions Precedent to Obligation of the Purchaser to Close

The obligation of the Purchaser under this Agreement to purchase the Shares on the Closing Date shall be subject to the satisfaction of the following conditions precedent or waiver by the Purchaser thereof in writing:

Section 6.1 **Representations and Warranties of the Seller**. Each of the representations and warranties made by the Seller in ARTICLE II (other than those in Sections 2.1-2.6, 2.8, 2.11, 2.13 and 2.24) shall be true and correct in all material respects (without giving any effect to any limitation as to "materiality" set forth therein), and each of the representations and warranties made by the Seller in Sections 2.1-2.6, 2.8, 2.11, 2.13 and 2.24 shall be true and correct in all respects, in each case as of the date of this Agreement and at the time of the Closing on the Closing Date (except for any such representations and warranties that speak to a certain date, in which case on and as of such date).

Section 6.2 **Compliance with Covenants.** The Seller shall have complied with and performed in all material respects all covenants and agreements required to be performed by the Seller herein on or before the Closing Date.

Section 6.3 **No Injunctions or Orders.** No injunction, decree, award, writ, judgment, ruling, decision, subpoena, mandate, precept, command, directive, consent, approval, award, order or any similar determination or finding by any court, administrative agency or other governmental authority shall be in effect which shall or would reasonably be expected to prohibit, enjoin, limit, impair or challenge the right of the Purchaser or the Seller to consummate the transactions provided for in this Agreement.

Section 6.4 **Directors and Officers.** The Seller shall have delivered to the Purchaser evidence of the resignation or removal of all of the officers and directors of the Company effective as of the Closing Date.

Section 6.5 **Regulatory Approvals.** All Required Approvals for the acquisition of the Shares and control of the Company by the Purchaser shall have been obtained, including from the New York Department as provided in Section 5.1, effective on the consummation of the Closing.

Section 6.6 **Delivery of Certificates for the Shares.** The Seller shall have delivered to the Purchaser, against receipt of the Purchase Price, the certificates evidencing ownership of the Shares, endorsed in blank or accompanied by separate stock powers duly executed in blank.

Section 6.7 **Delivery of Closing Documents by the Seller.** The Seller shall have delivered, or caused to be delivered, to the Purchaser the following documents:

(a) A certificate of an officer of the Seller, dated as of the Closing Date, to the effect that the conditions to closing set forth in Sections 6.1 and 6.2 have been satisfied;

(b) The By-Laws, minute books, stock books, financial books and other corporate records of the Company in the possession of the Seller, including the Licenses currently in effect for each state in which the Company is licensed or accredited;

(c) A certificate from the New York Department evidencing the continued existence of the Company and its good standing as a corporation organized under the laws of the State of New York dated within ten (10) days of the Closing Date; and

(d) A schedule setting forth (i) the adjusted tax basis of the Company in its assets not transferred pursuant to the Transfer and Assumption Agreement, and (ii) the amount of any net operating loss, net capital loss, unused investment credit or other credit, or excess charitable contribution allocable to the Company, in each case as of the Closing.

Section 6.8 **Capital and Surplus.** The Statutory Capital and Surplus of the Company shall satisfy the requirements as provided in Section 1.2(b).

Section 6.9 **Other Transaction Agreements.** The Transfer and Assumption Agreement and the Guaranty shall be in full force and effect and there shall not exist any defaults by the Seller or its Affiliates thereunder which have not been cured on or prior to the Closing Date.

Section 6.10 **Termination of Agents, Brokers, Etc.** All appointments of any agent, broker, producer or other intermediary with respect to the Company shall have been terminated with respect to the Company and no new appointments shall have been made with respect to the Company.

Section 6.11 **Termination of Agreements.** The Seller shall have caused the Company to terminate or, subject to the approval or non-disapproval of any applicable regulatory authority, terminate the participation of the Company as a party to, each of the Terminated Agreements.

Section 6.12 **No Material Adverse Effect.** There shall not have been any Material Adverse Effect.

ARTICLE VII
Conditions Precedent to Obligation of the Seller to Close

The obligation of the Seller under this Agreement to sell the Shares on the Closing Date shall be subject to the satisfaction of the following conditions precedent or waiver by the Seller thereof in writing:

Section 7.1 **Representations and Warranties.** Each of the representations and warranties made by the Purchaser in ARTICLE III (other than those in Sections 3.1-3.5) shall be true and correct in all material respects (without giving any effect to any limitation as to “materiality” set forth therein), and each of the representations and warranties made by the Purchaser in Sections 3.1-3.5 shall be true and correct in all respects, in each case as of the date of this Agreement and at the time of the Closing on the Closing Date (except for any such representations and warranties that speak to a certain date, in which case on and as of such date).

Section 7.2 **Compliance with Covenants.** The Purchaser shall have complied with and performed in all material respects all covenants and agreements required to be performed by the Purchaser herein on or before the Closing Date.

Section 7.3 **No Injunctions or Orders.** No injunction, decree or order by any court, administrative agency or other governmental authority shall be in effect which shall or would reasonably be expected to prohibit, enjoin, limit, impair or challenge the right of the Purchaser or the Seller to consummate the transactions provided for in this Agreement.

Section 7.4 **Regulatory Approvals.** All Required Approvals for the acquisition of the Shares and control of the Company by the Purchaser shall have been obtained, including from the New York Department as provided in Section 5.1, effective on the consummation of the Closing.

Section 7.5 **Payment of Purchase Price.** The Purchase Price shall have been paid to the Seller in accordance with Section 1.2.

Section 7.6 **Delivery of Closing Documents by the Purchaser.** The Purchaser shall have delivered, or caused to be delivered, to the Seller, a certificate of an officer of the Purchaser, dated as of the Closing Date, to the effect that the conditions to closing set forth in Sections 7.1 and 7.2 have been satisfied.

ARTICLE III
Indemnification

Section 8.1 **Indemnity by the Seller.** From and after the Closing, the Seller agrees to indemnify, defend and hold the Purchaser and its Affiliates (including the Company) and its and their respective employees, officers, directors and agents harmless from any loss, cost, expense, action, suit, proceeding, claim, penalty, fine, deficiency, obligation, liability, amount paid in settlement, Tax, judgment or damage, including court costs and reasonable accountants' and attorneys' fees and other investigatory fees and out-of-pocket expenses (any of which are hereafter referred to as a "**Loss**" and collectively as the "**Losses**"; provided, however Losses shall not include any punitive damages or any special, incidental, indirect, or consequential damages of any kind or nature (including loss of revenue, income or profits, or loss in value of assets or securities), except to the extent awarded in respect of a Third-Party Claim (as defined below) or actually expended or incurred by the Purchaser and its Affiliates (including the Company) and its and their respective employees, officers, directors and agents, arising out of or resulting from (i) any breach of a representation or warranty by the Seller in this Agreement or any certificate or document delivered by the Seller pursuant hereto, (ii) any nonfulfillment of any covenant or agreement on the part of the Seller under this Agreement or any certificate or document delivered by the Seller pursuant hereto, or (iii) all actions or omissions of the Seller or the Company or events occurring or conditions existing on or prior to the Closing Date associated with the conduct of the Business or other operations of the Company on or prior to the Closing Date. Notwithstanding anything to the contrary set forth herein, the remedies of the Purchaser in connection with a Rescinded License shall be exclusively those set forth in Section 1.3.

Section 8.2 **Indemnity by the Purchaser.** From and after the Closing, the Purchaser agrees to indemnify, defend and hold harmless the Seller and its Affiliates and its and their respective employees, officers, directors and agents of and from any Loss, actually expended or incurred by the Seller and its employees, officers, directors and agents, arising out of or resulting from (i) any breach of a representation or warranty of the Purchaser in this Agreement or any certificate or document delivered by the Purchaser pursuant hereto, (ii) the nonfulfillment of any covenant or agreement on the part of the Purchaser under this Agreement or any certificate or document delivered by the Purchaser pursuant hereto or (iii) all actions or omissions of the Purchaser or the Company or events occurring or conditions existing after the Closing Date associated with the conduct of the Business or other operations of the Company after the Closing Date.

Section 8.3 **Notice and Defense of Third Party Claims.** (a) Each Person entitled to indemnification under this ARTICLE VIII (the "**Indemnified Party**") shall provide notice ("**Claims Notice**") to the Party required to provide indemnification (the "**Indemnifying Party**") promptly, but no later than thirty (30) days, after such Indemnified Party receives written notice of, or becomes aware of (as applicable), any claim, litigation, proceeding, event or matter as to which indemnity may be sought (the "**Claim**"). A delay on the part of the Indemnified Party to so notify any Indemnifying Party shall not relieve the Indemnifying Party of its obligation hereunder (except and

only to the extent that such delay shall have not materially and adversely prejudiced the Indemnifying Party).

(b) If the Claim is asserted by a Person who is not a Party (or a successor to a Party) to this Agreement (a “**Third Party Claim**”), the Indemnifying Party shall have twenty (20) Business Days from the date of receipt of a Claims Notice in which to assume the entire control of the defense, compromise or settlement of such Third Party Claim (the “**Defense**”); provided, however, that an Indemnifying Party shall not be entitled to assume or maintain control of the Defense of any Third Party Claim and shall pay the reasonable fees and expenses of counsel retained by the Indemnified Party if (i) the Third Party Claim relates to or arises in connection with any criminal proceeding, action, indictment, allegation or investigation, (ii) the Indemnified Party reasonably believes an adverse determination with respect to the Third Party Claim would be detrimental to the Indemnified Party’s reputation or future business prospects (which shall be set out in a written notice to the Indemnifying Party describing the reasons for such belief in reasonable detail), (iii) the Third Party Claim seeks an injunction or equitable relief against the Indemnified Party or (iv) the Indemnifying Party has failed or is failing to prosecute or defend vigorously the Third Party Claim. The assumption of the Defense by a Party shall not be deemed an acknowledgement by the Party that indemnification is available under this Agreement. If a Party shall assume such Defense, it shall notify the other Party in writing of such assumption and its selection of counsel (which must be reasonably acceptable to the Indemnified Party) within twenty (20) Business Days of receipt of such Claims Notice and thereafter promptly advise the other Party of its activities and efforts in connection therewith and of the ultimate resolution of such Third Party Claim. The Indemnifying Party shall not have the right to settle, compromise or adjust any such Third Party Claim without the prior written consent of the Indemnified Party unless (A) there is no finding or admission of any violation of any Requirement of Law or any violation of the rights of any Person and no effect on any other claims that may be made by or against the Indemnified Party, and (B) the sole relief provided is monetary damages that are paid in full by the Indemnifying Party. In connection with any Defense assumed by the Indemnifying Party, the Indemnified Party shall be entitled, at its own cost and expense, to have its counsel monitor the progress and status thereof and, in such event, the Indemnifying Party and its counsel agree to afford all reasonable cooperation to the Indemnified Party and its counsel in order to permit counsel to the Indemnified Party effectively to monitor the progress and status from time to time of any such Third Party Claim; provided, however, that if the representation of both the Indemnified Party and Indemnifying Party by the same counsel could create a conflict of interest which is not capable of being waived under applicable rules of professional conduct, then the Indemnified Party shall be entitled to have its own counsel at the Indemnifying Party’s cost and expense. The Indemnifying Party shall not be obligated to pay for more than two counsels pursuant to the foregoing sentence with respect to claims or any group of related claims for which indemnification is sought hereunder regardless of the number of Indemnified Parties subject to each claim, but each may, if it so elects, designate and pay for its own counsel to participate with the counsel selected by the Indemnifying Party in the conduct of such defense. If the Indemnifying Party fails to notify the Indemnified Party that it has assumed the Defense or elects not to assume the Defense, the Indemnified Party may, but shall not be required to, pay, compromise or settle such Third Party Claim, or take action to settle such Third Party Claim, provided that the Indemnified Party shall notify the Indemnifying Party of such action. If not agreed by the Parties, the Indemnified Party’s entitlement to indemnification hereunder shall be determined by a court of competent jurisdiction.

Section 8.4 **Direct Claims.** With respect to Losses arising under this Agreement, the Indemnified Party shall provide prompt written notice to the Indemnifying Party of the amount of each such Loss, which notice shall include in reasonable detail information explaining the calculation of the amount of such Loss. Within thirty (30) Business Days after the receipt of such notice by the Indemnifying Party, the Indemnifying Party shall provide a written response stating the Indemnifying Party's objection to the claim for indemnification, if any, and/or the calculation of the amount of the Loss by the Indemnified Party. If the Indemnifying Party disagrees with either the claim for indemnification or the amount of the Loss made by the Indemnified Party, the Parties shall endeavor forthwith, and within thirty (30) Business Days after receipt of such notice of disagreement by the Indemnified Party, to negotiate in good faith to resolve the issue or issues which form the basis of their disagreement. If no resolution with respect to such disagreement has been reached by the Parties within such thirty (30) Business Day period, then any and all disputes arising under this Section 8.4 shall be settled by any court of competent jurisdiction, or in, such other forum as may be mutually agreed upon by the Parties.

Section 8.5 **Limitations.** (a) All representations, warranties, covenants and agreements of a Party and the related indemnification obligations of such Party hereunder with respect thereto shall terminate eighteen (18) months after the Closing Date, provided, however, that those set forth in Sections 2.1-2.6, 2.8, 2.11, 2.24, 3.1, 3.3 and 3.5 shall survive the Closing until sixty (60) days following the expiration of the relevant statutes of limitation. Notwithstanding anything to the contrary in this ARTICLE VIII, any covenant, agreement, representation or warranty 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 sentence if a Claims Notice to such right of indemnity shall have been given to the Party against whom such indemnity may be sought prior to the termination times set forth in this Section 8.5.

(b) The indemnification provided under this ARTICLE VIII shall be the sole remedy of any Party to this Agreement against any other Party to this Agreement for any claim covered by such indemnification, other than claims for specific performance or injunctive relief and claims based on fraud.

Section 8.6 **Tax Matters.** Anything in this ARTICLE VIII to the contrary notwithstanding, the rights and obligations of the Parties with respect to indemnification by Seller for any and all Tax matters (except as specifically provided elsewhere in this Agreement) shall be solely governed by ARTICLE IX and shall not be subject to the provisions of this ARTICLE VIII.

Section 8.7 **[Intentionally omitted].**

Section 8.8 **[Intentionally omitted].**

Section 8.9 **Waiver and Release.** Effective at Closing, the Seller, on behalf of itself and its Affiliates and their respective employees, officers, directors, agents, successors and assigns, irrevocably and unconditionally waives and releases any and all rights with respect to, and releases, acquits and discharges the Company from all claims, demands, charges, suits, liabilities, indebtedness or damages, at law or in equity, arising in contract, tort or otherwise, of any nature whatsoever, known or unknown, now or hereafter arising, in each case which arise out of, are based

upon, or are connected with facts or events occurring or in existence on or prior to the Closing Date, other than claims arising under this Agreement or any other Transaction Agreement.

ARTICLE IX

Tax Matters

Section 9.1 Tax Indemnities.

(a) The Seller shall indemnify, defend and hold harmless the Purchaser and its Affiliates (including the Company), and each of their respective officers, directors, employees and agents (each, a “**Tax Indemnitee**”) from and against, and shall reimburse each Tax Indemnitee for, any and all Taxes (including, without limitation, reasonable accountants’ and attorneys’ fees and other investigatory fees and out-of-pocket expenses) arising out of or attributable to (i) any breach of any representation or warranty contained in Section 2.14 of this Agreement, (ii) any and all Taxes for any Taxable Period, or portion thereof, ending on or before the Closing Date except to the extent that such Taxes are specifically set forth in any Tax reserve accrued on the Final Closing Statement, (iii) any and all unpaid Taxes, whether determined on a separate, consolidated, combined, group or unitary basis, including any penalties and interest in respect thereof, of the Company (A) pursuant to Treasury Regulations section 1.1502-6 or any comparable provision of state or local law resulting from the Company having been a member of an affiliated, consolidated, combined or unitary group prior to the Closing Date, (B) pursuant to any guaranty, indemnification, Tax sharing, or similar agreement made on or before the Closing Date principally relating to the sharing of liability for, or payment of, Taxes and (C) as a transferee or successor, or by operation of law, (iv) the Seller providing inaccurate tax basis information as provided for in Section 6.7(d) for any items which would affect the deferred tax positions of the Company or the inability of Seller to provide acceptable support to any Taxing Authority with respect to such basis, or (v) the breach of any of the tax covenants provided for in Section 9.6. Notwithstanding the foregoing, the Purchaser shall be entitled to recover Losses as a result of clause (iv) of the preceding sentence only if and to the extent that such cumulative Losses result from an inaccuracy in the tax basis information that exceeds \$500,000 in the aggregate, taking into account both overstatements and understatements of basis. For the avoidance of doubt, the rights and obligations of the Parties with respect to indemnification by the Seller for any and all Tax matters shall be solely governed by this ARTICLE IX and shall not be subject to the provisions of ARTICLE VIII.

(b) If the Purchaser files a consolidated Tax Return for U.S. federal income tax purposes for its Tax year that includes the Closing Date, the parties acknowledge and agree that they intend to treat the Company as becoming a member of the Purchaser’s consolidated group and as ceasing to be a member of the consolidated group that includes the Seller at the end of the day on the Closing Date; and, accordingly, the parties agree that the taxable year of the Company will end for federal (and applicable state and local) income Tax purposes as of the end of the day on the Closing Date pursuant to the provisions of Treasury Regulations Section 1.1502-76(b). In the case of Taxes that are payable with respect to a Straddle Period, the portion of any such Tax that is allocable to the portion of such Straddle Period ending on and including the Closing Date shall be:

(i) in the case of Taxes that are either (A) based upon or related to income, premiums, or receipts, (B) imposed in connection with any sale or other transfer or assignment of property (real or personal, tangible or intangible) (other than conveyances pursuant

to this Agreement, with respect to which Section 9.4 shall govern), or (C) not described in Section 9.1(b)(ii), deemed equal to the amount which would be payable (after giving effect to amounts which may be deducted from or offset against such Taxes) if the Taxable Period ended as of the end of the day on the Closing Date as determined using a “closing of the books methodology”; and

(ii) in the case of property Taxes and other similar Taxes imposed on a periodic basis with respect to the assets of the Company, deemed to be the amount of such Taxes for the entire Straddle Period (after giving effect to amounts which may be deducted from or offset against such Taxes) (or, in the case of such Taxes determined on an arrears basis, the amount of such Taxes for the immediately preceding period), multiplied by a fraction the numerator of which is the number of days in the Straddle Period ending on and including the Closing Date and the denominator of which is the number of days in the entire Straddle Period.

(c) In the event of an indemnity claim by a Tax Indemnitee pursuant to Section 9.1 hereof, payment by the Seller of any amount payable under Section 9.1 that can be satisfied by a remittance of Tax to a Taxing Authority shall be made within ten (10) days (or such shorter period of time as shall constitute timely payment) following Seller’s receipt of written notice from the Tax Indemnitee that payment of such amounts to the appropriate Taxing Authority is due; provided that the Seller shall not be required to make any payment earlier than five (5) days before it is due to the appropriate Taxing Authority. In all other cases, payment shall be made within ten (10) days following written demand therefor. In the case of a Tax that is contested in accordance with the provisions of Section 9.5, payment of the Tax to the appropriate Taxing Authority will be considered to be due no earlier than the date a final determination to such effect is made by the appropriate Taxing Authority or court.

Section 9.2 Preparation of Tax Returns, Etc.

(a) The Seller shall prepare and timely file (or, for Tax Returns filed before the Closing, cause the Company to prepare and timely file) in a manner consistent with past practice (as modified to reflect changes in applicable facts and Requirements of Law) (i) all income Tax Returns of the Company (including consolidated, combined, group or unitary Tax Returns that include the Company) for any Taxable Period ending on or before the Closing Date, and (ii) all other Tax Returns of or with respect to the Company that are required to be filed (with extensions) on or before the Closing Date. The Seller shall pay or cause the Company to pay all Taxes shown as due, or required to be shown as due, on such Tax Returns. For federal income tax purposes, the Parties agree to deduct all Seller transaction expenses (including any expenses related to License Cure) in the Taxable Period ending on the Closing Date (and, for the avoidance of doubt, on the income Tax Return of the Company that includes the Closing Date) except to the extent prohibited by Requirements of Law. Seller shall provide a copy of any such Tax Return of the Company that is not a Tax Return that is filed on a consolidated, combined, unitary or similar basis to Purchaser for Purchaser’s review and comment.

(b) The Parties hereto acknowledge and agree that the Purchaser shall control the preparation and filing of all other Tax Returns of the Company (the “**Post-Closing Returns**”). The Seller shall cooperate with the Purchaser and the Company and its Affiliates in the preparation of Post-Closing Returns and shall provide assistance as reasonably requested by the Purchaser. With respect to any Tax Return for a Straddle Period or in connection with Taxes that would otherwise

be the obligation of the Seller under Section 9.1, the Purchaser shall provide the Seller and its authorized representative with a copy of such completed Tax Return and a statement (with which the Purchaser will make available supporting schedules and information) certifying the amount of Tax shown on such Tax Return for which the Seller is responsible pursuant to Section 9.1 at least twenty (20) days prior to the due date (including any extension thereof) for filing such Tax Return, and the Seller and its authorized representative shall have ten (10) days to review and comment on such Tax Return and statement prior to the filing of such Tax Return. Purchaser shall consider in good faith any comments provided by the Seller and shall accept such comments if such comments are consistent with past practice (as modified to reflect changes in applicable facts and Requirements of Law).

Section 9.3 **Tax Cooperation and Exchange of Information.** The Seller shall, and shall cause its, Affiliates, officers, employees, agents, auditors and other representatives to, (i) after the Closing, assist the Purchaser in preparing and filing any Tax Returns that the Purchaser is responsible for preparing and filing with respect to the Company, (ii) after the Closing, cooperate fully in preparing for any audits of the Company, or disputes or other proceedings with any Taxing Authority relating to Taxes of the Company and (iii) make available to the Purchaser as reasonably requested all information, records and documents relating to Tax matters (including Tax Returns) of or relating to the Company for any Taxable Period that begins on or before the Closing Date. The Purchaser shall keep any information obtained under this Section 9.3 confidential except (x) as may be necessary in connection with the filing of Tax Returns or claims for refund or the conduct of any audit, litigation or other proceeding with respect to Taxes or (y) with the consent of the Seller.

Section 9.4 **Conveyance Taxes.** All transfer, documentary, sales, use, registration and other such Taxes (including, without limitation, all applicable real estate transfer or gains Taxes and stock transfer Taxes) shall be paid fifty percent (50%) by the Purchaser and fifty percent (50%) by the Seller. The Seller shall prepare any Tax Returns with respect to such Taxes, and the Purchaser shall cooperate in good faith in the preparation and filing of such Tax Returns. The Purchaser will pay to the Seller the Purchaser's applicable fifty percent (50%) portion of such Taxes no later than two (2) days prior to the due date of the relevant Tax Return.

Section 9.5 **Contests.**

(a) In the event any Tax Authority informs Seller, on the one hand, or Purchaser or Company, on the other, of any notice of any proposed assessment or the commencement of any Tax audit or administrative or judicial proceeding or of any demand or claim on the Purchaser and its Affiliates or the Company (a "***Contest***") with respect to which the other Party would reasonably be expected to incur liability hereunder, the Party so informed shall promptly notify the other party of such matter; provided, however, the failure to give such notice shall not affect the indemnification provided hereunder, except to the extent that the liable Party is materially prejudiced by such delay. Such notice shall contain factual information (to the extent known) describing any asserted Tax liability in reasonable detail and shall be accompanied by copies of any notice or other documents received from any Tax authority with respect to such matter.

(b) In the case of a Contest that relates to Taxable Periods ending on or prior to the Closing Date, the Seller shall have the sole right, at its expense, to control the conduct of such Contest, provided that with respect any Contest that could adversely affect the Purchaser or the

Company in a Taxable Period ending after the Closing Date, the Seller (i) must first consult in good faith with the Purchaser before taking any action with respect to such Contest, (ii) shall permit the Purchaser, and counsel of its own choosing, to participate in the Contest, and (iii) shall not settle or compromise any such Contest without the approval of Purchaser (which approval shall not be unreasonably conditioned, delayed or withheld).

(c) With respect to Taxes for any Straddle Period, the Seller may elect to participate at its expense in any Contest involving any asserted Tax liability with respect to which indemnity may be sought from the Seller pursuant to Section 9.1.

Section 9.6 **Tax Covenants.**

(a) Neither the Purchaser nor any Affiliates of the Purchaser shall amend, refile or otherwise modify, or cause or permit the Company to amend, refile or otherwise modify, any Tax election or Tax Return with respect to any Taxable Period (or portion of any Taxable Period), ending on or prior to the Closing without prior written consent from Seller, which shall not be unreasonably withheld or delayed.

(b) Notwithstanding any other provision in this Agreement, Seller shall make an election under section 1.1502-36(d)(6)(i)(A) of the Treasury Regulations to reduce all or any portion of its basis in shares of Company Shares if and to the extent necessary to ensure that the statements on the schedule described in Section 6.7(d) are true and correct.

(c) The Seller shall deliver to the Purchaser a non-foreign affidavit dated as of the Closing Date which shall conform to the model certification set forth in Treasury Regulations Section 1.1445-2(b)(2)(iv)(B).

(d) All contracts, agreements or arrangements that principally relate to Taxes under which the Company may at any time have an obligation to indemnify for or share the payment of or liability for any portion of a Tax (or any amount calculated with reference to any portion of a Tax) shall be terminated with respect to the Company as of the Closing Date subject to the receipt of any approval or non-disapproval of any applicable regulatory authority, and the Company shall thereafter be released from any liability thereunder.

Section 9.7 **Miscellaneous.**

(a) For Tax purposes, unless otherwise required by Requirement of Law, the parties agree to treat all payments made under this ARTICLE IX and under any other indemnity provisions or Purchase Price adjustment provisions contained in this Agreement, and any payments in respect of any breaches of representations, warranties, covenants or agreements hereunder, as adjustments to the Purchase Price.

(b) Except as provided in this Agreement, this ARTICLE IX shall be the sole provision governing indemnities for Taxes under this Agreement.

(c) Notwithstanding any provision in this Agreement to the contrary, all representations, warranties, covenants and agreements of the Parties hereto relating to Taxes contained in this Agreement shall survive until sixty (60) days beyond the lapse of the statute of

limitations applicable to the Tax that is the subject of the representation, warranty, covenant or agreement (including any extension thereof).

(d) Payments by the Seller under this ARTICLE IX shall be limited to the amount of any liability or damage that remains after deducting therefrom any insurance, indemnity, contribution or other similar payment actually recovered by the Purchaser or the Company or any Affiliates of the Purchaser from any third party with respect thereto after the use of reasonable efforts to obtain any such amount as provided herein, and, as applicable, after deducting therefrom any amounts specifically set forth in any Tax reserve accrued on the Final Closing Statement.

Section 9.8 **Certain Definitions Relating to Taxes.** For purposes of this Agreement:

(a) “Contest” has the meaning ascribed thereto in Section 9.5(a) hereof.

(b) “Tax Indemnitee” has the meaning ascribed thereto in Section 9.1(a) hereof.

(c) “Tax Return” or “Tax Returns” shall mean any and all returns, reports and forms (including elections, declarations, amendments, schedules, estimates, information returns or attachments thereto) related to Taxes, including any amendment thereof.

(d) “Taxable Period” shall mean any taxable year or any other period that is treated as a taxable year (or other period, or portion thereof, in the case of a Tax imposed with respect to such other period; e.g., a quarter) with respect to which any Tax may be imposed under any applicable Requirement of Law.

(e) “Taxes” shall mean any and all federal, state, local and foreign taxes, assessments and other governmental charges, duties, impositions, levies and liabilities, including taxes that are or are based upon or measured by gross receipts, income, profits, sales, use, premiums, use and occupation, and value added, ad valorem, alternative, transfer, gains, capital stock, franchise, withholding, payroll, recapture, employment, workers’ compensation, excise, unemployment, insurance, social security, business license, occupation, fuel, custom, duty, goods and services, excess profits, business organization, stamp, environmental and property taxes, together with all interest, penalties and additions imposed with respect to such amounts. For the avoidance of doubt, “Taxes” does not include insurance regulatory fees and assessments.

(f) “Taxing Authority” shall mean any federal, national, provincial, state, local or foreign government, or any subdivision, agency, commission or authority thereof exercising Tax regulatory, enforcement, collection or other authority.

ARTICLE X
Termination

Section 10.1 **Termination.** This Agreement may be terminated, and the transactions contemplated hereby abandoned, prior to Closing:

(a) by the mutual written consent of the Purchaser and the Seller;

(b) by the Purchaser if there has been a misrepresentation on the part of the Seller in any representation or warranty contained herein, or if there has been any failure on the part of the Seller to comply with or perform any of its agreements, covenants or obligations hereunder, which would reasonably be expected to result in a failure of the closing conditions contained in Article VI that either cannot be cured or shall not have been cured within fifteen (15) days after written notice thereof to the Seller;

(c) by the Seller if there has been a misrepresentation on the part of the Purchaser in any representation or warranty contained herein, or if there has been any failure on the part of the Purchaser to comply with or perform any of its agreements, covenants or obligations hereunder, which would reasonably be expected to result in a failure of the closing conditions contained in Sections 7.1 or 7.2 that either cannot be cured or shall not have been cured within fifteen (15) days after written notice thereof to the Purchaser;

(d) by the Seller or the Purchaser if the New York Department shall have disapproved the Purchaser's acquisition of the Shares;

(e) at the election of the Purchaser or the Seller on or after February 28, 2018, if the Closing shall not have occurred on or prior to such date, unless such date is extended by the mutual written consent of the Parties hereto; provided, however, that the right to terminate this Agreement pursuant to this paragraph (e) shall not be available to a Party whose failure or whose Affiliates' failure to perform or observe in any material respect any of its obligations under this Agreement shall either have been the principal cause of or directly resulted in the failure to consummate the Closing on or before such date; or

(f) by the Purchaser if there has been a Material Adverse Effect on or after the date of this Agreement.

Section 10.2 **Effect of Termination.** If any Party terminates this Agreement pursuant to Section 10.1, all rights and obligations of the Parties hereunder shall terminate (other than ARTICLES X and XI) without any liability of any Party or further obligation to any other Party hereto; provided, however, if this Agreement is terminated by a Party because of a breach of this Agreement by another Party hereto or because one or more of the conditions to the terminating Party's obligations under this Agreement is not satisfied as a result of another Party's failure to fully comply with its obligations under this Agreement, the terminating Party's right to pursue all remedies at Law or in equity will survive such termination unimpaired.

ARTICLE XI
Miscellaneous Provisions

Section 11.1 **Expenses.** Except as otherwise expressly set forth in this Agreement, each Party shall bear its respective expenses incurred in connection with the preparation, execution and performance of any Transaction Agreement and the transactions contemplated thereby, including all fees and expenses of its representatives; provided, however, that the Seller shall also bear the expenses of the Company incurred on and prior to the Closing Date in connection with the foregoing.

Section 11.2 **Exhibits and Schedules: This Agreement.** The Exhibits and Schedules attached hereto are incorporated herein and made a part hereof for all purposes. As used herein, the expression “this Agreement” means the body of this Agreement and such Exhibits and Schedules, and the expression “herein,” “hereof,” and “hereunder” and other words of similar import refer to this Agreement and such Exhibits and Schedules as a whole and not to any particular part or subdivision thereof. Any disclosure made in the body of this Agreement or in any Schedule hereto qualifying a representation or warranty shall be deemed to qualify any other representation or warranty herein to the extent its applicability is reasonably apparent on the face of such disclosure.

Section 11.3 **Amendments and Waivers.** Except as otherwise specifically stated herein, no provision of this Agreement may be amended, supplemented or modified except by, and only by, a written instrument executed by the Parties hereto or their respective successors or assigns. No provision of this Agreement may be waived except by a written instrument signed by the Party against whom the waiver is to be effective. No failure or delay by a Party in exercising any right, power or privilege hereunder shall operate as waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

Section 11.4 **Other Instruments to be Executed; Further Assurances.** From and after the Closing Date, assuming consummation of the transactions provided for in this Agreement on such date, the Seller shall, from time to time, at the request of the Purchaser and without further consideration (but at the expense of the Purchaser unless the Purchaser or the Company is entitled to indemnification therefor under Articles VIII or IX or such request is required pursuant to this Agreement) do, execute, acknowledge and deliver all such further acts, deeds, assignments, transfers, conveyances, powers of attorney and assurances as may be reasonably required by the Purchaser to transfer the Shares on the Closing Date to the Purchaser. The Seller acknowledges and agrees that from and after the Closing, Purchaser will be entitled to possession of all documents, books, records (including Tax records), agreements, Licenses, and financial data of any sort to the extent included in the assets of the Company.

Section 11.5 **Public Statements; Confidentiality.** Neither the Seller nor the Purchaser shall issue (nor shall the Seller permit the Company or any of its Affiliates to issue) any press release or other public statement concerning the transactions contemplated by this Agreement at any time and in any event without first providing the other with a written copy of the text of such release or statement and obtaining the consent of the other respecting such release or statement (which consent may be withheld in each Party’s sole discretion), except that such consent will not be required to the extent disclosure may be required by a Requirement of Law (including, without limitation, stock exchange regulation) or to secure regulatory approval of the transactions contemplated by this

Agreement. The Purchaser and the Seller shall keep, and shall cause their respective Affiliates and its and their respective officers, directors, employees and agents to keep, this Agreement, the terms hereof (including, without limitation, the identity of the Purchaser and the Seller), and all documents and information relating hereto, or furnished pursuant to or in connection with, this Agreement or the transactions contemplated hereby confidential, except to the extent disclosure may be required by a Requirement of Law (including, without limitation, stock exchange regulation) or to secure regulatory approval of the transactions contemplated by this Agreement; provided, however, that the Party required to make such disclosure provides the other Party with notice thereof to the extent legally permissible. If the other Party seeks an appropriate protective order or other such remedy as such Party deems appropriate prior to such disclosure, the Party required to make such disclosure (at the other Party's sole expense) shall provide reasonable cooperation and cause its representatives to provide reasonable cooperation to the other Party in seeking any such remedy. Notwithstanding the foregoing, following the Closing, the restrictions set forth in this Section 11.5 shall not apply to Purchaser's or any of its Affiliates' use of documents and information concerning the Company furnished by or on behalf of the Company or the Seller. In the event the transactions contemplated hereby are not consummated and this Agreement is terminated, upon the request of the other Party, each Party shall, and shall cause its Affiliates, promptly (and in no event later than five (5) days after such request) to redeliver or cause to be redelivered all copies of documents and information furnished by the other Party in connection with this Agreement or the transactions contemplated hereby and destroy or cause to be destroyed all notes, memoranda, summaries, analyses, compilations and other writings related thereto or based thereon prepared by the Party that furnished such documents and information or its officers, directors, employees and agents. Notwithstanding any other provision of this Agreement, the Seller, the Purchaser and the Company (including any of their respective employees, representatives or other agents) may disclose to any and all Persons, without limitation of any kind, the tax treatment and tax structure of this Agreement and all materials of any kind (including opinions or other tax analyses) that are provided to the Seller, the Purchaser and the Company relating to such tax treatment or tax structure; provided that the foregoing does not constitute an authorization to disclose information identifying the Seller, the Purchaser or the Company or any parties to transactions engaged by the Seller, the Purchaser and the Company or (except to the extent relating to such tax structure or tax treatment) any nonpublic commercial or financial information.

Section 11.6 **Parties Bound.** This Agreement shall apply to, inure to the benefit of and be binding upon and enforceable against the Parties hereto and their respective successors and permitted assigns.

Section 11.7 **Governing Law.** This Agreement, and the rights and obligations of the Parties hereto, shall be enforced by and construed in accordance with the laws of the State of New York without regard to conflict of law principles thereof other than the insurance laws of any state. To the extent that any insurance laws or regulations are applicable to matters under this Agreement, such matters shall be governed by the insurance laws or regulations of the applicable jurisdiction involved.

(i) **Submission to Jurisdiction.** Each Party hereby irrevocably and unconditionally consents to submit to the exclusive jurisdiction of the courts of the State of New York and of the United States of America therein for any actions, suits, or proceedings arising out of or relating to this Agreement (and each Party agrees not to commence any actions, suit or

proceeding relating thereto except in such courts), and further agrees that service of any process, summons, notice or document by U.S. registered mail to addresses set forth in Section 11.8 shall be effective service of process for any action, suit or proceeding brought in any such court. Each Party hereby irrevocably and unconditionally waives any objection to the laying of venue of any action, suit or proceeding arising out of or relating to this Agreement in the courts of the State of New York or the United States of America therein and hereby further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum.

(ii) Waiver of Jury Trial. EACH OF THE SELLER AND THE PURCHASER WAIVES TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY IT ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS AGREEMENT, OR ANY OTHER AGREEMENTS EXECUTED IN CONNECTION HEREWITH OR THE ADMINISTRATION THEREOF OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREIN. No Party to this Agreement shall seek a jury trial in any lawsuit, proceeding, counterclaim, or any other litigation procedure based upon, or arising out of, this Agreement or any related instruments or the relationship between the Parties. No Party will seek to consolidate any such action, in which a jury trial has been waived, with any other action in which a jury trial cannot be or has not been waived. THE PROVISIONS OF THIS SECTION HAVE BEEN FULLY DISCUSSED BY THE PARTIES HERETO, AND THESE PROVISIONS SHALL BE SUBJECT TO NO EXCEPTIONS.

Section 11.8 Notices. Any notices, consents, waivers and other communications under this Agreement must be in writing and transmitted by one of the methods set forth in this Section 11.8. Such notices, consents, waivers and other communications will be deemed to have been duly given only when (a) delivered by hand (with written confirmation of receipt), (b) sent by facsimile with confirmation of transmission by the transmitting equipment, (c) received by the addressee, if sent by certified mail, return receipt requested, (d) receipt by the sender of electronic confirmation of the transmission when sent by electronic mail, or (e) received by the addressee, if sent by a nationally recognized overnight delivery service, in each case to the appropriate addresses or facsimile numbers set forth below (or to such other addresses or facsimile numbers as a Party may designate by written notice to the other Party):

If to the Seller:

Partner Reinsurance Company of the U.S.
One Greenwich Plaza
Greenwich, CT 06830-6352
Attention: Marta J. Shevchik
E-mail: Marta.Shevchik@partnerre.com

With a Copy to:

Morgan, Lewis & Bockius LLP
One State Street
Hartford, Connecticut 06103
Facsimile: (860) 240-2520
Attention: Jeffrey S. MacDonald
E-mail: jeffrey.macdonald@morganlewis.com

If to the Purchaser:

Employers Group, Inc.
10375 Professional Circle
Reno, NV 89521
Attention: Michael S. Paquette
E-mail: mpaquette@employers.com

With a Copy to:

Wilson Sonsini Goodrich & Rosati
650 Page Mill Road
Palo Alto, CA 94304
Facsimile: 650.493.6811
Attention: Douglas Schnell; Katherine Ku
E-mail: dschnell@wsgr.com; kku@wsgr.com

Section 11.9 Number and Gender of Words. Whenever herein the singular is used, the same shall include the plural, where appropriate, and whenever herein the plural is used, the same shall include the singular, where appropriate, and words of any gender shall include each other gender, where appropriate.

Section 11.10 Severability. If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Agreement will remain in full force and effect. The Parties agree that if any provision contained herein is, to any extent, held invalid or unenforceable in any respect under the law governing this Agreement, they will take any actions reasonably necessary to render the remaining provisions of this Agreement valid and enforceable to the fullest extent permitted by law and, to the extent reasonably necessary, will amend or otherwise modify this Agreement to replace any provision contained herein that is held invalid or unenforceable with a valid and enforceable provision giving effect to the intent of the Parties.

Section 11.11 Currency. Whenever the word “Dollars” or the sign “\$” appears in this Agreement, they shall be construed to mean United States Dollars and all transactions under this Agreement shall be in United States Dollars.

Section 11.12 Entire Agreement. This Agreement, together with the Schedules, Exhibits and other documents delivered pursuant to this Agreement, the Transfer and Assumption Agreement and the Guaranty constitute a complete and exclusive statement of the terms of the agreement between the Parties with respect to its subject matter and supersedes all prior agreements, whether written or oral, between the Parties with respect to its subject matter.

Section 11.13 Waiver. No failure to exercise, and no delay in exercising, on the part of either Party any right hereunder will operate as a waiver thereof, nor will any single or partial exercise of any right hereunder preclude further exercise of any right hereunder.

Section 11.14 Counterparts; Effectiveness. This Agreement may be executed in counterparts, each of which shall be deemed an original for all purposes and all of which shall be deemed, collectively, one and the same agreement. Execution of a counterpart hereof in facsimile or electronic form will be deemed to be the execution of an original counterpart hereof. This Agreement shall become effective when executed and delivered by the Parties hereto.

Section 11.15 Assignment. This Agreement shall not be assignable by either Party without the prior written consent of the other Party and any attempt to assign this Agreement without such consent shall be void; provided, however, that the Purchaser may assign all or any portion of this Agreement to any Affiliates of the Purchaser if such Affiliate assumes the obligations hereunder; and provided, further, that, the Seller may assign its rights and obligations under this Agreement to an entity to which it may assign the Transfer and Assumption Agreement under Section 8 thereof (a) following the Closing and (b) only if the Guaranty is amended so that the Guarantor (as defined therein) guarantees the obligations of such assignee entity. Any permitted assignment by the Purchaser or the Seller shall not release the Purchaser or the Seller from its obligations and responsibilities hereunder. All the terms and provisions of this Agreement shall be binding upon and inure to the benefit of the permitted transferees, successors and assigns of either Party.

Section 11.16 Headings; Construction; Interpretation. The headings contained in this Agreement are for convenience of reference only and shall not affect the interpretation or meaning of this Agreement. The language used in this Agreement shall be deemed to be the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against any Person. In addition:

(a) The words “hereof,” “herein” and “hereunder” and words of like import used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement.

(b) References to Articles, Sections, Exhibits and Schedules are to Articles, Sections, Exhibits and Schedules of this Agreement unless otherwise specified.

(c) All Exhibits and Schedules annexed hereto or referred to herein are hereby incorporated in and made a part of this Agreement as if set forth in full herein. Any capitalized

terms used in any Exhibit or Schedule but not otherwise defined therein, shall have the meaning as defined in this Agreement.

(d) Where a word or phrase is defined herein, each of its other grammatical forms shall have a corresponding meaning.

(e) Whenever the words “include,” “includes” or “including” are used in this Agreement, they shall be deemed to be followed by the words “without limitation,” whether or not they are in fact followed by those words or words of like import.

(f) The use of the word “or” shall not be exclusive.

(g) A reference to any legislation or to any provision of any legislation shall include any modification, amendment, re-enactment thereof, any legislative provision substituted therefore and all rules, regulations and statutory instruments issued or related to such legislation.

(h) Any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be applied in the construction or interpretation of this Agreement. No prior draft of this Agreement nor any course of performance or course of dealing shall be used in the interpretation or construction of this Agreement. No parol evidence shall be introduced in the construction or interpretation of this Agreement unless the ambiguity or uncertainty in issue is plainly discernible from a reading of this Agreement without consideration of any extrinsic evidence. Although the same or similar subject matters may be addressed in different provisions of this Agreement, the Parties intend that, except as expressly provided in this Agreement, each such provision shall be read separately, be given independent significance and not be construed as limiting any other provision of this Agreement (whether or not more general or more specific in scope, substance or content). The doctrine of election of remedies shall not apply in construing or interpreting the remedies provisions of this Agreement or the equitable power of a court considering this Agreement or the transactions contemplated hereby.

Section 11.17 **Third Party Beneficiaries.** Except as otherwise provided herein (including, for the sake of clarity, with respect to the Indemnified Parties identified in ARTICLE VIII hereof), nothing herein, express or implied, is intended, or shall be construed, to confer upon or give to any Person other than the Parties and their successors and assigns, any rights or remedies under or by reason of this Agreement.

Section 11.18 **Other Representations and Warranties; Remedies Exclusive.** The representations and warranties made by the Seller and the Purchaser herein, in any other Transaction Agreement (in the case of the Seller), or in any other agreement, certificate, document, or instrument delivered in connection herewith or therewith are the sole representations and warranties made by each such Party to the other with respect to the transactions contemplated by this Agreement. There are no other express or implied warranties. The remedies provided by Article VIII and Article IX, together with the remedies provided by the Guaranty, shall be the sole and exclusive remedies of the Parties to this Agreement with respect to any dispute involving monetary damages arising from or related to this Agreement, except that specific performance shall continue to be available.

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IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date first above written.

SELLER:

**PARTNER REINSURANCE
COMPANY OF THE U.S.**

BY: /s/ RICHARD N. SANFORD

Name: Richard N. Sanford

Title: Chairman and President

PURCHASER:

EMPLOYERS GROUP, INC.

BY: /s/ DOUGLAS D. DIRKS

Name : Douglas D. Dirks

Title: President and Chief Executive
Officer

EXHIBIT A
DEFINITIONS

“**Acquisition Statement**” means the required Form A statement, and all related materials (which shall include an appropriate change of name application), to be filed with the New York Department in connection with the Purchaser’s acquisition of the Shares pursuant to the requirements of the New York insurance laws.

“**Acts**” means the Securities Act of 1933, as amended, or any applicable state securities laws, as amended.

“**Affiliates**” means any Person controlling, controlled by or under common control with another Person.

“**Agreement**” has the meaning ascribed thereto in the introductory paragraph hereof and Section 11.2 hereof.

“**Alternative Transaction Proposal**” means any proposal or offer (whether or not in writing) from any Person or group of Persons, other than the Purchaser or its Affiliates, regarding any of the following: (a) the acquisition by a third party of any voting or other equity securities of the Company or power to vote any such voting securities (or an interest that currently or with the passage of time or other event is convertible into or exchangeable or exercisable for the same), (b) a merger, consolidation, business combination, reorganization, share exchange, recapitalization or similar transaction or series of related transactions involving the Company, (c) a liquidation or dissolution of the Company or (d) any sale, lease, exchange, transfer, license or other disposition of the assets of the Company (other than as contemplated by this Agreement).

“**Business**” means the business of providing insurance or, as applicable, reinsurance, including, but not limited to, the conduct of investment, underwriting, claims and administrative activities.

“**Business Day**” means any day other than a Saturday, a Sunday or any other day on which banking institutions in New York, New York or Los Angeles, California are required or authorized by applicable law to be closed.

“**Claim**” has the meaning ascribed thereto in Section 8.3(a) hereof.

“**Claims Notice**” has the meaning ascribed thereto in Section 8.3(a).

“**Closing**” means the date of the consummation of the transactions contemplated by this Agreement.

“**Closing Date**” means the date of the consummation of the transactions contemplated by this Agreement.

“**Code**” means the Internal Revenue Code of 1986, as amended.

“**Company**” has the meaning ascribed thereto in the recitals hereof.

“**Contest**” has the meaning ascribed thereto in Section 9.5(a) hereof.

“Defense” has the meaning ascribed thereto in Section 8.3(b) hereof.

“Dispute Notice” has the meaning ascribed thereto in Section 1.3(e) hereof.

“Embargoed Persons” has the meaning ascribed thereto in Section 2.27 hereof.

“Environmental Law” has the meaning ascribed thereto in Section 2.18(c) hereof.

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

“Estimated Closing Statement” has the meaning ascribed thereto in Section 1.2(d) hereof.

“Excluded Marks” has the meaning ascribed thereto in Section 5.3 hereof.

“Existing Reinsurance Contracts” means the reinsurance agreements, contracts or treaties under which the Company ceded certain liabilities relating to the Prior Insurance Business.

“Final Closing Statement” has the meaning ascribed thereto in Section 1.3(e) hereof.

“Final Report” has the meaning ascribed thereto in Section 1.3(e) hereof.

“Final Statutory Capital and Surplus” has the meaning ascribed thereto in Section 1.3(e) hereof.

“Guaranty” means the agreement to be entered into by PartnerRe Ltd., as guarantor, in favor of the Purchaser, substantially in the form attached hereto as Exhibit C.

“Hazardous Material” has the meaning ascribed thereto in Section 2.18(c) hereof.

“Indemnified Party” has the meaning ascribed thereto in Section 8.3(a) hereof.

“Indemnifying Party” has the meaning ascribed thereto in Section 8.3(a) hereof.

“Initial Statutory Capital and Surplus” has the meaning ascribed thereto in Section 1.2(a)(i) hereof.

“Knowledge” means (i) with respect to the Seller, the actual knowledge of its General Counsel or its Chief Financial Officer, and (ii) with respect to the Purchaser, the actual knowledge of its General Counsel or its Chief Financial Officer, in each case after reasonable investigation.

“License Cure” has the meaning ascribed thereto in Section 1.3(b) hereof.

“License Value” means (i) with respect to each Licensed State in which the Company maintains a License to write one or more lines of primary insurance business, One Hundred Thirty-Eight Thousand Dollars (\$138,000) per License, (ii) with respect to each Licensed State in which the Company maintains a License to write only reinsurance business One Hundred Thirty-Eight Thousand Dollars (\$138,000) per License, and (iii) with respect to each Licensed State in which the Company maintains a License to write reinsurance business as an accredited reinsurer, Zero Dollars (\$0) per License.

“Licensed State” has the meaning ascribed thereto in Section 1.3(a) hereof.

“**Licenses**” has the meaning ascribed thereto in Section 1.3(a) hereof.

“**Lien**” means, with respect to any property or asset, any claim, license, charge, easement, encumbrance, lease, covenant, security interest, mortgage, right of way, lien, option, pledge, right of first option, first refusal or similar restriction, restriction (whether on voting, sale, transfers, disposition or otherwise), or other encumbrance whatsoever, whether imposed by agreement, law, equity or otherwise, except for any restrictions on transfer generally arising under the Acts.

“**Loss**” and “**Losses**” has the meaning ascribed thereto in Section 8.1 hereof.

“**Material Adverse Effect**” means, with respect to the Company, any effect, development or change that is, or would reasonably be expected to be, materially adverse, individually or in the aggregate, to the Statutory Capital and Surplus or to the Company’s Licenses, business, condition (financial or otherwise) or results of operations or to the ability of the Company to perform its obligations under this Agreement or consummate the transactions contemplated hereby, other than any of the following, or any effect, event, development or change arising out of or resulting therefrom: (i) changes in conditions in the United States or global economy or capital or financial markets generally, (ii) changes in general legal, tax, regulatory, political or business conditions, (iii) changes in Statutory Accounting Practices following the date hereof, (iv) the negotiation, execution, announcement, pendency or performance of this Agreement and the other Transaction Agreements or the consummation of the transactions contemplated hereby and thereby (it being understood that this clause (iv) will not apply with respect to any representation or warranty the purpose of which is to address compliance with any Requirement of Law, or applicable accounting regulations or principles, or contractual requirement), (v) acts of war, armed hostilities, sabotage or terrorism, or any escalation or worsening of any of the foregoing, (vi) earthquakes, hurricanes, floods or other natural disasters or (vii) any action by the Purchaser or any of its Affiliates, the omission of an action that is expressly required to be taken by the Purchaser or any of its Affiliates pursuant to the Transaction Agreements or any action taken by the Company or the Seller at the request or with the consent of the Purchaser; provided, however, with respect to (i), (ii), (v) and (vi), except to the extent that such effect, event, development or change has, or would reasonably be expected to have, individually or in the aggregate, a materially disproportionate adverse effect on the Company relative to other participants in the property and casualty insurance industry.

“**New York Department**” means the Department of Financial Services of the State of New York.

“**Parties**” means has the meaning set forth in the first paragraph of this Agreement.

“**Person**” means an individual, corporation, partnership, limited liability company, association, trust or other entity or organization.

“**Post-Closing Returns**” has the meaning ascribed thereto in Section 9.2(b) hereof.

“**Prior Insurance Business**” means any and all insurance and reinsurance contracts, policies, agreements, riders, endorsements, binders or other arrangements of the Company that were written, renewed, effective, entered into, or have liabilities (contingent or otherwise) arising out of or covering any period of time on or prior to the Closing Date.

“**Purchase Price**” has the meaning ascribed thereto in Section 1.2(a) hereof.

“**Purchaser**” has the meaning ascribed thereto in the first paragraph of this Agreement.

“**Purchaser Fees**” has the meaning ascribed thereto in Section 3.5 hereof.

“**Reference Balance Sheet**” means the balance sheet included in the Statutory Financial Statements for the period ended December 31, 2016.

“**Required Approvals**” means any consents, authorizations and regulatory approvals listed or required to be listed on Schedule 2.9 or Schedule 3.6, and the approval of the New York Department of one or more extraordinary dividends to PartnerRe U.S. Corporation prior to the Closing Date in accordance with Section 1.2(b) of this Agreement.

“**Requirement of Law**” means any federal, state or local law (both common and statutory law and civil and criminal law), treaty, convention, legislation, regulation, rule, ordinance, writ, by-law, regulatory code (including, without limitation, statutory instruments, guidance notes, circulars, directives, decisions, rules, regulations, restrictions or conditions imposed on a Person or its assets) or similar provision having the force of law or an order, injunction or decree of any governmental authority or any regulatory organization.

“**Rescinded License**” has the meaning ascribed thereto in Section 1.3(a) hereof.

“**Review Period**” has the meaning ascribed thereto in Section 1.3(e) hereof.

“**Seller**” has the meaning ascribed thereto in the first paragraph of this Agreement.

“**Seller Fees**” has the meaning ascribed thereto in Section 2.24 hereof.

“**Shares**” has the meaning ascribed thereto in the recitals hereof.

“**Special Deposits**” means deposits which are payable to a state or regulatory authority of such state and which are required under a Requirement of Law as a condition to engage in one or more lines of insurance and reinsurance business in such state or other states in which the Company has Licenses.

“**Statutory Accounting Principles**” means the accounting practices prescribed or permitted by the New York Department to be used in connection with the preparation of financial statements of an insurance company in effect at the time such financial statements in question are prepared.

“**Statutory Financial Statements**” has the meaning ascribed thereto in Section 2.12(a) hereof.

“**Straddle Period**” means any Taxable Period beginning on or before the Closing Date and ending after the Closing Date.

“**Tax Indemnitee**” has the meaning ascribed thereto in Section 9.1(a) hereof.

“**Tax Return**” and “**Tax Returns**” have the meaning ascribed thereto in Section 9.8(b) hereof.

“**Taxable Period**” has the meaning ascribed thereto in Section 9.8(c) hereof.

“**Taxes**” (or in the singular “**Tax**”) has the meaning ascribed thereto in Section 9.8(d) hereof.

“Taxing Authority” has the meaning ascribed thereto in Section 9.8(e) hereof.

“Terminated Agreements” has the meaning ascribed thereto in Section 4.9 hereof.

“Third Party Claim” has the meaning ascribed thereto in Section 8.3(b) hereof.

“Transaction Agreements” means this Agreement, the Transfer and Assumption Agreement and the Guaranty and any other agreements, certificates and instruments to be executed and delivered as contemplated by this Agreement.

“Transfer and Assumption Agreement” means the agreement to be entered into between the Company and the Seller substantially in the form attached hereto as Exhibit B.

**EXHIBIT B
FORM OF
TRANSFER AND ASSUMPTION AGREEMENT**

This TRANSFER AND ASSUMPTION AGREEMENT (this “**Agreement**”), made this [] day of [], 2017 (the “**Effective Date**”), is by and between PartnerRe Insurance Company of New York, a stock insurance company duly organized and existing under the laws of the State of New York (“**PartnerRe NY**”), and Partner Reinsurance Company of the U.S., a stock insurance company duly organized and existing under the laws of the state of New York (“**PartnerRe US**” and, together with PartnerRe NY, the “**Parties**”).

RECITALS

WHEREAS, PartnerRe US is the record holder of 100% of the issued and outstanding shares of capital stock of PartnerRe NY;

WHEREAS, PartnerRe NY and PartnerRe US are either licensed or accredited to transact property and casualty lines of reinsurance in the states listed on Schedule A hereto;

WHEREAS, PartnerRe US desires to sell (the “**Sale**”) 100% of the issued and outstanding shares of capital stock of PartnerRe NY to an unrelated party, Employers Group, Inc., a Nevada corporation (the “**Purchaser**”); and

WHEREAS, in order to facilitate the Sale, the Parties desire to effect the transfer to and assumption by PartnerRe US of certain assets and all liabilities of PartnerRe NY (the “**Transfer and Assumption**”).

AGREEMENT

NOW, THEREFORE, in consideration of the premises and of the mutual agreements and covenants hereinafter set forth, the Parties, intending to be legally bound, hereby agree as follows:

1. Binding Nature. This Agreement shall be deemed binding and non-cancelable at 10:00 am (New York City time) on the Effective Date.

2. Transferred Liabilities.

(a) By this Agreement all liabilities and obligations of PartnerRe NY existing as of the Effective Date, whether known or unknown, asserted or unasserted, choate or inchoate, secured or unsecured, fixed, absolute or contingent, accrued or unaccrued, liquidated or unliquidated and whether due or to become due (collectively, the “**Assumed Liabilities**”) are transferred to and assumed by PartnerRe US and PartnerRe US hereby assumes and succeeds to and agrees to pay or perform when due all such Assumed Liabilities.

(b) The Assumed Liabilities include any and all of PartnerRe NY’s liabilities, obligations and contractual commitments existing as of the Effective Date, whether known or unknown, asserted or unasserted, choate or inchoate, secured or unsecured, fixed, absolute or contingent, accrued or unaccrued, liquidated or unliquidated and whether due or to become due, including, without limitation, the following:

(i) any and all unpaid losses and loss adjustment expenses and any and all liabilities and obligations existing or arising in the future with respect to the assets described in Sections 3(b)(i) or (ii);

(ii) any and all unpaid expenses, including, without limitation, contingent commissions, underwriting and investment expenses, taxes (including, without limitation, United States Federal and state and foreign taxes), license fees and other fees and any and all other similar obligations;

(iii) any and all monies withheld or retained for the account of others and any and all monies owing by PartnerRe NY to others, including, without limitation, agents, brokers and other underwriting representatives and reinsurers;

(iv) any and all monies or other obligations due under reinsurance contracts;

(v) any and all liabilities and obligations under any and all contracts, leases and agreements, whether or not in writing;

(vi) any and all liabilities and obligations in respect of any and all insurance regulatory fees and assessments; and

(vii) any and all subsequent actions, proceedings or liabilities arising from any of the foregoing liabilities or obligations or the assets of PartnerRe NY.

3. Transferred Assets.

(a) Immediately as of the Effective Date, all the rights, franchises and interests of PartnerRe NY in and to every species of property (whether real, personal or mixed) and choses in action thereunto belonging as of the Effective Date, are deemed to be transferred to and vested in PartnerRe US; provided, that the statutory capital and surplus of PartnerRe NY, an amount not less than the amount required by applicable law or regulation after giving effect to the transactions contemplated by this Agreement and not substantially more than \$40,000,000, which shall include or consist of any and all statutory deposits with insurance regulatory authorities, shall be retained by PartnerRe NY, together with the constituent documents, minute books, corporate records, foreign qualification documents, permits and the insurance licenses, accreditations and regulatory records and filings concerning PartnerRe NY (the foregoing in this proviso, collectively, the “**Retained Assets**”). Notwithstanding the foregoing, in no event shall any asset of PartnerRe NY be transferred if such transfer would cause PartnerRe NY to become impaired, insolvent or otherwise in violation of any applicable law or regulation.

(b) With the exception of the Retained Assets, the assets of PartnerRe NY to be transferred to PartnerRe US as of and on the Effective Date shall include any and all of PartnerRe NY’s property and assets existing as of the Effective Date, real, personal or mixed, tangible and intangible, of every nature and description, of whatever kind and wherever situated, including, without limitation, the following:

(i) any and all business, including, without limitation, any and all underwriting contracts, including, without limitation, direct insurance policies and endorsements in respect thereto, reinsurance contracts, facultative contracts, retrocession agreements and any and all other underwriting contracts of every kind and description;

(ii) any and all cash, securities, choses in action and other property of every nature and description, including, without limitation, real property, leaseholds and other interests therein;

- (iii) any and all monies owing by others to PartnerRe NY, including, without limitation, agents, brokers and other underwriting representatives and reinsurers;
- (iv) any and all loans; and
- (v) any and all contracts, leases and agreements, whether or not in writing.

4. Effect of Assumption. No actions or proceedings pending on the Effective Date or any subsequent actions or proceedings arising from the liabilities and assets owned by PartnerRe NY prior to the Effective Date to which PartnerRe NY may be a party, shall be abated or discontinued by reason of the Transfer and Assumption contemplated by this Agreement, but the same may be prosecuted to final judgment in the same manner as if the Transfer and Assumption contemplated by this Agreement had not taken place, or PartnerRe US may be substituted in place of PartnerRe NY by order of the court in which the action or proceeding may be pending. All liabilities and obligations of every nature and description of PartnerRe NY at the time of the Transfer and Assumption contemplated by this Agreement shall attach to and be assumed by PartnerRe US and may be enforced against PartnerRe US to the same extent as if such liabilities and obligations had been originally incurred or contracted by PartnerRe US.

5. Reserves Reporting. Regarding loss and loss adjustment expense reporting of claims associated with the Assumed Liabilities, PartnerRe US intends to record all of PartnerRe NY's Direct, Assumed, and Ceded loss and loss adjustment expense reserves relating to business entered into by PartnerRe NY as of and prior to the Effective Date (and all applicable payments thereon) on its financial statements. PartnerRe US also agrees that not later than February 15th of each calendar year it will provide PartnerRe NY with the gross and net loss and loss adjustment expense reserves included as part of the Assumed Liabilities as of the preceding December 31st if (i) requested by PartnerRe NY or its successors prior to January 1st following the calendar year for which the gross and net loss and loss adjustment expense reserves included as part of the Assumed Liabilities are to be reported and (ii) PartnerRe NY or its successors is required by law to report gross and net loss and loss adjustment expense reserves included as part of the Assumed Liabilities.

6. Capital and Surplus. PartnerRe US agrees that it will maintain sufficient statutory capital and surplus to enable it to perform its obligations under this Agreement.

7. No Waiver. PartnerRe US agrees that the failure of PartnerRe NY to exercise, or any delay by PartnerRe NY in exercising, any right hereunder shall not be deemed a waiver of any right hereunder, nor will any single or partial exercise of any right hereunder by PartnerRe NY preclude further exercise by it of any right hereunder.

8. Cooperation and Authorization. The Parties hereto covenant and agree to take such additional steps, to perform such additional acts, and to furnish such additional documents and other agreements and instruments, as may at any time be necessary or appropriate to carry out the transactions contemplated by this Agreement. Each of the Parties does hereby irrevocably authorize and empower all of its duly authorized officers, or any one of them, to take such additional steps, to perform such additional acts and to execute such additional documents and other agreements and instruments on behalf of such Party in furtherance hereof, and such acts when taken, such acts when performed and such documents and other agreements and instruments when executed shall have full effect and be as if taken, performed or executed by such Party under its corporate seal.

9. Successors and Assigns. The terms and conditions contained in this Agreement shall inure to the benefit of, and be binding upon, the Parties and their respective successors and permitted assigns. Furthermore, PartnerRe US may only assign this Agreement (a) to an affiliated party that is licensed in the jurisdictions listed on Schedule A and has statutory capital and surplus sufficient to enable it to perform its obligations under this Agreement, and (b) with the prior written consent of PartnerRe NY, which shall not be unreasonably withheld.

10. Entire Agreement. This Agreement constitutes the entire agreement between the Parties relating to the subject matter hereof and supersedes all prior and contemporaneous agreements, understandings, negotiations and discussions, whether oral or written, of the Parties with respect thereto.

11. Amendment. This Agreement may not be amended, supplemented or modified except by a written instrument signed by each of the Parties.

12. Counterparts. This Agreement may be executed by the Parties 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. Each counterpart may be delivered by facsimile transmission or e-mail (as a .pdf, .tif or similar uneditable attachment), which transmission shall be deemed delivery of an originally executed counterpart hereof.

13. Third-Party Beneficiary. The Parties agree that the Purchaser is intended to be, and upon and following the consummation of the Sale will be, a third-party beneficiary of this Agreement.

14. Governing Law. This Agreement shall be interpreted and construed in accordance with the laws of the State of New York, without regard to its conflict of laws principles that would require application of the laws of a jurisdiction other than the State of New York.

[Signature Page Follows]

IN WITNESS WHEREOF, PartnerRe NY and PartnerRe US have caused this Agreement to be duly executed as of the date first written above.

PARTNERRE INSURANCE COMPANY
OF NEW YORK

PARTNER REINSURANCE COMPANY OF THE U.S.

By: _____
Name:
Title:

By: _____
Name:
Title:

[SEAL]

[SEAL]

[Signature Page to Transfer and Assumption Agreement]

Schedule A

Licensed or Accredited States

Alabama
Alaska
Arizona
Arkansas
California
Colorado
Connecticut
Delaware
Florida
Georgia
Hawaii
Idaho
Illinois
Indiana
Iowa
Kansas
Kentucky
Louisiana
Maine
Maryland
Massachusetts
Michigan
Minnesota
Mississippi
Missouri
Montana
Nebraska
Nevada
New Hampshire
New Jersey
New Mexico
New York
North Carolina
North Dakota
Ohio
Oklahoma
Oregon
Pennsylvania
Rhode Island
South Carolina
South Dakota
Tennessee
Texas
Utah
Vermont

Virginia
Washington
West Virginia
Wisconsin
Wyoming

PartnerRe U.S. and PartnerRe NY are also licensed to transact property and casualty lines of reinsurance in the District of Columbia.

**EXHIBIT C
FORM OF
GUARANTY**

THIS GUARANTY is dated and made effective as of [___], 2017 (this "**Guaranty**"), and is made by PartnerRe Ltd., a Bermuda company (the "**Guarantor**"), in favor of Employers Group, Inc., a Nevada corporation ("**Buyer**").

WHEREAS, Buyer and Partner Reinsurance Company of the U.S., a New York corporation ("**Seller**"), are parties to a Stock Purchase Agreement dated as of August 11, 2017 (the "**Purchase Agreement**"), pursuant to which Buyer will purchase, and Seller will sell, all of the capital stock of PartnerRe Insurance Company of New York, a New York corporation (the "**Company**");

WHEREAS, pursuant to the Purchase Agreement and as a condition to the obligations of Buyer as set forth therein, Seller and the Company are parties to a Transfer and Assumption Agreement dated as of [___], 2017 (the "**Transfer and Assumption Agreement**"), pursuant to which Seller will accept, assume and succeed to, and the Company will transfer to Seller, certain liabilities and assets;

WHEREAS, Seller is an Affiliate (as defined in the Purchase Agreement) of the Guarantor;

WHEREAS, pursuant to the Purchase Agreement and as a condition to the obligations of Buyer as set forth therein, Seller is required to deliver this Guaranty to Buyer in connection with the closing of the transactions contemplated by the Purchase Agreement; and

WHEREAS, as an Affiliate of Seller, the Guarantor will be benefited by the consummation of the transactions contemplated by the Purchase Agreement.

NOW, THEREFORE, in consideration of the premises and mutual agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the Guarantor agrees as follows:

1. The Guarantor unconditionally, absolutely and irrevocably guarantees to Buyer, as a primary obligor and not merely as surety, the full and prompt payment and performance by Seller of all of Seller's obligations, liabilities and indemnities under the Purchase Agreement and the Transfer and Assumption Agreement and the transactions contemplated thereby, including, without limitation, obligations which, but for the automatic stay under Section 362(a) of the Bankruptcy Code, would become due (the "**Obligations**"). The Guarantor hereby waives to the fullest extent permitted by applicable law: (a) grace, demand, presentment and protest or notice of dishonor with respect to the Obligations, (b) notice of or as to grace, demand, presentment and protest, (c) notice of non-payment or other defaults under the Purchase Agreement, (d) notice of and/or any right to consent or object to the assignment of any interest in the Obligations, or the creation, advancement, accrual, renewal, increase, extension or rearrangement of the Obligations, (e) filing of any civil, criminal, administrative, investigative or informal action, audit, demand, suit, claim, arbitration, hearing, litigation, dispute, investigation or other proceeding of any kind or nature (an "**Action**") by Buyer in collection or enforcement of the Obligations, (f) any other notice regarding the Obligations, (g) any right it may have to require Buyer to proceed against Seller or against any other party, (h) any and all rights or defenses arising by reason of any law that would otherwise require any election of remedies by Buyer, (i) any defense based on or arising out of the disability of Seller or the Guarantor or any other party, or the unenforceability of the Obligations or any part thereof from any cause, or the cessation from any cause of the liability of Seller or

any other Person (as defined in the Purchase Agreement) other than that the Obligations shall have been indefeasibly discharged and fulfilled in full, and (j) all suretyship defenses generally. Guarantor agrees that all of the obligations under this Guaranty are independent of the Obligations and that a separate Action may be brought against Guarantor whether or not an Action is commenced against Seller under the Purchase Agreement or the Transfer and Assumption Agreement. Notwithstanding anything contained herein to the contrary, the Guarantor reserves the right to assert any and all defenses which Seller may have under the Purchase Agreement with respect to the payment and performance of the Obligations. Guarantor agrees at all times while this Guaranty remains in full force and effect to maintain adequate shareholders equity to pay the Obligations.

2. The Guarantor agrees that Buyer may at any time and from time to time, without notice to or further consent of the Guarantor, extend the time of payment of the Obligations, or otherwise amend, modify, or change in any manner the Obligations, and may also make any agreement with Seller for the extension, renewal, payment, compromise, discharge or release thereof, in whole or in part, in each case without in any way impairing or affecting the Guarantor's obligations under this Guaranty. The Guarantor agrees that the Obligations hereunder shall not be released or discharged, in whole or in part, or otherwise affected by: (a) the failure or delay of Buyer to assert any claim or demand or to enforce any right or remedy against Seller under the Purchase Agreement or the Transfer and Assumption Agreement, (b) any change in the time, place or manner of payment of the Obligations, (c) the addition, substitution or release of any Person now or hereafter liable with respect to the Obligations, to or from this Guaranty, the Purchase Agreement, the Transfer and Assumption Agreement, or any related agreement or document, (d) any change in the corporate existence, structure or ownership of Seller or any other Person now or hereafter liable with respect to the Obligations, (e) any insolvency, bankruptcy, reorganization or other similar proceeding affecting Seller or any other Person now or hereafter liable with respect to the Obligations, (f) the existence of any claim, set-off or other right which the Guarantor may have at any time against Seller or Buyer, whether in connection with the Obligations or otherwise, (g) the adequacy of any other means Buyer may have of obtaining payment of the Obligations, or (h) the taking by Buyer of any other action or Buyer omitting to take any other action which would, under otherwise applicable principles of common law, give rise to a legal or equitable discharge of the Guarantor from its liabilities under this Guaranty (including, without limitation, any action or omission whatsoever that might otherwise vary the risk of the Guarantor or constitute a legal or equitable defense to or discharge of the liabilities of a guarantor or surety or that might otherwise limit recourse against the Guarantor).

3. The Guarantor hereby waives (to the fullest extent permitted by applicable law) notice of acceptance of this Guaranty and notice of the existence, creation or incurrence of any new or additional liability to which it may apply, and waives (to the fullest extent permitted by applicable law) promptness, diligence, presentment, demand of payment, demand for performance, protest, notice of dishonor or nonpayment of any such liabilities, suit or taking of other action by Buyer against, and any other notice to, any party liable thereon (including, without limitation, the Guarantor, any other guarantor or Seller), and the Guarantor further hereby waives (to the fullest extent permitted by applicable law) any and all notice of the creation, renewal, extension or accrual of any of the Obligations and notice or proof of reliance by Buyer upon this Guaranty, and the Obligations shall conclusively be deemed to have been created, contracted or incurred, or renewed, extended, amended, modified, supplemented or waived, in reliance upon this Guaranty.

4. To the fullest extent permitted by applicable law, the Guarantor hereby unconditionally and irrevocably agrees not to exercise any rights that it may now have or hereafter acquire against Seller that arise from the existence, payment, performance, or enforcement of the Guarantor's obligations under or in respect of this Guaranty or any other agreement in connection therewith, including, without limitation, any right of

subrogation, reimbursement, exoneration, contribution or indemnification and any right to participate in any claim or remedy of Buyer against the Seller, whether or not such claim, remedy or right arises in equity or under contract, statute or common law, including, without limitation, the right to take or receive from Seller, directly or indirectly, in cash or other property or by set-off or in any other manner, payment or security on account of such claim, remedy or right, unless and until the Obligations shall have been indefeasibly satisfied in full. If any amount shall be paid to the Guarantor in violation of the immediately preceding sentence at any time prior to the payment in full in immediately available funds of the Obligations under this Guaranty, such amount shall be received and held in trust for the benefit of Buyer, shall be segregated from other property and funds of the Guarantor and shall forthwith be paid or delivered to Buyer in the same form as so received (with any necessary endorsement or assignment) to be credited and applied to the Obligations, in accordance with the terms of the Purchase Agreement or the Transfer and Assumption Agreement, as applicable, or to be held as collateral for the Obligations thereafter arising.

5. This Guaranty shall be an agreement of suretyship as well as guaranty. Buyer may proceed directly against the Guarantor whenever Seller fails to perform any of its Obligations, without being required to proceed first against Seller or any other Person. All payments by the Guarantor to Buyer shall be payable without set-off, deduction or counterclaim, except as such rights exist for Seller under the Purchase Agreement. The Guarantor hereby acknowledges and agrees that Buyer shall not be under any obligation (a) to marshal any assets in favor of the Guarantor or in payment of any or all of the liabilities of Seller or the obligations of the Guarantor hereunder or (b) to pursue any other remedy that the Guarantor may or may not be able to pursue itself, any right to which the Guarantor hereby waives.

6. This Guaranty will be binding upon the Guarantor's successors and permitted assigns. This is a continuing Guaranty and shall remain in effect as to Guarantor only until all of the Obligations are indefeasibly discharged and fulfilled in full in accordance with the terms and conditions of the Purchase Agreement and the Transfer and Assumption Agreement, as applicable. Guarantor may not terminate or revoke its obligations under this Guaranty in any manner.

7. The Guarantor represents, warrants and covenants that (which representations, warranties and covenants shall survive until all of the Obligations shall have been indefeasibly discharged and fulfilled in full in accordance with the terms and conditions of the Purchase Agreement and the Transfer and Assumption Agreement, as applicable):

(a) Organization, Standing and Company Power. The Guarantor is a company duly organized, validly existing and in good standing under the Requirements of Law (as defined in the Purchase Agreement) of Bermuda and has the requisite power and authority to own its properties and assets and carry on its business as currently conducted. The Guarantor has full power and authority to enter into, consummate the transactions contemplated by, and carry out its obligations under, this Guaranty. Guarantor is duly qualified as a foreign corporation or other organization to do business, and is in good standing, in each jurisdiction where the character of its owned, operated or leased assets or properties or the nature of its activities makes such qualification and good standing necessary, except where the failure to be so qualified or in good standing would not reasonably be expected to materially impair or delay the ability of the Guarantor to perform its obligations under this Guaranty. The execution and delivery by the Guarantor of this Guaranty, the performance by the Guarantor of its obligations under this Guaranty and the consummation by the Guarantor of the transactions contemplated by this Guaranty have been duly authorized by all requisite corporate action on the part of the Guarantor. This Guaranty has been duly executed and delivered by Guarantor. This Guaranty

constitutes the legal, valid and binding obligation of the Guarantor, enforceable against it in accordance with its terms subject to (i) Requirements of Law of general application relating to bankruptcy, insolvency and the relief of debtors and (ii) Requirements of Law governing specific performance, injunctive relief and other equitable remedies.

(b) Non-contravention; Consents. The execution, delivery and performance by the Guarantor of this Guaranty does not, and the consummation of the transactions contemplated hereby will not, (i) conflict with any of the provisions of the Transaction Agreements (as defined in the Purchase Agreement) or any material agreement or instrument which is binding upon the Guarantor or its assets, (ii) constitute grounds for acceleration of any material indebtedness or obligation of the Guarantor, or (iii) contravene any Requirements of Law applicable to the Guarantor.

(c) Governmental Consents and Approvals. The execution and delivery by the Guarantor of this Guaranty does not, and the performance by the Guarantor of its obligations under, and the consummation by the Guarantor of the transactions contemplated by this Guaranty will not, require the approval of any federal, state, local or foreign governmental or regulatory authority, agency, commission, department, body, court or other legislative, executive, or judicial or quasi-judicial governmental entity to be obtained by the Guarantor.

(d) Absence of Litigation. There are no Actions (as defined in the Purchase Agreement) pending or, to the actual knowledge (after reasonable investigation) of those individuals listed on Schedule 7(d), threatened against any of the Guarantor or its Affiliates that, individually or in the aggregate, would reasonably be expected to materially impair or delay the ability of the Guarantor to perform its obligations under this Guaranty.

(e) Financial Resources. The Guarantor has, and shall maintain, sufficient financial resources to fulfill its obligations under this Guaranty.

8. Expenses. The Guarantor agrees to pay on demand all fees and out of pocket expenses (including the reasonable fees and expenses of Buyer's counsel) reasonably relating to the enforcement or protection of the rights of Buyer hereunder; provided, that the Guarantor shall not be liable for any fees or expenses of Buyer if no payment under this Guaranty is due.

9. Recapture. Anything in this Guaranty to the contrary notwithstanding, if Buyer receives any payment or payments on account of the Obligations guaranteed hereby, which payment or payments or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside and/or required to be repaid to a trustee, receiver, or any other Person under any bankruptcy law, common law or equitable doctrine, then to the extent of any sum not finally retained by Buyer, the Guarantor's obligations to Buyer shall be reinstated and this Guaranty shall remain in full force and effect (or be reinstated) until payment shall have been made to Buyer, which payment shall be due on demand.

10. Further Assurances. The Guarantor shall execute and deliver all such further documents and instruments and do all acts and things as may be reasonably required to carry out the full intent and purpose of this Guaranty.

11. Independent Investigation. The Guarantor acknowledges that it is fully aware of the financial condition of Seller. The Guarantor delivers this Guaranty based solely upon its own independent investigation

and in no part upon any representations or statements of Buyer with respect thereto or with respect to the Obligations as they may now or hereafter exist. The Guarantor assumes all responsibility for being and keeping itself informed of Seller's financial condition, affairs and assets, and of all other circumstances bearing upon the risk of nonpayment or nonperformance of the Obligations and the nature, scope and extent of the risks which the Guarantor assumes and incurs hereunder, and has adequate means to obtain from Seller on an ongoing basis information relating thereto and Seller's ability to pay and perform its Obligations, and agrees to assume the responsibility to keep so informed.

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

(a) If to the Guarantor, to:

PartnerRe Ltd.
Wellesley House
90 Pitts Bay Road
Pembroke HM 08 Bermuda
Facsimile: (441) 292-6080
Attention: Chief Legal Officer

with a copy, which shall not constitute notice to the Guarantor, to:

Morgan, Lewis & Bockius LLP
One State Street
Hartford, Connecticut 06103
Facsimile: (860) 240-2520
Attention: Jeffrey S. MacDonald
E-mail: jeffrey.macdonald@morganlewis.com

(b) If to Buyer, to:

Employers Group, Inc.
10375 Professional Circle
Reno, NV 89521
Attention: Michael S. Paquette
E-mail: mpaquette@employers.com

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

Wilson Sonsini Goodrich & Rosati
650 Page Mill Road Palo Alto, CA 94304
Facsimile: 650.493.6811
Attention: Douglas Schnell; Katherine Ku
E-mail: dschnell@wsgr.com; kku@wsgr.com

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

14. Entire Agreement. This Guaranty constitutes the entire agreement of the parties with respect to the subject matter hereof and supersedes all prior agreements and undertakings, both written and oral, of the parties with respect to the subject matter hereof.

15. Assignment. This Guaranty shall not be assigned, in whole or in part, by operation of law or otherwise without the prior written consent of, as applicable, Buyer or the Guarantor, which consent shall not be unreasonably withheld or delayed. Any attempted assignment in violation of this Section 12 shall be null and void. This Guaranty shall be binding upon, shall inure to the benefit of, and shall be enforceable by the Guarantor and Buyer and their respective successors and permitted assigns.

16. No Third-Party Beneficiaries. This Guaranty is for the sole benefit of Buyer and its successors and permitted assigns and nothing in this Guaranty, express or implied, is intended to or shall confer upon any other Person any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Guaranty.

17. Amendment; Waivers. No provision of this Guaranty may be amended, supplemented or modified except by a written instrument signed by the Guarantor and Buyer. No provision of this Guaranty may be waived except by a written instrument signed by the party against whom the waiver is to be effective. No failure or delay by Buyer or the Guarantor in exercising any right, power or privilege hereunder shall operate as waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by any Requirement of Law.

18. Governing Law; Venue; Waiver of Jury Trial. This Guaranty, and the rights and obligations of the parties hereto, shall be enforced by and construed in accordance with the Requirements of Law of the State of New York (including Section 5-1401 and Section 5-1402 of the New York General Obligations Law). The parties hereby irrevocably and unconditionally (a) submit to the exclusive jurisdiction of the United States Federal and New York State courts located in the County of New York, State of New York, over any Action arising out of or relating to this Guaranty, (b) agree that service of any process, summons, notice or document by the means specified herein shall be effective service of process for any Action, suit or proceeding brought against such party in such court, (c) waive any objection to the laying of venue of any such Action brought

in such court has been brought in an inconvenient forum and (d) agree that final judgment in any such Action in such court shall be conclusive and binding upon the parties and may be enforced in any other courts to whose jurisdiction the party against whom enforcement is sought may be subject, by suit upon such judgment. IN ADDITION TO THE FOREGOING, EACH PARTY IRREVOCABLY WAIVES TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY IT ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS GUARANTY, OR ANY OTHER AGREEMENTS EXECUTED IN CONNECTION HEREWITH OR THE ADMINISTRATION THEREOF OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREIN. THE PROVISIONS OF THIS SECTION HAVE BEEN FULLY DISCUSSED BY THE PARTIES HERETO, AND THESE PROVISIONS SHALL BE SUBJECT TO NO EXCEPTIONS.

19. Counterparts. This Guaranty may be executed in counterparts, each of which shall be deemed an original for all purposes and all of which shall be deemed, collectively, one and the same agreement. Execution of a counterpart hereof in facsimile or electronic form will be deemed to be the execution of an original counterpart hereof. This Guaranty shall become effective when executed and delivered by the parties hereto.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned has hereunto set its signature as of the date first written above.

PARTNERRE LTD.

By: _____
Name:
Title:

Accepted on behalf of Buyer as of the date first written above:

EMPLOYERS GROUP, INC.

By: _____
Name:
Title:

(Signature Page to Guaranty)

Schedule 7(d)

Guarantor Knowledge

- Chief Legal Officer of Guarantor
- Chief Financial Officer of Guarantor

Disclosure Schedule 2.4

Licensed States

- Alabama - Licensed
- Alaska - Accredited Reinsurer
- Arizona - Licensed
- Arkansas - Accredited Reinsurer
- California - Licensed
- Colorado - Licensed
- Connecticut - Licensed - for Reinsurance Only
- Delaware - Licensed
- District of Columbia - Licensed
- Florida - Licensed - for Reinsurance Only, except for its Aircraft line of business, which may be written directly.
- Georgia - Licensed - for Reinsurance Only
- Hawaii - Accredited Reinsurer
- Idaho - Licensed
- Illinois - Licensed
- Indiana - Licensed
- Iowa - Licensed
- Kansas - Licensed - for Reinsurance Only, except for its Fidelity, Forgery Bonds and Surety lines of business, which may be written directly.
- Kentucky - Licensed
- Louisiana - Licensed - for Reinsurance Only
- Maine - Accredited Reinsurer
- Maryland - Licensed
- Massachusetts - Licensed - for Reinsurance Only
- Michigan - Licensed
- Minnesota - Licensed
- Mississippi - Licensed
- Missouri - Accredited Reinsurer
- Montana - Licensed
- Nebraska - Licensed
- Nevada - Licensed - for Reinsurance Only
- New Hampshire - Accredited Reinsurer
- New Jersey - Licensed
- New Mexico - Licensed
- New York - Free Trade Zone
- New York - Licensed
- North Carolina - Accredited Reinsurer
- North Dakota - Licensed
- Ohio - Licensed
- Oklahoma - Licensed
- Oregon - Licensed
- Pennsylvania - Licensed

- Rhode Island - Licensed
- South Carolina - Licensed
- South Dakota - Licensed
- Tennessee - Accredited Reinsurer
- Texas - Licensed
- Utah - Licensed
- Vermont - Licensed
- Virginia - Licensed
- Washington - Licensed
- West Virginia - Licensed
- Wisconsin - Licensed
- Wyoming - Accredited Reinsurer

Disclosure Schedule 2.5

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE STAT-PreNY

SCHEDULE D - PART 1

See the annual statement instructions for proper reporting format for securities reported in this schedule.

Showing all Long-Term BONDS Owned December 31 of Current Year

Supplemental columns for data concerning Amortization.

Run Date: 04/18/2017
Run Time: 08:46:17
Run Report Date: 03/31/2017

1 CUSIP Identifi- cation	2 Description	3 Codes			6 NAIC Designation	7 Actual Cost	8 Fair Value		10 Par Value	11 Book/Adjusted Carrying Value	Change in Book/ Adjusted Carrying Value				Interest					Dates				
		1 Code	4 Folio	5 Bond Code			Rate Used to Obtain Fair Value	9 Fair Value			12 Unrealized Valuation Increase/ Decrease	13 Current Year's Amortization	14 Current Year's Other Than Empirical Ampliment Recognized	15 Total Foreign Exchange Change in B/A.C.V.	16 Date of Effective Rate of Paid	17 When Paid	18 Admitted Amount & Accrued	19 Amount Rec. During Year	20 Accrued	21 Acquired	22 Status Contractual Maturity Date			
US Governments																								
Issuer Obligations																								
United States																								
ADD TRINITY																								
066716-AJ-0	US TREASURY N/B				1	170,000	97	165,585	170,000	170,000						1.416	1.416	FA	374	1,204	08/03/2016	08/05/2021		
912810-EJ-3	US TREASURY N/B				1	1,289,764	125	1,268,829	1,015,000	1,270,948		(14,855)				8.125	1.755	NH	31,211		12/07/2016	05/15/2021		
912810-EK-2	US TREASURY N/B				1	102,961	137	102,647	75,000	102,187		(855)				6.750	2.408	FA	629	2,531	12/09/2016	08/15/2026		
912828-2a-7	US TREASURY N/B				1	318,135	93	318,257	345,000	318,738		366				1.500	0.412	FA	635	1,138	03/31/2017	08/15/2026		
912828-2c-3	US TREASURY N/B				1	351,041	99	352,080	355,000	353,435		272				0.750	1.065	FA	232	1,131	11/22/2016	08/31/2018		
912828-89-0	US TREASURY N/B				1	596,174	101	580,023	575,000	592,310		(1,066)				2.000	1.210	FA	1,000	5,750	07/29/2016	02/28/2019		
912828-CZ-4	US TREASURY N/B				1	166,500	100	160,755	160,000	160,482		(38)				1.500	1.340	FA	209		03/03/2017	02/28/2019		
912828-F2-1	US TREASURY N/B				1	252,146	101	252,608	250,000	251,993		(93)				2.125	1.937	MS	15	2,656	03/09/2017	09/30/2021		
912828-F3-9	US TREASURY N/B				1	3,488,660	101	3,430,413	3,400,000	3,471,075		(6,939)				1.750	0.901	MS	163	29,750	07/29/2016	09/30/2019		
912828-GJ-8	US TREASURY N/B				1	637,720	100	608,154	610,000	634,541		(750)				2.250	1.688	NH	1,194		03/31/2016	11/15/2024		
912828-GP-5	US TREASURY N/B				1	3,831,189	100	3,822,106	3,805,000	3,825,094		(1,689)				1.625	1.428	DD	15,543		02/28/2017	12/31/2019		
912828-HA-1	US TREASURY N/B		0		1	118,734	101	101,414	100,000	101,074		(702)				4.750	1.865	FA	590		08/31/2010	08/15/2017		
912828-HC-6	US TREASURY N/B		0		1	312,613	103	309,297	300,000	301,869		(415)				1.875	1.250	NH	4,440		11/30/2011	05/15/2018		
912828-JZ-7	US TREASURY N/B				1	645,812	98	635,684	650,000	646,527		97				2.000	2.072	FA	1,616	6,500	04/29/2016	02/15/2025		
912828-JZ-6	US TREASURY N/B				1	667,183	99	651,738	680,000	668,329		(302)				1.750	1.540	MS	12	5,775	10/03/2016	03/31/2022		
912828-JR-2	US TREASURY N/B				1	5,169,115	104	4,924,492	4,625,000	4,786,225		(24,455)				1.750	1.559	NH	65,438		11/30/2016	11/15/2018		
912828-K7-4	US TREASURY N/B				1	2,193,166	97	2,152,136	2,210,000	2,193,858		448				2.000	2.036	FA	5,494	22,100	11/30/2016	08/15/2025		
912828-KQ-2	US TREASURY N/B				1	937,805	104	945,020	910,000	917,404		(846)				3.125	2.726	NH	10,762		11/30/2010	05/15/2019		
912828-MH-9	US TREASURY N/B				1	1,012,210	99	1,010,574	1,020,000	1,013,964		212				1.875	1.987	AD	8,941		03/31/2017	10/31/2022		
912828-M5-6	US TREASURY N/B				1	656,181	99	614,061	620,000	624,092		(937)				2.250	1.556	NH	5,279		09/30/2016	11/15/2023		
912828-M6-4	US TREASURY N/B				1	2,443,363	100	2,427,163	2,425,000	2,438,645		(1,983)				1.750	0.899	NH	11,472		03/31/2017	11/15/2018		
912828-M8-7	US TREASURY N/B				1	258,112	100	246,196	245,000	246,219		(902)				2.375	0.879	FJ	964	2,909	11/23/2013	07/31/2017		
912828-P7-9	US TREASURY N/B				1	198,727	97	193,105	200,000	198,881		44				1.500	1.559	FA	261	1,500	05/23/2016	02/28/2023		
912828-P8-7	US TREASURY N/B				1	97,313	98	97,564	100,000	97,464		132				1.125	1.799	FA	88	563	12/30/2016	02/28/2021		
912828-QZ-9	US TREASURY N/B				1	923,961	97	883,405	915,000	921,286		(250)				1.500	1.380	MS	38	6,883	07/29/2016	03/31/2023		
912828-RH-4	US TREASURY N/B				1	886,184	100	886,193	890,000	891,122		701				0.750	0.842	AD	2,794		04/21/2015	04/30/2020		
912828-QM-3	US TREASURY N/B				1	2,041,014	105	1,988,234	1,890,000	2,015,697		(7,311)				3.125	1.455	NH	22,332		08/31/2016	05/15/2021		
912828-R3-6	US TREASURY N/B				1	322,084	94	328,257	350,000	322,846		162				1.625	1.585	NH	2,152		03/09/2017	05/15/2016		
912828-RV-8	US TREASURY N/B				1	760,366	100	760,664	760,000	760,253		(313)				1.375	1.250	DD	899		03/07/2017	12/31/2018		
912828-S4-3	US TREASURY N/B				1	2,120,904	99	2,121,720	2,150,000	2,122,776		1,398				0.750	1.314	FJ	3,430	4,013	03/31/2017	07/15/2019		
912828-T5-9	US TREASURY N/B				1	409,601	99	405,897	410,000	409,662		(83)				1.000	1.033	AD	1,892		10/31/2016	10/15/2019		
912828-T7-9	US TREASURY N/B				1	147,223	98	146,985	150,000	147,738		115				1.625	1.968	FA	303	1,219	11/29/2016	08/15/2022		
912828-UU-2	US TREASURY N/B				1	150,463	100	149,506	150,000	150,265		63				0.750	0.572	MS	3	563	06/30/2016	03/31/2018		
912828-VZ-2	US TREASURY N/B				1	1,830,021	100	1,831,115	1,837,000	1,830,179		138				1.875	1.994	FJ	3,709		03/30/2017	01/31/2022		
912828-WV-9	US TREASURY N/B				1	924,097	99	924,195	930,000	924,380		283				1.375	1.671	FA	905	5,206	12/31/2015	08/31/2020		
912828-W5-5	US TREASURY N/B				1	199,125	100	199,189	200,000	199,125						1.875	1.967	FA	309		03/28/2017	02/28/2022		
912828-XE-4	US TREASURY N/B				1	1,322,230	100	1,321,144	1,310,000	1,319,227		(1,457)				2.250	0.796	AD	6,876		09/30/2016	10/31/2018		
912828-XE-6	US TREASURY N/B				1	2,072,670	104	2,071,026	2,000,000	2,070,030		(1,054)				2.750	2.179	NH	20,815		02/28/2017	11/15/2023		
912828-XT-3	US TREASURY N/B				1	3,113,730	100	3,100,363	3,100,000	3,102,036		(1,740)				0.875	0.648	FJ	5,695	13,563	09/30/2015	07/15/2017		
912828-XE-9	US TREASURY N/B				1	1,647,551	99	1,603,380	1,620,000	1,642,822		(1,073)				1.875	1.461	NH	11,904		02/19/2016	04/30/2022		
Total United States																								
Total Issuer Obligations																								
9199999	Total US Governments					44,775,816		43,977,447	43,477,000	44,236,645		(87,039)								260,234	115,132			
Total US Governments																								
9199999	Total US Governments					44,775,816		43,977,447	43,477,000	44,236,645		(87,039)									260,234	115,132		

SCHEDULE D - PART 1

See the annual statement instructions for proper reporting format for securities reported in this schedule.

Showing all Long-Term BONDS Owned December 31 of Current Year

Supplemental columns for data concerning Amortization.

Run Date: 04/18/2017
 Run Time: 08:48:31
 Report Date: 03/31/2017

1 CUSIP Identifi- cation	2 Description	3 Codes			6 NAIC Designa- tion	7 Actual Cost	8 Fair Value		10 Par Value	11 Book/Adjusted Carrying Value	Change in Book/ Adjusted Carrying Value				Interest					Dates	
		J Code	K Fig- ure	L Bond Char			B Rate Used to Obtain Fair Value	9 Fair Value			12 Unrealized Valuation Increase/ (Decrease)	13 Current Year's (Amortization)/ Accretion	14 Current Year's Other Than Temporary Impairment Recognized	15 Total Foreign Exchange Change in B/A.C.V.	16 Rate of	17 Effec- tive Rate of	18 Wor- k- ing Pay'd	19 Admitted Amount Due & Accrued	20 Report Rec. During Year	21 Acquired	22 Status Contractual Maturity Date*
08510F-AQ-6	WILLIAMS PARTNERS LP				DPE	74,864	80,733	75,000	74,990	1				5,250	5,255	MS	175	1,869	07/08/2020	03/15/2020	
08510F-AM-6	WILLIAMS PARTNERS LP				DPE	513,847	516,530	500,000	513,561	(285)				4,300	3,836	MS	1,613	10,750	01/25/2017	03/04/2024	
08399B-AS-9	NCL ENERGY INC.				DPE	240,643	248,788	250,000	240,872	23				2,400	2,455	MS	257	3,100	12/06/2016	03/15/2021	
	Total United States					58,432,028	58,921,500	56,269,000	57,848,096	(915)							561,974	616,802			
	Canada																				
08790L-AQ-1	BARRICK GOLD CORP				DPE	29,077	34,204	32,000	29,999	70				4,300	5,242	NH	547		11/22/2013	05/01/2023	
05922Z-AQ-7	MADRID INTERNATIONAL INC				DPE	394,254	383,400	375,000	382,318	(233)				3,125	3,107	DD	4,003		03/13/2015	06/15/2024	
08327L-AA-4	CADILLAC FAIRVIEW PFP TR SERIES 144A				DPE	299,931	303,159	300,000	299,931					3,125	3,130	MS	286		03/13/2017	03/20/2022	
08327L-AB-2	CADILLAC FAIRVIEW PFP TR SERIES 144A				DPE	249,260	253,630	250,000	249,262	2				3,875	3,911	MS	296		03/13/2017	03/20/2022	
07800Z-AD-5	ROYAL BANK OF CANADA SERIES 00TH				DPE	90,796	105,800	100,000	99,806	4				4,950	4,627	DD	827	2,125	01/22/2016	01/27/2026	
07849T-AJ-7	VITERRA INC SERIES 144A				DPE	99,481	109,100	100,000	99,791	14				5,950	6,020	FA	992	2,975	07/30/2010	08/01/2020	
08417E-AK-6	XSTRATA FINANCE CANADA SERIES 144A				DPE	360,000	536,900	500,000	381,641	4,769				4,950	13,734	NH	9,150		01/21/2016	11/15/2021	
	Total Canada					1,532,799	1,724,293	1,657,000	1,542,709	4,627							16,100	5,100			
	Other Country																				
05507U-AF-8	ACTIVIS FUNDING SCS				DPE	252,248	254,515	250,000	252,168	(67)				3,850	3,708	DD	2,834		12/13/2016	06/15/2024	
05550U-BI-6	BP CAPITAL MARKETS PLC				DPE	192,077	147,693	140,000	145,234	(650)				4,750	2,750	MS	388	3,125	01/20/2012	03/16/2019	
05550U-EP-2	BP CAPITAL MARKETS PLC				DPE	131,146	107,648	100,000	104,810	(312)				4,500	3,035	MO	2,250		01/09/2012	10/01/2020	
05550U-BU-1	BP CAPITAL MARKETS PLC				DPE	236,246	208,344	200,000	209,113	(466)				3,561	2,500	NH	2,968		04/09/2013	11/01/2021	
05550U-CE-2	BP CAPITAL MARKETS PLC				DPE	99,300	98,050	100,000	99,591	17				2,500	2,579	NH	1,007		11/01/2012	11/06/2022	
06738E-AN-5	BANCLAYS PLC				DPE	199,024	202,934	200,000	199,121	20				4,375	4,436	DD	1,920	4,375	01/05/2016	01/12/2026	
21689E-BT-3	COOPERATIEVE CENTRALE RAJPFEL				DPE	49,865	53,397	50,000	49,942	4				4,500	4,534	DD	500	1,125	01/04/2011	01/11/2021	
22543J-AM-7	CRD SUSS OP FUND LTD SERIES NE				DPE	241,168	251,190	250,000	244,214	359				3,125	3,801	DD	2,409		07/05/2016	12/10/2020	
05239L-AB-3	DEBUS DIVERSIFIED OFFICE SERIES 144A				DPE	99,645	109,520	100,000	99,815	9				5,600	5,647	MS	249	3,800	03/10/2011	03/15/2021	
044280-AM-9	HSBC HOLDINGS PLC				DPE	256,885	266,103	250,000	256,287	(144)				4,200	3,963	MS	687	5,175	03/11/2016	03/08/2026	
09153U-AA-9	PPF NEW HOLDINGS PLC SERIES 144A				DPE	270,591	278,193	250,000	259,691	(375)				5,375	4,268	NH	5,599		02/16/2012	05/01/2021	
08685A-AB-1	SCHLIMBERGER INVESTMENT SERIES 144A				DPE	101,136	103,038	100,000	100,534	(29)				3,300	3,164	MS	156	1,650	09/09/2011	09/14/2021	
08685A-AA-4	SCHLIMBERGER OILFIELD UK SERIES 144A				DPE	49,947	53,064	50,000	49,977	1				4,200	4,213	DD	443	1,050	01/05/2011	01/15/2021	
09153V-AP-4	TOTAL CAPITAL INTL SA				DPE	24,953	25,389	25,000	24,970	2				2,750	2,780	DD	195		06/16/2014	06/19/2024	
060133-AC-1	TYCO ELECTRONICS GROUP S				DPE	99,452	107,762	100,000	99,751	15				4,975	4,948	DD	1,029	2,438	11/15/2010	01/15/2021	
	Total Other Country					2,231,659	2,252,774	2,165,000	2,195,120	(1,826)							22,633	22,138			
070999	Total Issuer Obligations					62,185,476	62,900,559	60,091,000	61,586,125	(915)							690,908	644,239			
089999	Total Industrial & Miscellaneous					62,185,476	62,900,559	60,091,000	61,586,125	(915)							690,908	644,239			
079999	Total Issuer Obligations					109,106,060	108,959,950	105,503,000	107,916,245	(915)							870,723	797,262			
079999	Total Residential Mortgage-Backed Securities																				
079999	Total Commercial Mortgage-Backed Securities																				
089999	Total Other Loan-Backed and Structured Securities																				
019999	Total SVI Identified Funds																				
039999	Total Bonds					109,106,060	108,959,950	105,503,000	107,916,245	(915)							870,723	797,262			

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Run Date: 04/18/2017
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Showing Investments Owned December 31 of current year

1	2	3	4	5	6	7	8
Description	Code	Date Acquired	Rate of Interest	Maturity	Book/ Adjusted Carrying Value	Amount of Interest Due & Accrued	Amount Received During Year
BONDS							
Industrial & Miscellaneous							
None							
United States							
4812C0-66-2 JP MORGAN US GOVT MMF AGENCY		03/29/2017			90,459		128
Subtotal United States					90,459		128
None							
Subtotal None					90,459		128
3899999 Subtotal Industrial & Miscellaneous					90,459		128
None							
Subtotal None					90,459		128
7799999 Subtotal Issuer obligations							
7899999 Subtotal Residential Mortgage-Backed Securities							
7999999 Subtotal Commercial Mortgage-Backed Securities							
8099999 Subtotal Other Loan-Backed and Structured Securities							
8199999 Subtotal SVO Identified Funds							
8399999 Subtotal Bonds					90,459		128
8699999 Total Cash Equivalents					90,459		128

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Run Date: 04/18/2017
 Run Time: 08:54:44
 Report Date: 03/31/2017
 Page: 2

Showing Investments Owned December 31 of current year

1	2	3	4	5	6	7	8
Description	Code	Date Acquired	Rate of Interest	Maturity	Book/ Adjusted Carrying Value	Amount of Interest Due & Accrued	Amount Received During Year
BONDS							
Industrial & Miscellaneous							
None							
United States							
4812CO-66-2 JP MORGAN US GOVT MMF AGENCY		03/31/2017			187,303		
Subtotal United States					187,303		
Subtotal None					187,303		
3899999 Subtotal Industrial & Miscellaneous					187,303		
None							
Subtotal None					187,303		
7799999 Subtotal Issuer obligations							
7899999 Subtotal Residential Mortgage-Backed Securities							
7999999 Subtotal Commercial Mortgage-Backed Securities							
8099999 Subtotal Other Loan-Backed and Structured Securities							
8199999 Subtotal SVO Identified Funds							
8399999 Subtotal Bonds					187,303		
8699999 Total Cash Equivalents					187,303		

Disclosure Schedule 2.9

Governmental Approvals

1. Approval from the New York Department is needed to novate those policies listed in Section 2 of Disclosure Schedule 4.9(a).
2. Approval from the New York Department is needed for an extraordinary dividend.
3. Approval from the New York Department is needed for the Transfer and Assumption Agreement.
4. Approval from the New York Department is needed for the commutation of the reinsurance agreements listed in Section 1 of Disclosure Schedule 4.9(b).
5. Approval from the New York Department is needed to terminate (or terminate the Company as a party to) the agreements listed in Sections 2, 3, 4 and 5 of Disclosure Schedule 4.9(b).

Disclosure Schedule 2.10

Third Party Approvals

None.

Disclosure Schedule 2.11

Conflicts with Other Instruments

None.

Disclosure Schedule 2.14(e)

Tax Extensions or Waivers

The Company has requested the deadline for the tax return to be filed on April 17, 2017 to be extended to October 15, 2017.

Disclosure Schedule 2.14(l)

Tax Indemnities

Tax Allocation Agreement by and among Partner Reinsurance Company of the U.S. and PartnerRe U.S. Corporation and the Company Inc. and PartnerRe Finance I Inc. and PartnerRe Finance II Inc. and PartnerRe Asset Management Corp. and PartnerRe New Solutions Inc., PartnerRe Principal Finance Inc., PartnerRe Capital Markets Corp. and PartnerRe America Insurance Company originally dated March 25, 1988 and Addendum No. 10 effective March 17, 2014.

Disclosure Schedule 2.15

Litigation

1. Exxon Mobil Corp. et al. v. Certain Underwriters at Lloyd's, London et al., case number 650503/2012, in the Supreme Court of the State of New York, County of New York
2. Cedent insured landlords, property owners and managers of buildings in the Baltimore area, who have been the subject of numerous claims for lead paint exposure and injury to third parties. Historically, the claims and losses had been ceded on a one claimant = one occurrence basis. In 2014, Cedent altered its cessions to equate to a one insured = once occurrence basis, billing the Company \$9,000,000 for its share of lead paint losses over six years of coverage. The Company has declined to make a payment, disputing Penn National's position, and citing, among other things, treaty proximate cause language.
3. On March 31, 2014, Allianz served an arbitration notice arising out of a facultative certificate reinsuring losses for Beatrice Foods issued by the Company's predecessor, Winter Swiss Insurance Company, U.S. Branch. In December 2015, all claims against the Company were dismissed.
4. Utica Mutual Insurance Company v. Abeille General Insurance Company, et al. in the Supreme Court of the State of New York of Oneida County - Index No.: CA2013-002320.

Disclosure Schedule 2.17

Powers of Attorney and Agents

The Company has granted Colonial Surety Company powers of attorney to issue co-surety bonds until the Closing Date.

Disclosure Schedule 2.21(b)

Bank Accounts and Safe Deposit Boxes

Bank	Account Name	Account Number	Address of Bank	Account Representative	Contact Email	Contact Telephone	Authorized Signer	Description
JP Morgan Chase Checking Account	PartnerRe Insurance Company of New York	860318823	JPMorgan Chase Bank, N.A. Northeast Market P O Box 659754 San Antonio, TX 78265-9754	Ana I. Alvarado-Parra	a.alvarado@jpmchase.com	1-855-267-3468	Richard N. Sanford, Thomas L. Forsyth, Marta J. Shevchik, Anthony F. Albano, Olivia Lun	ZBA Account used for Space Premiums - attached to account 323131727
JP Morgan Chase Checking Account	PartnerRe Insurance Company of New York	323131727	JPMorgan Chase Bank, N.A. Northeast Market P O Box 659754 San Antonio, TX 78265-9755	Ana I. Alvarado-Parra	a.alvarado@jpmchase.com	1-855-267-3468	Richard N. Sanford, Thomas L. Forsyth, Marta J. Shevchik, Anthony F. Albano, Olivia Lun	Lead checking account
JP Morgan Chase Checking Account	Partner Re Insurance Co of NY	323131735	JPMorgan Chase Bank, N.A. Northeast Market P O Box 659754 San Antonio, TX 78265-9756	Ana I. Alvarado-Parra	a.alvarado@jpmchase.com	1-855-267-3468	Richard N. Sanford, Thomas L. Forsyth, Marta J. Shevchik, Anthony F. Albano, Olivia Lun	ZBA Account - attached to account 323131727 - in the process of closing
JP Morgan Chase Checking Account	Partner Re Insurance Co of NY Custody Account PNYIGC	G 09670	JPMorgan Chase Bank, N.A., 4 Chase MetroTech Center, 4th floor Mail NY1-C543, Brooklyn, NY 11245-0001	John Cobelo	john.cobelo@jpmorgan.com	212-623-1333	Richard N. Sanford, Thomas L. Forsyth, Marta J. Shevchik, Anthony F. Albano, Olivia Lun	Corporate Bond PortfolioCustody Account

JP Morgan Chase Checking Account	Partner Re Insurance Co of NY Custody Account PNYTSY	G 08535	JPMorgan Chase Bank, N.A., 4 Chase MetroTech Center, 4th floor Mail NY1-C543, Brooklyn, NY 11245-0002	John Cobelo	john.cobelo@jpmorgan.com	212-623-1333	Richard N. Sanford, Thomas L. Forsyth, Marta J. Shevchik, Anthony F. Albano, Olivia Lun	Treasury Bond Portfolio - Custody Account
BNY Mellon Trust	Custodial Account	460,272	Route 273, White Clay Center Newark, DE 19711	Anthony Angellotto / Michael Hieb / Paul Gambetta	Anthony.Angellotto@BNYMellon.com / michael.hieb@bnymellon.com / paul.gambetta@bnymellon.com	212-815-5120	Richard N. Sanford, Thomas L. Forsyth, Marta J. Shevchik, Anthony F. Albano, Olivia Lun	DE State Deposit Custody Account
Century Trust & Asset Management	Custodial Account	4,572	P.O. Box 1507 Santa Fe, NM 87504-1507	Annette Martinez / Alan Snow / Caroline Adams	annette.martinez@centurybnk.com / alan.snow@centurybnk.com / caroline.adams@centurybnk.com	505-995-1263	Richard N. Sanford, Thomas L. Forsyth, Marta J. Shevchik, Anthony F. Albano, Olivia Lun	NM State Deposit Custody Account
Century Trust & Asset Management	Custodial Account	4572G	P.O. Box 1507 Santa Fe, NM 87504-1508	Annette Martinez / Alan Snow / Caroline Adams	annette.martinez@centurybnk.com / alan.snow@centurybnk.com / caroline.adams@centurybnk.com	505-995-1264	Richard N. Sanford, Thomas L. Forsyth, Marta J. Shevchik, Anthony F. Albano, Olivia Lun	NM State Deposit Custody Account
JP Morgan Chase	Custodial Account	G 01288	4 New York Plaza - Floor 12 New York, NY 10004-2413	John Cobelo / Angel E. Milanes, Jr.	john.cobelo@jpmorgan.com / custody.mo.white@jpmorgan.com	718-242-1875 888-434-3030	Richard N. Sanford, Thomas L. Forsyth, Marta J. Shevchik, Anthony F. Albano, Olivia Lun	CA State Deposit Custody Account
JP Morgan Chase	Custodial Account	G 09955	4 New York Plaza - Floor 12 New York, NY 10004-2413	John Cobelo / Angel E. Milanes, Jr.	john.cobelo@jpmorgan.com / custody.mo.white@jpmorgan.com	718-242-1875 888-434-3032	Richard N. Sanford, Thomas L. Forsyth, Marta J. Shevchik, Anthony F. Albano, Olivia Lun	NY State Deposit Custody Account
JP Morgan Chase	Custodial Account	G 10660	4 New York Plaza - Floor 12 New York, NY 10004-2413	John Cobelo / Angel E. Milanes, Jr.	john.cobelo@jpmorgan.com / custody.mo.white@jpmorgan.com	718-242-1875 888-434-3033	Richard N. Sanford, Thomas L. Forsyth, Marta J. Shevchik, Anthony F. Albano, Olivia Lun	OH State Deposit Custody Account

US Bank	Custodial Account	585,179,400	505 N. 7th Street St. Louis, MO 63101	Diane Luna	diane.luna@usbank.com GADOI.custodian@usbank.com	314-418-1521 877-877-2143 opt 2	Richard N. Sanford, Thomas L. Forsyth, Marta J. Shevchik, Anthony F. Albano, Olivia Lun	GA State Deposit Custody Account
US Bank	Custodial Account	97,328,080	555 SW Oak Street Portland, OR 97204	Joyce Holznagel	joyce.holznagel@usbank.com	503-464-3776	Richard N. Sanford, Thomas L. Forsyth, Marta J. Shevchik, Anthony F. Albano, Olivia Lun	OR State Deposit Custody Account
Wells Fargo	Custodial Account	25,889,576	300 Franklin Avenue Waco, TX 76701	Rachel Avila	cvaforms@wellsfargo.com rachel.avila@wellsfargo.com	254-754-5431	Richard N. Sanford, Thomas L. Forsyth, Marta J. Shevchik, Anthony F. Albano, Olivia Lun	VA State Deposit Custody Account
Xerox/Conduent	Custodial Account	AUZF11000002 CM0080- 200577	100 Hancock Street, 10th Floor Quincy, MA 02171	Vilka Markovich	vilka.markovich@xerox.com	617-722-9657	Richard N. Sanford, Thomas L. Forsyth, Marta J. Shevchik, Anthony F. Albano, Olivia Lun	MA State Deposit Custody Account

Disclosure Schedule 2.23(a)

Compliance Violations

None.

Disclosure Schedule 2.23(b)

Governmental Proceedings/Investigations/Examinations

Report on Examination of the Company as of December 31, 2015 dated May 24, 2017.

Disclosure Schedule 2.25

Contracts

- (f) Letter Agreement dated October 7, 2009 between the Company and Colonial Surety Company.

Disclosure Schedule 2.26

Absence of Certain Changes

- (g) The Company paid a dividend of Two Million Five Hundred Thousand Dollars (\$2,500,000) on March 30, 2017.

Disclosure Schedule 3.6

Governmental Approvals

None.

Disclosure Schedule 4.5

Prohibited Contact

None.

Disclosure Schedule 4.9(a)

Agreements Other Than Transfer and Assumption Agreement and Guaranty

1. Reinsurance Agreements

- a. Portfolio Reinsurance Agreement between Winterthur Reinsurance Corporation of America (now known as PartnerRe Insurance Company of New York) and Partner Reinsurance Company Ltd. dated December 23, 1998 with Addendum No. 1 dated 3/23/11.

2. Policies

- a. Insured: DIRECTTV Enterprises, LLC. Policy Number: NRB 001675
- b. Insured: Space Systems/Loral LLC & Bulgaria Sat EAD. Policy Number: NRB 00170I
- c. Insured: INMARSAT GLOBAL LIMITED. Policy Number: NRB 001711
- d. Insured: Inmarsat Global Limited. Policy Number: NRB 001712
- e. Insured: EUTEL SAT SA. Policy Number: NRB 001723
- f. Insured: NBN Co. Limited. Policy Number NRB 001713
- g. Insured: EchoStar Operating Corporation. Policy Number: NRB 001727-A
- h. Insured: ARIANESPACE / ARISIS Limited. Policy Number: NRB 001706
- i. Insured: INTELSAT SATELLITE LLC. Policy Number: NRB 001689
- j. Insured: ViaSat Technologies Limited. Policy Number: NRB 001733
- k. Insured: Telesat International Limited. Policy Number: NRB 001685
- l. Insured: INTESAT SATELLITE LLC. Policy Number: 001738

Disclosure Schedule 4.9(b)

Terminated Agreements

1. Reinsurance Agreements

- a. Retrocession Agreement between Partner Reinsurance Company of the U.S. and the Company dated December 23, 1998 with Addendum Nos: 1-4 effective 7/1/10.
- b. Obligatory Quota Share Treaty (Madison Re) between Partner Reinsurance Europe SE, Partner Reinsurance Company Ltd, Partner Re Ireland Insurance dac, Partner Reinsurance Company of the U.S., PartnerRe America Insurance Company, the Company, Partner Reinsurance Asia Pte. Ltd and Lorenz Re effective April 1, 2017.
- c. Obligatory Quota Share Treaty (Mercalli CatPlus) between Partner Reinsurance Europe SE, Partner Reinsurance Company Ltd, Partner Re Ireland Insurance dac, Partner Reinsurance Company of the U.S., PartnerRe America Insurance Company, the Company, Partner Reinsurance Asia Pte. Ltd and Lorenz Re effective April 1, 2017.

2. Service Agreements

- a. Service Agreement between Partner Reinsurance Company of the U.S. and the Company effective January 1, 2005. Addendum No. 1 reduces the amount of allocated costs effective March 5, 2010.
- b. Consulting Services Agreement between Partner Reinsurance Company of the U.S. and the Company and PartnerRe New Solutions Inc. effective December 1, 2002 and Addendum No. 1 effective April 15, 2004.

3. Tax Agreement

- a. Tax Allocation Agreement by and among Partner Reinsurance Company of the U.S. and PartnerRe U.S. Corporation and the Company Inc. and PartnerRe Finance I Inc. and PartnerRe Finance II Inc. and PartnerRe Asset Management Corp. and PartnerRe New Solutions Inc., PartnerRe Principal Finance Inc., PartnerRe Capital Markets Corp. and PartnerRe America Insurance Company originally dated March 25, 1988 and Addendum No. 10 effective March 17, 2014.

4. Advisement, Investment Management and Miscellaneous Agreement

- a. Amended & Restated Advisement & Investment Management Agreement by and between the Company & PartnerRe Asset Management Corporation effective March 1, 2017.

5. Data Transfer Agreement

- a. Data Transfer Agreement between PartnerRe Facility Management GmbH, PartnerRe Asset Management Corporation, PartnerRe Capital Markets Corp, PartnerRe Principal Finance Inc, PARIS RE Asia Pacific Pte. Ltd. - Labaun Branch, Partner Reinsurance Company of the U.S., PartnerRe Connecticut Inc, Partner Reinsurance Company Ltd., Partner Reinsurance Company Ltd. - Hong Kong, PPF Finance LLC, PartnerRe Capital Investment Corp., PartnerRe New Solutions Inc., PARIS RE Asia Pacific Pte. Ltd., the Company, PartnerRe U.S. Corporation, PartnerRe Miami Inc., PartnerReinsurance Company Ltd. - Singapore Branch, Partner Reinsurance Company Ltd. - Labuan Branch, Partner Reinsurance Company Ltd. - Korea Office, PartnerRe Ltd. Beijing Office, PPF Holdings I Ltd., PPF Holdings II Ltd., PartnerRe Catastrophe Fund Holdings Ltd., Partner Reinsurance Europe plc, Partner Reinsurance Europe Public Limited Company, Dublin - Zurich Branch, Partner Reinsurance Company Ltd. - Japan, PartnerRe Service Ltd., PPF Holdings III Ltd., PartnerRe Catastrophe Fund Ltd., PartnerRe Servicios Compania Limitada, Partner Reinsurance Europe plc, Succursale Francaise, Partner Reinsurance Europe plc - Singapore Branch, Partner Reinsurance Europe plc - Hong Kong, PartnerRe Holdings Europe Limited, Partner Reinsurance Europe Limited - Brazil, PartnerRe Ireland Insurance Limited, PartnerRe Holdings Europe Limited, Dublin, Zurich Branch, PARIS RE America Insurance Company, effective December 7, 2011 & Amendment No. 1 eff: December 14, 2011, Amendment No. 2 eff: June 14, 2012 & Amendment No. 3 eff: November 26, 2014.