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January 27, 2020

DEPT OF ATTORNEY GENERAL

VIA HAND DELIVERY

JAN 28 2020

Clerk of the Court
Ingham County Circuit Court
315 S. Jefferson, 3rd Floor
Mason, MI 48854

CORPORATE OVERSIGHT DIVISION

**Re: Fox v Pavonia Life Insurance Company of Michigan
Case No. 19-504-CR**

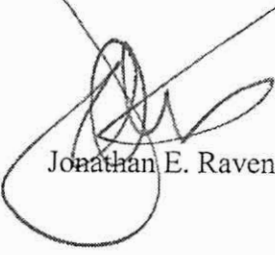
Dear Clerk:

Enclosed for filing please find an original and Judge's copy of Supplemental Post-Hearing Filing of Independent Insurance Group, LLC, together with Exhibits.

Thank you for your assistance. Should you have any questions or concerns, please do not hesitate to contact me.

Very truly yours,

Fraser Trebilcock Davis & Dunlap, P.C.


Jonathan E. Raven

JER:enp
Enclosures
cc w/ enc.: Honorable Wanda M. Stokes
Michigan Department of Attorney General
Attn: Christopher Kerr, Esq./James Long, Esq. (via e-mail)

January 27, 2020
Page 2

cc w/ enc.: Lori McAllister
 Stephen W. Schwab

STATE OF MICHIGAN
CIRCUIT COURT FOR THE 30TH JUDICIAL CIRCUIT
INGHAM COUNTY

ANITA G. FOX, DIRECTOR FOR THE
MICHIGAN DEPARTMENT OF
INSURANCE AND FINANCIAL SERVICES,

Petitioner,
v.

Case No. 19-504-CR

Hon. Wanda M. Stokes

PAVONIA LIFE INSURANCE
COMPANY OF MICHIGAN,

Respondent.

SUPPLEMENTAL POST-HEARING FILING OF INDEPENDENT INSURANCE GROUP

NOW COMES Independent Insurance Group (“Independent”), through its attorneys Fraser Trebilcock, and Adams and Reese, and hereby makes this supplemental filing (“Second Supplement”) to its previously filed Objection (“Objection”) to the Pavonia Life Insurance Company of Michigan (“Pavonia”) Plan of Rehabilitation (“Plan”) filed with this Court on October 4, 2019, its previously filed supplement to the Objection (“First Supplement”) and its recent in-person appearance, on January 16, 2020, at a hearing (the “Hearing”) related thereto before this Honorable Court.

I. RATIONALE FOR SECOND SUPPLEMENT

Independent is filing this Second Supplement with the Court because, once again, new information became publicly available on the morning of the Hearing (“New Information”), and Independent believes it is in the best interests of Pavonia’s policyholders, creditors and the public for the Court to be informed of and consider this New Information in these proceedings.

This New Information is as follows:

1. During the Hearing, reference was made to a *Wall Street Journal* article (the “1/16/20 WSJ Article”) that became available the day of the Hearing regarding a recently-unsealed Verified Amended Complaint (hereinafter “Amended Complaint”) filed by the North Carolina Insurance Companies (*i.e.*, Southland National, Bankers Life, Colorado Bankers Life and Southland National Reinsurance (hereafter the “NC Insurance Companies”) acting through their Rehabilitator (“the “NC Rehabilitator”), which brought suit against Greg Lindberg and several of his affiliate companies. The action was filed under seal, and was, at the time unbeknownst to Independent, made public on or about January 13, 2020. A copy of the Amended Complaint and its exhibits are attached hereto as Exhibit A.
2. Based upon the 1/16/20 WSJ Article and the Amended Complaint, Independent conducted further research and discovered additional items of information that it believes are relevant to these proceedings.

After the Hearing, Independent requested a meeting with Michigan Assistant Attorney General, Mr. Christopher L. Kerr (“Mr. Kerr”) and the Attorney General’s office to discuss the New Information as well as potentially mutually acceptable solutions. Mr. Kerr has so far declined to meet with us.

Independent respectfully requests that the Court review this Supplement and supporting documentation, which, among other things, describes the relevance of this New Information and discusses actual or potential inter-relationships between and among aspects of the New Information and information previously provided to this Court.

II. ARGUMENT

Independent asserts that the New Information confirms and validates key aspects of, and provides further insights into, Independent’s concerns, as previously expressed in the Objection, the First Supplement and the Hearing.

1. The New Information confirms the complex, interwoven nature of the various processes and parties involved in and/or related to these Court proceedings.

As stated in the First Supplement, Independent believes that the complex, interwoven nature of the various processes and parties involved in and/or related to these Court proceedings has created challenges in the ability of key stakeholders – most importantly the DIFS – to fully appreciate the totality of the facts and circumstances that resulted in the Plan of Rehabilitation for Pavonia.

The Amended Complaint provides heretofore unavailable details of the activities of Lindberg, the NC Insurance Companies, other Lindberg insurance affiliates and the non-insurance affiliates of them all, during the time period leading up to the filing of the Plan. Key aspects of the Amended Complaint are summarized as follows:

- (i) The Rehabilitator, on behalf of the NC Insurance Companies, is suing Greg Lindberg and certain of his affiliates, including a company called Academy Association, Inc. (“Academy Association”), for violating the terms of a Memorandum of Understanding entered into on June 27, 2019 among Mr. Lindberg, the Rehabilitator and the NC Insurance Companies (the “MOU”);
- (ii) Academy Association is one of the many non-insurance affiliates of Greg Lindberg, the NC Insurance Companies, Pavonia and GBIG and is listed as a defendant;
- (iii) The NC Insurance Companies lent \$1.3 billion to their non-insurance affiliates, almost all of which occurred in the 2-week Investment Surge discussed in the First Supplement;
- (iv) As discussed in the Amended Complaint, many of the non-insurance affiliates are in financial distress and interest payments to the NC Insurance Companies were put on hold; and

- (v) Ares, the parent company of Aspida which entered into the SPA to acquire Pavonia, is also a significant lender to Lindberg through a company named American Academy Holdings, LLC, which is an affiliate of Academy Association.¹
2. **The Amended Complaint confirms the extensive concerns with the \$1.3 billion of loans granted to the non-insurance affiliates of Lindberg by the NC Insurance Companies, as mentioned in the Objection and the First Supplement, and provides additional facts related to these loans and the circumstances surrounding these loans that were not previously available to Independent or this Court.**

The Amended Complaint also confirmed the complexity of the facts and circumstances comprising the period of time leading up to the filing of the Plan, including the complexities of the nearly \$1.3 billion in loans by the NC Insurance Companies to their non-insurance affiliates, with respect to which the NC Rehabilitator stated:

“Loans to operating companies run through multiple intermediary borrowers pursuant to a number of different forms of financing transactions, including direct loans, preferred equity deals, special purpose vehicles, principal protected notes and financing companies. The transactions involved are so complex that no one, with the possible exception of Lindberg, has been able to untangle fully the underlying economic realities at this point.” Exhibit A at p. 27, fn. 4

Lindberg is the architect of and signatory to the Stock Purchase Agreement to sell Pavonia (the “SPA”) that is at the heart of the Plan, currently under examination by this Court, and at the heart of the related Aspida Form A (the “Form A”), currently under review by the DIFS. The NC Rehabilitator’s allegations against Lindberg reveal that he has breached a key agreement with the NC Rehabilitator and made intentional misrepresentations to the NC Rehabilitator. That the SPA under consideration before this Court was done at the same time with Lindberg makes the entire transaction suspect and deserving of great scrutiny. Mr. Lindberg, however, did not make this

¹ Based upon the Amended Complaint, Exhibit C, Listing of Other Affiliates on Page 93

exorbitant amount of loans from the NC Insurance Companies to his/their non-insurance affiliates on his own. As mentioned in the Objection and the First Supplement, the same team of executives that managed GBIG, the NC Insurers and Pavonia – i.e., the same management team proposed by Ares to run Pavonia as part of Aspida going forward – authorized these affiliated loans.

From the NC Rehabilitator's review of the affiliate transactions, the Lindberg affiliates have both long-term liquidity and significant current cash flow issues. The liquidity issues "became severe enough to warrant the Plaintiffs² being placed into rehabilitation." *Id.* at 1. Cash flow difficulties resulted in missed interest payments to the NC Insurance Companies. *Id.* at p.9 para. 47.

The NC Rehabilitator's primary concern was that if he is forced to liquidate and foreclose on the debts, it would "result in a substantial shortfall." *Id.* at P. 2. The results of such a foreclosure are described as follows:

"Such a process would inevitably lead to losses of account value to policyholders.

Policyholders with account values in excess of state guaranty fund limits would suffer the most severe losses. Plaintiffs general creditors would suffer total losses."

Id. at 2, fn. 1

Because of these concerns, the NC Rehabilitator negotiated and entered into the MOU with Lindberg by which Lindberg could defer payment on the notes due to the NC Insurance Companies, in return for which control of an agreed set of the affiliate debtors would be placed into a new holding company by September 30, 2019 that Lindberg would not be control. *Id.* at 2. The Amended Complaint alleges that Lindberg defaulted on the MOU by failing to comply with his obligations by the deadline agreed to in the MOU while accepting all the benefits provided to

² Referring to the four Pavonia-affiliated North Carolina insurers

him. *Id.* at 2-3. As of the date the Amended Complaint was filed (*i.e.*, October 18, 2019), Lindberg had accepted “over \$100 Million in benefits”. *Id.* p 3. The NC Rehabilitator states that Lindberg “desperately wants to retain control of the affiliated companies that he agreed to transfer to the new holding company.” *Id.* at 3. It also appears that Lindberg has now pledged the same assets he previously pledged to the NC Insurance Companies to a third party through a transaction of an affiliate insurer, Private Bankers Life and Annuity Company, Ltd. (“PBLA”), a Bermuda limited company, with a non-affiliate insurance company, ULICO, involving \$700 million. *Id.* at 21, paras. 125-129. This pledge would gut the MOU. *Id.* at 128.

3. Material Loans from Ares to Lindberg affiliates

In the Amended Complaint, the NC Rehabilitator notes that, in addition to the affiliated loans from the NC Insurance Companies, third parties provided financing to the Lindberg non-insurance affiliates, stating “At present, the various third-party lenders are dealing with various representatives of the affiliated entities and receiving various proposals. This effort, which Lindberg is spearheading...is contrary to the [MOU].” *Id.* at p. 19 para. 109.

As discussed in the First Supplement, Aspida mentioned in its Response that Ares had made loans to non-insurance affiliates of Lindberg, but that said loans were not material to Ares. *See* Aspida Response at 5-6 and fn. 4. Independent points out that nowhere in the Aspida Response were the amounts of those loans disclosed, which is why Independent posed the question in the First Supplement as to whether said loans might be material to GBIG and/or its affiliates. Independent has since devoted further resources to investigate these matters and has discovered that Ares lent over \$275 million to American Academy Holdings, LLC, which Independent discovered to be an affiliate of Academy Association. *See* Exhibit A at 92 (showing American Academy Holdings, LLC as a Lindberg affiliate). The Amended Complaint has now made it

known that the non-insurance affiliates of Lindberg “face a credit exposure of at least \$2.1 billion.” *Id.* at 6, para. 29. Of that total, the Amended Complaint discloses that approximately \$1.3 billion of these loans are held by the NC Insurance Companies, leaving approximately \$800 million in obligations to third-party lenders, including Ares. At \$275 million, the loans from Ares to the Lindberg non-insurance affiliates represent over 30% of the third-party loans to said companies. These loans were/are clearly material to Lindberg.

Independent has now pieced together a summary of the known loans made by Ares to Lindberg affiliate American Academy Holdings, LLC, as shown in the following table:

Borrower: American Academy Holdings, LLC

Lender: Ares Capital Corporation

Date: 12/31/2017

Source: Securities and Exchange Filing by Ares Capital Corporation, Form 497

ARES CAPITAL CORPORATION AND SUBSIDIARIES CONSOLIDATED SCHEDULE OF INVESTMENTS American Academy Holdings, LLC As of December 31, 2017 (dollar amounts in millions)			
Type of Loan	Interest Rate	Date of Loan	Amount (Million)
First lien senior secured revolving loan (\$0.9 par due 12/2022)	9.75% (Base Rate + 5.25%/Q)	12/15/2017	0.9
First lien senior secured loan (\$0.5 par due 12/2022)	7.84% (Libor + 6.25%/Q)	12/15/2017	0.5
First lien senior secured loan (\$199.8 par due 12/2022)	8.01% (Libor + 6.25%/Q)	12/15/2017	199.8
Senior subordinated loan (\$75.0 par due 6/2023)	15.76% (Libor + 14.00%/Q)	12/15/2017	75.0
TOTAL			276.2

The most recent publicly available data is from March 31, 2019, and it shows there have been meaningful loan modifications that benefit Ares from the original loans made on 12/15/2017. The specific modification is the adjustment in the Interest Rate being charged.

Borrower: American Academy Holdings, LLC

Lender: Ares Capital Corporation

Date: 3/31/2019

Source: Securities and Exchange Filing by Ares Capital Corporation, Form 497

ARES CAPITAL CORPORATION AND SUBSIDIARIES CONSOLIDATED SCHEDULE OF INVESTMENTS American Academy Holdings, LLC As of March 31, 2019 (dollar amounts in millions)			
Type of Loan	Interest Rate	Date of Loan	Amount (Million)
First lien senior secured revolving loan (\$0.9 par due 12/2022)	10.75% (Base Rate + 5.25%/M)	12/15/2017	0.9
First lien senior secured loan (\$84.1 par due 12/2022)	10.75% (Base Rate + 5.25%/M)	12/15/2017	84.1
First lien senior secured loan (\$90.5 par due 12/2022)	10.75% (Base Rate + 5.25%/M)	12/15/2017	90.5
Senior subordinated loan (\$81.1 par due 6/2023)	18.50% (Libor + 7.00% Cash, 6.00% PIK/Q)	12/15/2017	81.1
TOTAL			256.6

It is important to note that between 12/31/17 and 3/31/19 the interest rate being charged by Ares to American Academy Holdings *increased* by roughly 2.75% across the entire loan portfolio. In this same period, the published 7-Year US Treasury rate *decreased* from 2.33% on 12/29/2017 to 2.31% on 3/29/2019. According to the Amended Complaint, the loans outlined above have a senior position to the loans provided by the NC Insurance Companies to Lindberg's non-insurance

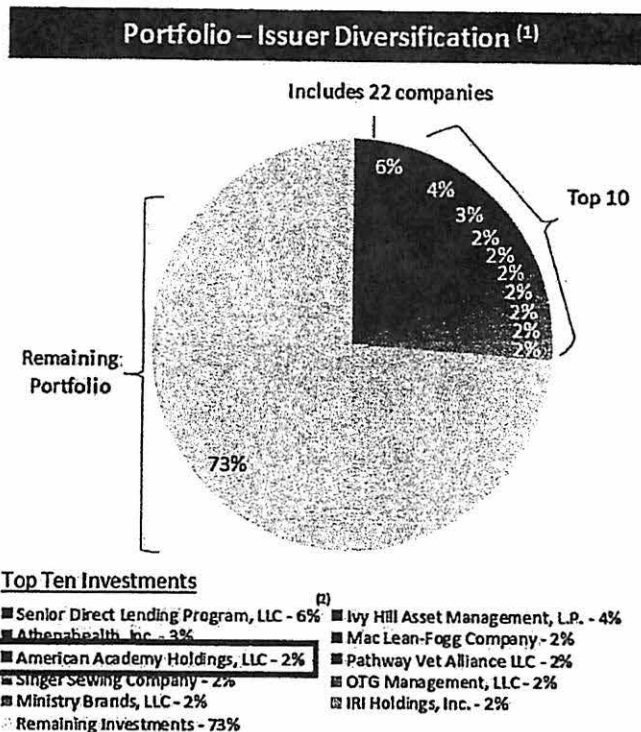
affiliates. Most perplexing is how the loans made by the NC Insurance Companies to American Academy Holdings , which are purportedly junior in position and therefore riskier, have a lower published yield and longer duration than the loans provided by Ares. This is very atypical in the financial services world and it could be argued this was done at the expense of the NC Insurance Companies and their policyholders.

The above facts, and any/all related facts, are highly relevant to Pavonia and these Court proceedings, because the NC Insurance Companies made 100% of the affiliated loans to the Lindberg affiliated companies under the direct leadership and supervision of the GBIG Management team, the same management team as proposed by Ares in the Plan and the Aspida Form A.

Although Ares admits in its Response to Independent's Objection that "loans were made to Eli affiliates,"³ Independent has to date only been able to uncover the series of loans described above to just one of Lindberg's affiliates, American Academy Holdings, LLC. There may or may not be others.

If the Ares-Academy loans have been disclosed in the Form A, this Court and the public should be made aware of them. And if they have not been disclosed in the Form A, the question is why? As well, it is questionable that Ares would not have disclosed the precise amounts and other details of any and all loans to any affiliates of Pavonia in the Plan. Ares had the additional opportunity to do so in its Response, yet still did not do so, requiring any interested party to research other sources in order to uncover the full details in an attempt to "connect the dots", which Independent has continued to do. Accordingly, attached as Exhibit C is an Ares Capital Corporation Investor Day Exhibit ("Ares Investor Exhibit"), part of which is copied below:

³ Eli Global is one of the major operating entities owned by Mr. Lindberg.



The pie chart above shows that the American Academy Holdings debt is one of Ares' top ten lending relationships, and the American Academy Holdings debt represented 2% of the total lending portfolio of Ares. Therefore, this loan from Ares was material enough for Ares to specifically break it out in the Ares Investor Exhibit, despite its representations in its Response that loans to Lindberg affiliates were not material. Given this significant debt to Ares, it appears to be more than coincidental that Ares (via Aspida) is the purchaser to whom Lindberg and GBIG management decided to sell Pavonia (including all of GBIG's operations via the transfer of Global Bankers Insurance Group, LLC to Pavonia a day prior to the Plan). Ratification of this purchase is sought. This cannot be coincidence, and cannot escape examination by DIFS, following disclosure to this Court in its oversight capacity.⁴

⁴Despite DIFS' known preference that all parties, including this Court, allow virtually unfettered discretion and routine deference to DIFS in its consideration of the proposed GBIG-Ares deal. While as a general proposition such deference in the usual case may be routine and unremarkable, the Pavonia Rehabilitation is, without question, unprecedented

4. “Actual Evidence” of GBIG Management’s Approval of Loans by the NC Insurance Companies to their non-insurance affiliates.

As discussed in Item 2 above, the NC Insurance Companies were used as a significant source of funding for the non-insurance affiliates of Lindberg/GBIG/Pavonia. The management team of GBIG, which is the exact same team proposed by Aspida to lead Pavonia as part of Aspida going forward, was actively involved in authorizing these affiliated loans and investments. In May 2019, Lou Hensley (CEO of GBIG and President of all of the NC Insurance Companies and Pavonia at that time), authorized a \$15 million revolving line of credit (the “CBLIC-Academy Revolver”) from Colorado Bankers Life Insurance Company (“CBLIC”) to another Lindberg non-insurance affiliate, Academy Financial Assets, LLC, because of “short term liquidity needs.” *Id.* at 25, para. 163. On June 27, 2019, the very day that the NC Insurance Companies were taken into rehabilitation by the North Carolina Department of Insurance, the CBLIC-Academy Revolver had to be increased to \$40 million “to avoid other collateral consequences.” *Id.* The amended CBLIC-Academy Revolver executed by Mr. Lou Hensley is contained within Pages 170-192 of the Amended Complaint, Exhibit A. It was all but fully drawn down by September 10, 2019. *Id.* at page 26, para. 165. This type of activity clearly put the policyholders of CBLIC at additional risk, and it raises questions about whether GBIG management continually placed the interests of GBIG and Lindberg ahead of the interests of the policyholders.

The timing of the Revolving Credit Agreement and the Pavonia Stock Purchase Agreement is material. Although the Revolving Credit Agreement was entered as of June 27, 2019, it had an effective date of June 6, 2019, the same date as the SPA between GBIG Holdings, Inc. and Aspida Holdco, LLC. The proposed officers, directors, and owners of Aspida Holdco, LLC, the same as

and puts the Court in a position where it is entitled to greater disclosure so that it can be assured that not only are the interests of Ares and GBIG adequately protected, but that the security of the most vulnerable population of policy holders is also assured.

team that led the NC Insurance Affiliates into insolvency, were not publicly disclosed until the filing of the proposed Form A by Aspida was filed on July 28, 2019. Even then, the detailed financial exhibits filed by Ares were not released publicly. The detail of disclosure of the preexisting relationship between GBIG, GBIG Management, and Ares to DIFS remains a mystery. What is not unknown is the complete lack of disclosure of the preexisting business relationships between GBIG, GBIG Management and Ares to the Court, the Pavonia policyholders and the Public.

Before Pavonia was placed into rehabilitation and after that, Independent has consistently raised questions about disclosure and what appears to be omissions by GBIG, the GBIG Management Team and Ares of material facts. This was a major item raised in the oral argument made by Mr. Volpe at the Hearing. In the Hearing, when the pressed by the Court about appropriate disclosure, GBIG counsel Ellen Dunn, dodged the question by stating, “As I said, there was extensive due diligence and counsel for the buyer will speak to this.” (Hearing transcript page 70 lines 18 – 21). However, when the buyer (Ares) counsel, Stephen Schwab, responded to the Court, he did not address the disclosure question.

In one of the most telling moments of the hearing, Mr. Kerr, representing DIFS stated “Your Honor, and you’re worried about who knew what and when, was everything disclosed, and we submit to you everything was disclosed.” (Hearing transcript page 61 lines 21 – 23). The New Information contained in the Amended Complaint and the details of the pre-existing financial relationship between Ares and Lindberg’s affiliate, American Academy Holdings, LLC, uncovered by Independent’s research reiterates the need for further disclosure to this Court.

5. Proposed Management Buyouts

The Amended Complaint alleges that the NC Regulator is “aware of at least two proposed management buy-outs that do not appear to be in the best interests of Plaintiff’s policyholders.” *Id.* at 22 para. 132. Mr. Lindberg entered into proposed deals to sell certain assets that were supposed to be pledged to the NC Insurance Companies, to some of his management employees. *Id.* at 22-25. In one such transaction, a Lindberg management associate was to acquire a company, previously valued at \$90 Million, without paying cash but providing the associate with a management fee, and Lindberg with a note bearing 10% interest. *Id.* at 23 para. 140-145. This raises questions about this specific Ares-Pavonia transaction in which management employees such as Lou Hensley (who signed the MOU on behalf of the four NC Insurance Companies) are to receive ownership stakes if Ares is allowed to own Pavonia.

Given the prospects of other proposed deals with other involved managers, the SPA provides a safe landing for the GBIG management team involved in what appear to be disastrous affiliate transactions, with the addition of an ownership interest Lindberg never previously provided to Lou Hensley in his capacity as President of all Lindberg’s domestic insurers.

6. Where is North Carolina?

In his response to IIG’s presentation, Mr. Kerr asked rhetorically “Where is North Carolina?” He said:

“Where is North Carolina? Independent is sitting here saying, we did all this analysis and they duped North Carolina. Where is North Carolina today from the Department of Insurance of North Carolina or from the rehabilitator of North Carolina who has been working with the company even before rehabilitation and supervision as was referenced, where are they today saying we were duped, we

were misled, this is something we didn't know about.” Hearing Transcript at 70, lines 10-18.

What we now know from the recently unsealed Amended Complaint is that North Carolina is in fact alleging that Lindberg duped and misled them. See Exhibit A Claims for relief p. 29-36. They have clearly alleged the multiplicity of companies and obligations Lindberg created is such a tangled mess that after months of study they still do not understand the interconnected relationships Lindberg has created. *Id.* at 27, fn 4. They still seek access to the books and records of Lindberg’s non-insurance affiliates to help them sort this tangled mess out. *Id.* at p. 35, para. 243(ii).

There was a reason that Lindberg engineered the Pavonia transaction to include a transfer of Global Bankers Insurance Group, LLC one day before this rehabilitation. Why was this done?

- Was it done to ensure the management team led by Hensley had a safe landing spot so they would be inclined to give favorable testimony in Lindberg’s trial?
- Was it done so that Lindberg and his associates could continue to influence the management team and the financial decisions of Ares assuming the purchase is approved?
- Was it done to “shield” Global Bankers Insurance Group, LLC from claims against it that seem inevitable?
- Was it done to offer a plum to Ares, an insider senior secured lender of over a quarter of a billion dollars to the Lindberg empire, to relieve pressure on the rest of the failing Lindberg affiliates?

We do not know. We suspect that neither the NC Rehabilitator nor DIFS knows. The relationships with Ares or Global Bankers Insurance Group, LLC and the other affiliate

transactions have defied the NC Rehabilitator's understanding after months of effort given the tangled, interconnected web Lindberg wove with these affiliates and third-party lenders like Ares.

The answer to Mr. Kerr's question is that North Carolina is facing a \$1.25 Billion-dollar loss on the affiliate transactions and massive losses to insureds and the guaranty funds across the country. The Pavonia situation is small potatoes comparatively. North Carolina's concern is with the mountain of problems in front of it and is in active litigation with Lindberg and his affiliate entities over the failure of Lindberg to live up to the MOU that was engineered to create a soft landing for the North Carolina debacle. The Amended Complaint alleges that Lindberg and several of his affiliate companies "made several representations that they now state were false at the time they made them." Exhibit A at 30, para 206. They allege that Lindberg and his affiliates have taken the benefits of the MOU and failed to comply with their obligations under the MOU. *Id.* at 2-3. Is there any way to interpret this other than stating the NC Rehabilitator was duped and misled? Based on the timing of the MOU, it appears as if the proposed Pavonia transaction, the Revolving Credit Agreement, and the MOU are all key components of this failed plan. On the surface, it appears as if the North Carolina Department of Insurance has used Pavonia to curry favor with the senior lender to companies the NC Rehabilitator acknowledges are facing an unprecedented insolvency

There are already claims by the Michigan Rehabilitator against the NC Insurance Companies regarding the payments to Lindberg and Gray's lawyers. Such conflicts will only grow if the NC Insurance Companies slide toward liquidation, which seems likely. Including Global Bankers Insurance Group, LLC in the Pavonia transaction is akin to inviting a Trojan Horse filled with Lindberg's lieutenants and strategic business partners into the protective safeguards of the Pavonia rehabilitation. Including Global Bankers Insurance Group, LLC in the Pavonia transaction

will continue to embroil Pavonia in the North Carolina mess. It is Independent's opinion that the rehabilitation process should completely separate the Pavonia policyholders from everyone and everything that contributed to what is potentially the country's largest insurance insolvency. This includes and is not limited to Greg Lindberg, all NC Insurance Company officers, all NC Insurance Company directors, all NC Insurance Company board members, and all lenders to the GBIG affiliate companies who have a priority position over the North Carolina policyholders of the North Carolina Insurance Companies.

7. Excessive Expenses are Depleting Pavonia Surplus

Independent has noted the deterioration in the capital and surplus of Pavonia from \$73.8 million at the beginning of 2019 when the SPA with Ares was being negotiated to \$65.1 million as of November 30, 2019 based on the Deputy Rehabilitator's First Report & Accounting of Pavonia dated January 13, 2020. Much of this decline in capital and surplus is directly related to the excessive expenses being charged to Pavonia by the Service Company. Independent raised substantial concerns regarding the expense allocations from the Service Company to Pavonia in the First Supplement to its Objection. Independent continues to believe that the full separation from the Service Company, GBIG, Lindberg, the NC Insurance Companies and the GBIG management team that managed these companies is critical for the protection of the Pavonia policyholders.

III. CONCLUSION

Independent Insurance Group asks for the entry of its proposed order giving access to the books and records of Pavonia to Independent and other potential acquirers, and suggests that the full ramifications of the current SPA with one of Lindberg's primary private lenders needs to be examined by this Court.

**FRASER TREBILCOCK DAVIS & ADAMS AND REESE LLP
DUNLAP P.C.**

By: _____

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served via e-mail, by hand delivery and U.S. First Class Mail on the Clerk of the Court, Ingham County Circuit Court, Veterans Memorial Courthouse, 313 W. Kalamazoo, Lansing MI 48901 and to the Michigan Department of Attorney General, attention: Christopher Kerr and James Long, Corporate Oversight Division, P.O. Box 30736, Lansing MI 48909, Dykema Gossett, PLLC, Lori McAllister, 201 Townsend Street, Suite 900, Lansing, MI 48933, Dickinson Wright, PLLC, Ryan M. Shannon, 215 S. Washington Square, Suite 200, Lansing, MI, all counsel or parties of record this 27 day of January, 2020.

Attorney

EXHIBIT A

**VERIFIED AMENDED COMPLAINT
AND MOTION FOR PRELIMINARY
AND PERMANENT INJUNCTION**

NORTH CAROLINA

WAKE COUNTY

FILED

2019 OCT 23 PM 3:28

IN THE GENERAL COURT OF JUSTICE
SUPERIOR COURT DIVISION
19 CVS 013093

SOUTHLAND NATIONAL INSURANCE
CORPORATION in Rehabilitation,
BANKERS LIFE INSURANCE
COMPANY in Rehabilitation,
COLORADO BANKERS LIFE
INSURANCE COMPANY in
Rehabilitation, and SOUTHLAND
NATIONAL REINSURANCE
CORPORATION in Rehabilitation,

Plaintiffs,

v.

GREG E. LINDBERG, ACADEMY
ASSOCIATION, INC., EDWARDS MILL
ASSET MANAGEMENT, LLC, NEW
ENGLAND CAPITAL, LLC, and
PRIVATE BANKERS LIFE AND
ANNUITY CO., LTD. a/k/a PB LIFE AND
ANNUITY COMPANY LTD.,

Defendants.

FILED UNDER SEAL

SEALED
VERIFIED AMENDED COMPLAINT
AND MOTION FOR PRELIMINARY
AND PERMANENT INJUNCTION

INTRODUCTION

Defendant Greg E. Lindberg, directly and indirectly, is the sole owner of the four Plaintiff insurance companies. A substantial portion of Plaintiffs' investments are debt facilities or equity financing arrangements with entities that are also under Lindberg's control. These affiliated entities consist of operating and holding companies, special purpose vehicles, and trusts, formed and incorporated in this state and others and overseas, which are in a complex network of interrelated loans, financing arrangements, and investments.

In June 2019, Plaintiffs' long-term liquidity issues became severe enough to warrant Plaintiffs being placed in rehabilitation. The success or failure of Plaintiffs' rehabilitation will

turn on whether the Lindberg-controlled operating companies can generate sufficient revenue to repay affiliated investments, so that Plaintiffs can meet their long-term obligations to policyholders and creditors. If the affiliated companies fail to repay their debts, Plaintiffs' only alternative will be to foreclose on the debts and to initiate liquidation of the companies and their assets—which will result in a substantial shortfall.¹

To try to enable the affiliated companies to repay their debts, Lindberg, on behalf of himself and numerous entities, entered into an agreement with Plaintiffs on June 27, 2019. The Memorandum of Understanding² between the parties sets forth a plan to reorganize many, although not all, of the affiliated companies under a newly-formed holding company governed by an independent board. Through this centralized board, the parties plan to restructure the affiliated companies' loan obligations and to improve management to ensure that the operating companies' revenue will be sufficient to service their debt to Plaintiffs and other debt-holders. Even more importantly, the Memorandum of Understanding binds the board to manage the affiliated companies in the best interests of Plaintiffs' policyholders.

The deadline to reorganize the relevant companies under the new holding company was September 30, 2019. Defendants have failed to perform. Over the past several months, Defendants have proffered a variety of reasons for why they are unable to perform under the Memorandum of Understanding. A number of these reasons directly contradict the express representations and warranties that Defendants made to Plaintiffs during the contract negotiations. By contrast,

¹ Such a process would inevitably lead to losses of account value to policyholders. State guaranty funds would pay claims only up to the amount of state guaranty fund limits. Policyholders with account values in excess of state guaranty fund limits would suffer the most severe losses. Plaintiffs' general creditors would suffer total losses.

² This pleading adopts the same definitions of terms as set forth in the Memorandum of Understanding, unless stated otherwise.

Defendants have accepted without protest over \$100 million in benefits under the Memorandum of Understanding.

Without the reorganization of the relevant affiliated companies under the new holding company, it is impossible to undertake an orderly analysis and restructuring of the affiliated companies' debt obligations. Greg Lindberg desperately wants to retain control of the affiliated companies that he agreed to transfer to the new holding company. For the reasons set forth in more detail below, Plaintiffs do not believe that Lindberg's continued control is in the interests of the affiliated companies' creditors, their employees, or Plaintiffs' policyholders—the protection of which is precisely why the parties entered into the Memorandum of Understanding. Plaintiffs respectfully request that this Court find that Defendants have breached the Memorandum of Understanding and defrauded Plaintiffs, direct specific performance of this contract, and, in the interim, order preliminary relief designed to preserve the long-term equity value of the affiliated companies and protect the interests of Plaintiffs' policyholders.

PARTIES

1. Plaintiff Southland National Insurance Corporation ("SNIC") is a licensed North Carolina domestic life and accident and health insurer.
2. Plaintiff Bankers Life Insurance Company ("BLIC") is a licensed North Carolina domestic life and accident and health insurer.
3. Plaintiff Colorado Bankers Life Insurance Company ("CBL") is a licensed North Carolina domestic life and accident and health insurer.
4. Plaintiff Southland National Reinsurance Corporation ("SNRC") is a licensed North Carolina captive insurance company engaged in the business of reinsurance.

5. Plaintiffs' principal place of business is located at 2327 Englert Drive, Durham, Durham County, North Carolina.

6. On June 27, 2019, in a matter captioned *Causey v. Southland National Insurance Corporation, et al.*, 19-CV-8664 (Wake County Superior Court), this Court entered an Order of Rehabilitation pursuant to Article 30 of Chapter 58 of the North Carolina General Statutes and appointed Mike Causey, in his official capacity on behalf of the State of North Carolina as Commissioner of Insurance, as Rehabilitator for Plaintiffs.

7. Pursuant to N.C. Gen. Stat. § 58-30-85(a)(1), the Rehabilitator has the authority to appoint Special Deputy Rehabilitators.

8. On June 27, 2019, Rehabilitator Mike Causey appointed Mike Dinius and John Murphy of Noble Consulting Services, Inc. as Special Deputy Rehabilitators and conferred on them all the powers of the Rehabilitator under the Court's June 27, 2019 Order and Article 30 of Chapter 58 of the North Carolina General Statutes.

9. The Special Deputy Rehabilitators have the power to institute this action in the name of the insurer, pursuant to N.C. Gen. Stat. § 58-30-85(a)(6), (a)(12), (a)(13), (a)(19), (b), (c), and (d).

10. Defendant Greg E. Lindberg ("Lindberg") is a resident of Durham County, North Carolina.

11. Defendant Academy Association, Inc. ("AAI"), is a North Carolina corporation with a principal place of business in Durham County, North Carolina.

12. Edwards Mill Asset Management, LLC ("EMAM") is a North Carolina limited liability company with a principal place of business in Wake County, North Carolina.

13. New England Capital, LLC ("NEC") is a North Carolina limited liability company with a principal place of business in Durham County, North Carolina.

14. Private Bankers Life and Annuity Co., Ltd. a/k/a PB Life and Annuity Company Ltd. ("PBLA") is a Bermuda limited company.

JURISDICTION AND VENUE

15. Jurisdiction and venue are proper in this Court pursuant to N.C. Gen. Stat. § 58-30-15.

16. Additionally, the Memorandum of Understanding at issue provides that the Defendants consent to venue in Wake County.

17. This Court has personal jurisdiction over the Defendants pursuant to N.C. Gen. Stat. § 1-75.4(1).

18. All Defendants have consented to the jurisdiction of this Court pursuant to express agreement in the Memorandum of Understanding.

FACTS

19. Plaintiffs SNIC, CBL, and BLIC were engaged in the business of selling annuities, life, accident, and critical condition insurance policies to consumers in North Carolina and elsewhere. SNRC is the reinsurer for SNIC and CBL.

20. Plaintiffs satisfy their obligations to policyholders through cash payments. Plaintiffs' revenue came from the sale of annuities and insurance policies and the collection of premiums. Plaintiffs also placed some of this revenue in other investments, to grow the money before obligations on it become due.

21. Lindberg, directly or indirectly, through one or more intermediaries, owns 100% of the shares of stock of all classes of each of Plaintiffs.

22. Lindberg is the sole and exclusive owner of 100% of the shares of stock of all classes of Defendant AAI.

23. Together, Lindberg and AAI control a large number of affiliated entities. These entities include various holding companies as well as operating companies that conduct business in a number of different industries. The "brand name" for this portfolio of companies is Eli Global.³

24. Defendant AAI is, in effect, the master holding company for the Eli Global portfolio.

25. The Lindberg- or AAI-controlled entities, including the Eli Global portfolio, are herein referred to as "affiliates" or "affiliated companies." The affiliates that conduct revenue-generating business are referred to as "operating companies."

26. A third-party restructuring firm that, upon information and belief, was engaged at the direction of AAI or one of its affiliates has made a preliminary finding that the operating companies should produce over \$1 billion in gross annual revenue next year.

27. Moreover, the same restructuring firm has projected that the operating companies should yield approximately \$129 to \$154 million in earnings before interest, tax, depreciation, and amortization ("EBITDA") next year.

28. To finance their operations, the affiliated entities controlled by Lindberg and AAI have received credit facilities and preferred equity financing from a number of lenders, including Plaintiffs.

29. Presently, the affiliated entities face a credit exposure of at least \$2.1 billion. Of that amount, Plaintiffs hold approximately \$1.25 billion of the obligations.

³ Eli Global, LLC is one of the Lindberg-affiliated companies but is not the parent holding company of all the various operating companies and is itself a subsidiary of AAI.

30. Defendant EMAM holds Class A common units of special purpose vehicles that served as borrowers and lenders in certain financing transactions involving the affiliated entities.

31. Defendants NEC and PBLA are both affiliates of AAI and Lindberg. Along with Plaintiffs CBL and SNIC, NEC and PBLA serve as agents under certain debt and equity financing arrangements and have the unilateral authority to bind the lenders on the financing agreements to which such lenders are a party.

Long-Term Liquidity Problems and Supervision

32. In 2018, the Commissioner of the North Carolina Department of Insurance raised concerns regarding whether Plaintiffs' transactions among affiliates, subsidiaries, and controlling persons provided sufficient long-term liquidity to meet Plaintiffs' outstanding obligations to policyholders as they came due.

33. On October 18, 2018, the Commissioner entered a Consent Order for Administrative Supervision, under which Plaintiffs consented to confidential administrative supervision pursuant to N.C. Gen. Stat. § 58-30-60 et seq.

34. Through the administrative supervision, the Commissioner was unable to resolve the concerns regarding Plaintiffs' ability to have sufficient long-term liquidity to meet their outstanding obligations.

35. The period of administrative supervision was extended by consent on February 5, 2019, and again on April 3, 2019.

36. The Second Amended Consent Order for Administrative Supervision established requirements for limiting Plaintiffs' exposure to the affiliates, with the ultimate goal of reducing total affiliate exposure to approximately 10%.

37. The Second Amended Consent Order set forth a timeline for liquidating the affiliated debt, with intermediate "Trigger Dates" by which specified amounts of affiliate exposure were to be reduced.

38. If the companies failed to reduce the affiliate exposure according to the timeline, they could purchase additional time to perform through a \$30 million capital contribution. If they could not make the contribution, or if they made the contribution but still failed to reduce the exposure after an additional period, the companies agreed to consent to rehabilitation, the appointment of a receiver, and injunctive relief.

39. Pursuant to the Second Amended Consent Order, Lindberg and other Eli Global officers purported to make efforts to: (1) sell the insurance companies; (2) refinance loans to the affiliates with third party lenders; and (3) sell the affiliated companies.

40. However, Lindberg and other Eli Global officers working on his behalf represented that they were unable to find sellers willing to purchase the companies for their expected values.

41. Although Lindberg and other Eli Global officers reported numerous attempts to refinance the debt, they also represented that they could reach no agreement with third parties willing to refinance a sufficient amount of the affiliate debt to meet the milestones set out in the Second Amended Supervision Order.

42. By the end of April 2018, Special Deputy Rehabilitator Dinius had determined that the plan to liquidate the companies to resolve the outstanding debt obligations would result in a substantial shortfall of funds. In other words, the projected sales prices did not meet the companies' obligations.

43. Special Deputy Rehabilitator Dinius calculated this shortfall as over \$1.3 billion.

44. Special Deputy Rehabilitator Dinius presented his analysis to Eli Global officers, who could not refute his findings.

45. At the same time, the affiliated companies were having trouble financing their operating expenses.

46. Special Deputy Rehabilitator Dinius already had been asked to approve a number of transactions that effectuated transfers of funds between affiliated companies to meet their operating expenses, rather than these entities supporting themselves through operating revenue.

47. In addition, on May 1, 2019, several affiliated companies failed to make payments on loan agreements, constituting events of default.

48. Because liquidation would result in a substantial shortfall on debt obligations, and because the operating companies also appeared to have acute financial problems, Special Deputy Rehabilitator Dinius prepared an alternative plan to seek to achieve solvency instead of the immediate sale of affiliated companies.

49. Under Special Deputy Rehabilitator Dinius's proposal: (1) the insurance companies would consent to rehabilitation immediately, (2) identified operating companies would be moved into a new holding company under a board with a majority of independent directors, (3) the existing debt would be restructured among the operating companies and the new holding company, and (4) the operating companies would generate cash for debt reduction and long-term equity preservation. Once the affiliated loans were resolved, the companies could be returned to Lindberg's control.

50. Accordingly, Special Deputy Rehabilitator Dinius's proposal envisioned a scenario in which both sides would compromise on certain issues in order to achieve a mutually beneficial long-term outcome and to protect the interests of policyholders. The reorganization of the

affiliated companies would create rationality among the borrowers, which would allow the loan relationships to be restructured. This would allow payment on the debt held by Plaintiffs, and also provide a longer time horizon to improve affiliated company operations and improve their value for potential sales.

51. On May 9, 2019, Special Deputy Rehabilitator Dinius sent his suggested plan to Christa Miller and Chris Herwig, both Eli Global officers.

52. On May 16, 2019, Special Deputy Rehabilitator Dinius met with Eli Global officers, including Lindberg, to discuss his proposal.

53. The officers from Eli Global represented that the general structure of the proposal would be acceptable.

54. At the meeting, the Eli Global officers offered a presentation identifying certain additions and changes, including (1) structuring the new holding company as a subsidiary of AAI to avoid adverse tax consequences and (2) adding seller notes and earned equity agreements to the debt to be refinanced.

55. In the same presentation, the Eli Global team represented that they believed they could accomplish the restructuring and rehabilitation plan by June 30, and requested that in exchange they be given a deferral on loan obligations, in order to allow them to focus their resources on consummating these transactions.

56. On May 22, 2019, Lindberg emailed Special Deputy Rehabilitator Dinius directly, reiterating the points from the Eli Global presentation described above, and setting forth additional thoughts and requests for the company reorganization and loan restructuring.

57. Lindberg and Eli Global volunteered to prepare the first draft of the documents to implement this deal.

58. On June 2, 2019, Lindberg transmitted to Special Deputy Rehabilitator Dinius a proposed agreement to defer the affiliates' debt obligations while the new holding company restructuring was implemented.

59. On June 3, 2019, Lindberg transmitted to Special Deputy Rehabilitator Dinius a draft agreement, styled as a Memorandum of Understanding, consenting to rehabilitation, setting out a reorganization of the affiliates under a new holding company, and outlining the restructuring of debt under the new holding company.

60. The draft Memorandum of Understanding that Lindberg transmitted explicitly set forth that it was a nonbinding expression of interest subject to due diligence.

61. On June 5, 2019, Lindberg transmitted to Special Deputy Rehabilitator Dinius an updated draft Memorandum of Understanding, with substantial revisions based on the parties' negotiations.

62. Over the next several weeks the parties engaged in substantial negotiations regarding the terms of the Memorandum of Understanding, the Interim Loan Amendment (which deferred payment on the affiliates' loans), and the Consent Rehabilitation Order.

63. These documents were negotiated in conjunction with one another and together constituted one overall transaction.

64. During this time, Plaintiffs requested, and received, information and disclosures from Defendants. However, owing to the complexity of the underlying affiliated loan transactions and corporate structure, Plaintiffs were forced to rely on Defendants' representations as well.

65. Over the course of the negotiations, the parties agreed to make the Memorandum of Understanding a legally binding agreement, as acknowledged in a June 19, 2019 email from Lindberg to Special Deputy Rehabilitator Dinius, in which Lindberg attempts to use the fact that

the Memorandum of Understanding would be legally binding as leverage to obtain more favorable terms in the Consent Rehabilitation Order.

66. On June 25 and 26, 2019, the parties met in person in Raleigh, North Carolina to finalize the deal.

67. The parties were represented by counsel present in the room and participating by telephone.

68. On June 27, 2019, the parties executed the Memorandum of Understanding, Interim Loan Amendment that defers debt payments by the affiliated companies, and Consent Rehabilitation Order.

69. On the same day, as part of the overall transaction as described above, Plaintiff CBL reduced to writing a loan to Academy Financial Assets, LLC ("AFA") that previously had been made in the amount of \$15 million, increased the amount to \$40 million, and structured the loan as a revolving line of credit.

70. On the same day, with the parties' consent and as part of the overall transaction as described above, this Court entered an Order of Rehabilitation in *Causey v. Southland National Insurance Corporation, et al.*, 19-CV-8664 (Wake County Superior Court).

71. Upon the filing of the Order of Rehabilitation on June 27, 2019, title to Plaintiffs' assets vested in the Rehabilitator pursuant to N.C. Gen. Stat. § 58-30-80(a).

72. The Court also entered an Order the same day granting a moratorium on policy surrenders and other relief pursuant to N.C. Gen. Stat. § 58-30-85(b).

Memorandum of Understanding

73. The Memorandum of Understanding and ancillary documents represent a series of transactions intended to protect the best interests of Plaintiffs' policyholders and to increase the

long-term equity value of certain of the affiliated operating companies. A true and accurate copy of the Memorandum of Understanding is attached hereto as Exhibit A.

74. The operating and holding companies central to these transactions are referred to herein as the "Specified Affiliated Companies."

75. The Memorandum of Understanding sets forth agreements among the parties regarding: (i) immediate partial amendment of certain loans; (ii) a reorganization of the Specified Affiliated Companies under a new holding company; and (iii) a global restructuring and further modification of certain loans.

76. The Interim Loan Amendment incorporated into the Memorandum of Understanding, among other terms, deferred payment of principal and interest payments from affiliates to Plaintiffs until the second quarter of 2020.

77. Because of this deferral, Plaintiffs and other lenders have not collected approximately \$100 million in payments that otherwise would have been due since June 27, 2019.

78. With respect to the reorganization, Defendants agreed to restructure the Specified Affiliated Companies to become subsidiaries, either directly or indirectly, of a newly-formed holding company on or before September 30, 2019.

79. The newly-formed holding company, NHC Holdings, LLC ("NHC"), a limited liability company organized under the laws of North Carolina, filed Articles of Organization with the North Carolina Secretary of State on July 2, 2019.

80. The remaining affiliated companies that are not identified in the Memorandum of Understanding as Specified Affiliated Companies would not become subsidiaries of NHC.

81. The Memorandum of Understanding provides that NHC will be governed by a seven-member board of managers fashioned as a board of directors, with two directors appointed

by Defendant AAI, three directors appointed by Plaintiffs, and two independent directors elected by the other five directors. The Memorandum of Understanding provides that Lindberg will be one of the AAI-appointed directors.

82. Under this agreement, the NHC board is not controlled by Lindberg and is charged with protecting the best interests of Plaintiffs' policyholders.

83. The NHC board is obligated to cause each of the Specified Affiliated Companies to operate in a manner intended to allow each to repay or refinance or support the repayment, redemption, or refinancing of each company's outstanding debt and equity financing obligations, including their obligations to Plaintiffs.

84. The Memorandum of Understanding also contains several representations and warranties from Defendants AAI, Lindberg, PBLA, and NEC.

85. Those representations and warranties include:

- i. Each of the Recitals, Schedules, and Exhibits attached to the Memorandum of Understanding are true and accurate in all respects;
- ii. Schedules 1 through 7 set forth all loan, financing, and investment arrangements of any nature by Plaintiffs with any party;
- iii. Every Lindberg or AAI affiliate is disclosed in Exhibits A, B, or C;
- iv. The execution, performance of obligations, and transactions contemplated in the Memorandum of Understanding have been duly authorized;
- v. The execution of the transactions set forth in the Memorandum of Understanding does not violate any law;

- vi. The execution of the transactions set forth in the Memorandum of Understanding does not violate any provision of their organizational documents;
- vii. The execution of the transactions set forth in the Memorandum of Understanding does not result in a breach of, constitute a default under, or result in the acceleration of any contract to which any of them is a party or is bound or to which any of their assets are subject;
- viii. The execution of the transactions set forth in the Memorandum of Understanding does not create in any party the right to accelerate, terminate, modify, cancel, or require any notice or consent under any contract to which any of them is a party or is bound or to which any of their assets are subject; and
- ix. The Memorandum of Understanding is a valid, legal, and binding obligation on each of them, enforceable in accordance with its terms.

86. At the conclusion of the Recitals, the Memorandum of Understanding again states that the parties to the agreement intend to be legally bound by it.

87. The Memorandum of Understanding also provides that irreparable damage would occur if any provision is not performed in accordance with its terms, and that the proper remedy for a breach is specific performance, in addition to other remedies.

Defendants' Failure to Perform Under Memorandum of Understanding

88. As soon as the Memorandum of Understanding was executed, Defendants began taking actions demonstrating that they would broadly construe their benefits and minimize their obligations under the Memorandum of Understanding.

89. For instance, Defendants have accepted the loan deferral, which, as noted above, has allowed them to avoid approximately \$100 million in payments that otherwise would have been due since June 27, 2019.

90. Lindberg, individually, has received millions of dollars in management fees from the affiliated companies.

91. He also requested, and received, over \$5 million in proceeds from the sale of an overseas contract, as agreed to in the Memorandum of Understanding.

92. Additionally, by July 1, 2019, Lindberg was claiming an absolute right to control the entities that were not identified as Specified Affiliated Companies in the Memorandum of Understanding, including to extract distributions and fees from them.

93. Lindberg stated his intention to make these transfers even after internal concerns were raised regarding issues this could cause, including harming the companies' banking relationships and potentially forming the basis for fraudulent conveyance claims.

94. Despite negotiating for, and receiving, numerous assets from which he can pay his personal expenses, Lindberg repeatedly has made demands for additional funds to cover his legal fees, public relations consultants, boats and planes, and other large expenses.

95. In fact, Lindberg demanded, and received, the concession that NHC would cover his independent legal fees for the negotiation of the Memorandum of Understanding and the corporate reorganization.

96. In sum, when Defendants stand to benefit, they are eager to cite to the Memorandum of Understanding as justification.

97. When it has come time for Defendants to perform their obligations, however, they identify no shortage of roadblocks.

98. With respect to the corporate reorganization agreed to in the Memorandum of Understanding, Defendants have identified the following reasons, among others, for not moving forward:

- i. That the seller notes and earned interest agreements are subject to breach and acceleration upon a reorganization, even though Defendants were the ones who demanded these instruments be included;
- ii. That the reorganization will result in adverse tax consequences, even though Defendants suggested that NHC be structured as a subsidiary of AAI in order to avoid tax consequences;
- iii. That the reorganization will trigger certain change in control provisions, even though Defendants warranted in the Memorandum of Understanding that performance would not result in a breach or acceleration of any contract;
- iv. That the reorganization is prohibited by certain affiliate contracts, even though the Defendants warranted in the Memorandum of Understanding that performance would not conflict with or result in a breach of any contract;
- v. That various consents are necessary for performance, even though Defendants warranted in the Memorandum of Understanding that no consents were necessary;
- vi. That Plaintiffs must obtain D&O insurance for the NHC Board, even though the Memorandum of Understanding assigns this responsibility to NHC itself;
- vii. Once Plaintiffs did in fact obtain a D&O quote, that the D&O quote was not acceptable, despite citing no authority to this effect;

- viii. That the D&O coverage cannot not be bound by anyone besides Lindberg, in his capacity as owner of AAI, who refused and continues to refuse to do so; and
- ix. That the loan amendment process has not been completed, even though the Memorandum of Understanding specifically contemplates the loan amendments as a subsequent step, which requires the existence and organization of NHC to even be possible.

99. None of the foregoing excuses constitutes a legal defense for failure to perform. No other legal defense to performance exists.

100. The excuses Defendants have proffered are pretextual. Their pretextual nature is illustrated by the fact that Defendants have offered a number of “solutions” that do not resolve issues like the purported change in control and tax issues—but that do allow Lindberg to remain in effective control of the affiliates.

Breach of Reorganization Provision

101. The September 30, 2019 deadline for the reorganization of the Specified Affiliated Companies under NHC pursuant to the Memorandum of Understanding has expired.

102. Defendants have failed to take the necessary steps timely to reorganize the Specified Affiliated Companies as subsidiaries of NHC as required by the Memorandum of Understanding.

103. Plaintiffs have satisfied all conditions precedent and are ready, willing, and able to perform their obligations under the Memorandum of Understanding.

104. Absent the reorganization agreed to in the Memorandum of Understanding, Lindberg and AAI remain in control of the Specified Affiliated Companies.

105. As shown by their refusal to abide by the terms of the Memorandum of Understanding, Lindberg and AAI currently are unconstrained in how they choose to manage the affiliated companies, including their ability to dissipate assets, further encumber the companies, and operate the companies in a manner not in the best interest of Plaintiffs' policyholders.

106. In rehabilitation, Plaintiffs are prohibited from selling additional policies. Plaintiffs can resolve their long-term liquidity issues and meet their obligations to policyholders only through the affiliated companies' payments on their obligations to Plaintiffs.

107. The failure to effectuate the reorganization component of the Memorandum of Understanding also materially impairs the ability of the parties to implement the financing restructuring component of the agreement.

108. In addition to loans and equity infusions from Plaintiffs, the affiliated entities received financing from third parties and other affiliated entities.

109. At present, the various third-party lenders are dealing with various representatives of the affiliated entities and receiving various proposals. This effort, which Lindberg is spearheading independent from the NHC Board of Directors, is contrary to the intent and purpose of the Memorandum of Understanding.

110. The multiplicity of negotiations has caused, and will continue to cause, the affiliated companies and their assets to be subject to numerous and conflicting obligations to different lenders.

111. Only the organization imposed by the subsidiary structure set forth in the Memorandum of Understanding will allow a constructive dialogue regarding the further restructuring of the applicable debt and equity facilities.

112. Without the reorganization to facilitate the debt restructuring, the long-term liquidity issues that led to the imposition of the receivership will not be resolved.

113. The alternative to the reorganization and debt restructuring, which is a liquidation of the Plaintiffs under Chapter 58 of the North Carolina General Statutes, will result in a shortfall of well over \$1 billion.

114. For these reasons, the deadline for the reorganization set forth in the Memorandum of Understanding is a material term.

Proposed Transactions in Contravention of Memorandum of Understanding

115. Plaintiffs are aware of multiple transactions that Lindberg and certain associates have attempted to complete that undermine the Memorandum of Understanding and threatens a successful loan restructuring.

Proposed ULICO Transaction

116. PBLA is another insurance company owned, directly or indirectly, by Lindberg. It is domiciled in Bermuda and is not subject to this Court's rehabilitation order.

117. Universal Life Insurance Company ("ULICO") is a life and accident and health insurance company domiciled in Puerto Rico.

118. PBLA serves as a reinsurer for ULICO.

119. Because of PBLA's own financial difficulties and other issues, ULICO recently experienced a financial strength rating downgrade from A.M. Best and faces possible further downgrade.

120. Should ULICO experience further financial strength rating downgrades, it likely would be put into rehabilitation in Puerto Rico.

121. To help shore up ULICO's financial strength rating, Lindberg proposed creating a recapture trust to hold assets as collateral for the recapture of the reinsurance agreement with PBLA.

122. On August 19, 2019, PBLA entered into a term sheet with ULICO to restructure Lindberg's affiliated companies' debt to ULICO through the creation of the recapture trust. A true and accurate copy of the term sheet is attached hereto as Exhibit B.

123. The term sheet provides, among other things, that the trust assets will consist of \$700 million in cash and loans from individual affiliated operating companies.

124. Although the particular operating companies that will serve as lenders in the restructuring are not identified in the term sheet, by necessity they will include Specified Affiliated Companies that are to be transferred to NHC under the Memorandum of Understanding.

125. In fact, the term sheet allows ULICO to choose which affiliated companies it would prefer to include in the restructuring. As a result, the Specified Affiliated Companies not encumbered through this transaction may be lower-performing entities that are less able to service the affiliated companies' debt.

126. Most significantly, PBLA pledged that the operating company debtors on the loans to the reinsurance trust would be entities that generate \$95 million in forecast EBITDA for 2020. This amount is over half of the total forecast EBITDA for all of the operating companies.

127. In other words, the term sheet pledges over half of the funds that would be available to pay the affiliated companies' various obligations to a single creditor—ULICO—which holds only approximately 25% of the affiliated companies' debt.

128. If consummated, this transaction would vitiate the Memorandum of Understanding. No global loan restructuring could succeed if over half of the earnings that could be used to pay down the various debts is already committed elsewhere.

129. Moreover, the term sheet pledges equity interests in the affiliated companies to ULICO. This further undermines the Memorandum of Understanding by diluting NHC's ownership interests in the Specified Affiliated Companies involved.

130. The transaction may also constitute a fraudulent conveyance under North Carolina and other applicable laws.

131. The transaction contemplated by the term sheet is only possible because, until the corporate reorganization outlined in the Memorandum of Understanding is completed, Lindberg remains in control of the operating companies and is under no obligation to run those companies in the best interests of the insurance companies' policyholders.

Proposed Management Buy-Outs

132. Plaintiffs also are aware of at least two proposed management buy-outs of Specified Affiliated Companies that do not appear to be in the best interests of Plaintiffs' policyholders.

133. Home Medical Equipment Specialists, LLC ("HME") is a durable medical equipment seller based in New Mexico, a Lindberg affiliate, and a Specified Affiliated Company.

134. In 2019, Texas denied HME's petition to renew its participation in that state's Medicaid program based on the pending federal criminal charges against Lindberg.

135. The management team overseeing HME asserted concerns that private payors in New Mexico would likewise remove HME from their networks.

136. On September 17, 2019, management for HME, with Lindberg's knowledge and approval, proposed a management buy-out.

137. Under the proposed terms of the buy-out, the Lindberg-affiliated entity would be sold to an affiliate of Chris Herwig.

138. Chris Herwig is the Chief Investment Officer and head of mergers and acquisitions for Eli Global.

139. The proposed sale would involve a purchase price of \$130 million.

140. HME previously had been valued at approximately \$90 million.

141. Prior to suggesting the management buy-out, HME had attempted, and failed, to find another party willing to make an acceptable offer for the company.

142. The proposed terms of the transaction did not require Chris Herwig to contribute any cash, but did provide him with a management fee.

143. Lindberg would be entitled to a \$51 million seller note bearing 10% interest, as well as "observation rights" on the Herwig-affiliated company's board.

144. By contrast, Plaintiffs and other lenders would only receive a 6% return.

145. If this deal were consummated, it would breach Defendants' obligation to transfer HME to the control of NHC under the Memorandum of Understanding.

146. Client Services, Inc. ("CSI") is an accounts-receivable management firm with locations in Missouri, Kansas, and Costa Rica. It is a Lindberg affiliate and a Specified Affiliated Company.

147. A large portion of CSI's revenue derived from collections activities for large financial institutions.

148. Following Lindberg's federal indictment, at least one institution terminated CSI's services and others threatened to do so.

149. On September 23, 2019, management for CSI, with Lindberg's knowledge and approval, proposed a management buy-out.

150. Under the proposed terms of the transaction, CSI would be sold for \$36 million.

151. The buyer, an Eli Global employee, would be entitled to a management fee of \$400,000 per year.

152. Lindberg would be entitled to a \$10 million seller note bearing 12% interest.

153. By contrast, the insurance lenders would receive only 5% return on their existing debt investment in the company.

154. The board governing the new entity would be comprised of the Eli Global employee, a Lindberg appointee, and Lindberg's personal attorney, along with two appointees from the insurance company creditors. In other words, Lindberg would retain effective control of the new entity.

155. If this deal were consummated, it would breach Defendants' obligation to transfer CSI to the control of NHC under the Memorandum of Understanding.

156. Both proposed management buy-outs would erode the ability of the Specified Affiliated Companies to service the debt obligations to be restructured under the Memorandum of Understanding by removing two revenue-producing entities from the repayment base.

157. The transactions also involve the sale of these entities before any reliable valuation has been conducted. It is unclear whether the sales fairly capture the companies' value.

158. It is clear, however, that the present value of these companies—known to be affiliated with Lindberg and months away from his trial—are devalued by their association with Lindberg.

159. The process contemplated by the Memorandum of Understanding, which removes Lindberg from control immediately, also provides a longer timeframe to increase the value of the Specified Affiliated Companies if they are to be eventually sold.

160. Instead, Lindberg and his affiliates have proposed transactions that do not truly remove Lindberg from control, that sell the companies at a time when their value is necessarily depressed, and that individually profit Lindberg and his business colleagues.

Lindberg's Efforts to Use Plaintiffs' Collateral for Improper Expenses

161. Plaintiffs also have reason to believe that the operating companies are being mismanaged and that at least some of their operating revenue is being diverted for Lindberg's personal use.

162. Academy Financial Assets, LLC ("AFA") is an affiliated company identified as a Specified Affiliated Company in the Memorandum of Understanding.

163. In May 2019, CBL agreed to extend a line of credit of \$15 million ("revolver") to AFA, under the pretenses that, although certain operating companies were generating enough operating revenue to cover normal expenses, there were short-term liquidity needs necessitating an infusion of funds.

164. In other words, even though operating company revenues are supposed to be paying down the operating companies' debts to Plaintiffs, Plaintiff CBL was forced to extend additional credit to AFA to avoid other collateral consequences.

165. On June 27, 2019, as described above, in reliance on the agreement memorialized in the Memorandum of Understanding, the revolver was increased to \$40 million and reduced to writing.

166. Contrary to AFA's forecasts, all but approximately \$95,000 of the full \$40 million of the revolver was exhausted by September 10, 2019.

167. The speedy exhaustion of the revolver is all the more concerning given that Plaintiffs' deferral of loan payments under the Memorandum of Understanding should have provided the affiliates with approximately \$100 million of working capital over the past four months that otherwise would have been used to satisfy their debt obligations to Plaintiffs.

168. Despite the exhaustion of the revolver, and despite the fact that the operating companies are not presently self-sufficient, Lindberg has made and continues to make demands for additional payments not permitted under the revolver and for payments that would benefit himself at the expense of the operating companies.

169. For instance, Lindberg has demanded payment of millions of dollars in management fees for various operating entities.

170. Lindberg has also made demands that AFA use affiliated company funds for improper payment of personal expenses, which would require use of the revolver proceeds.

171. Repeatedly, Lindberg demanded that funds be released from affiliated companies for payment of his airplane leases. He has also demanded funds for his personal public relations consultant.

172. Payment of personal expenses are not permitted under the terms of the revolver. The revolver's permitted use is only for working capital needs and general corporate purposes.

173. Additionally, the use of the revolver funds for personal expenses or large management fees removes cash that could otherwise be used to improve management and operations toward the end of moving the operating companies to self-sufficiency.

174. Without the operating companies being able to finance their own operations, it will not be possible for them to pay down their debts to Plaintiffs and others.

175. Until the corporate reorganization under the Memorandum of Understanding is completed, Lindberg is not forced to prioritize the interests of policyholders over competing interests, including his own personal interests.

Additional Irreparable Harm

176. Absent immediate enforcement of the Memorandum of Understanding, Lindberg and others working in concert with him are able to engage in transactions like those described above, which would materially impair the ability of the operating companies to service the debt held by Plaintiffs and other creditors.

177. Because Lindberg has substantial overseas business interests, these transactions may result in the diversion of assets outside of the jurisdiction of United States courts.

178. Additionally, because of the immediacy of Plaintiffs' obligations to policyholders and the operating companies' obligations to debtholders, no legal action would be sufficient to remedy the harm from such transactions, particularly when a lawsuit may involve the need to repatriate assets from overseas.

179. Should the operating companies default on their obligations to lenders, Plaintiffs will have to foreclose on the loans.

180. Owing to the complex and circuitous nature of the loan transactions at issue,⁴ despite months of work, Plaintiffs still have not been able to determine the value of the collateral on these loans.

⁴ Loans to operating companies run through multiple intermediary borrowers pursuant to a number of different forms of financing transactions, including direct loans, preferred equity deals, special purpose vehicles, principal protected notes, and financing companies. The transactions involved are so complex that no one, with the possible exception of Lindberg, has been able to untangle fully the underlying economic realities at this point.

181. If the loans are collateralized, the collateral would be liquidated during foreclosure at significantly reduced prices.

182. Such a liquidation will lead to substantial losses of account value to policyholders, and a complete loss for other creditors.

183. These circumstances would force Plaintiffs into liquidation.

184. If some or all of the loans are not properly collateralized, claims against state guaranty funds and losses to policyholders could be even greater.

185. Additionally, Lindberg currently is facing federal criminal charges in the United States District Court for the Western District of North Carolina. The trial of that matter is set for February 18, 2020 and is forecast to take two to three weeks.

186. At least for the duration of the trial, Lindberg will be effectively unavailable to effectuate the terms of the Memorandum of Understanding. Should he be convicted and incarcerated following trial, his ability to perform under the agreement will be further impaired.

187. Finally, the Special Deputy Rehabilitators understand that the United States Department of Justice and Federal Bureau of Investigation are conducting a separate criminal investigation into potential financial fraud within the Lindberg-related entities.

188. Special Deputy Rehabilitator Mike Dinius received a subpoena from a grand jury empaneled in the United States District Court for the Western District of North Carolina regarding the investigation into potential financial fraud. Plaintiffs are cooperating in this investigation.

189. Plaintiffs believe that effectuating the Memorandum of Understanding, and preserving the status quo in the meantime, will best serve the interests of justice during this period of investigation, and best protect any potential victims, including Plaintiffs and their policyholders, should proof of wrongdoing be uncovered through this process.

FIRST CLAIM FOR RELIEF
(Breach of Contract – All Defendants)

190. The allegations contained in paragraphs 1 to 189 above are realleged and incorporated herein by reference.

191. The Memorandum of Understanding is a contract duly formed and entered into by the Parties.

192. Pursuant to the express terms of the Memorandum of Understanding, the Parties agreed to restructure the Specified Affiliated Companies to become subsidiaries of the new holding company on or before September 30, 2019.

193. Defendants represented in the Memorandum of Understanding that they control the Specified Affiliated Companies.

194. Defendants do, in fact, control the Specified Affiliated Companies, within the meaning of N.C. Gen. Stat. § 58-19-5.

195. Defendants have failed to restructure the Specified Affiliated Companies to become subsidiaries of the new holding company and the time within which to do so has expired.

196. Defendants' actions constitute a breach of the terms of the Memorandum of Understanding.

197. Plaintiffs have been damaged by Defendants' breach in an amount to be proven at trial in excess of \$25,000.

198. The Memorandum of Understanding explicitly calls for specific performance as the remedy for a breach of that agreement.

199. Based on the nature of the Memorandum of Understanding and for the reasons set forth in more detail herein, both preliminary and permanent injunctive relief directing specific performance is the proper remedy for breach of the Memorandum of Understanding.

200. Plaintiffs are entitled to a preliminary and permanent injunction requiring Defendants to comply with the terms of the Memorandum of Understanding, plus any attendant damages.

SECOND CLAIM FOR RELIEF
(Fraud – Lindberg, AAI, NEC, and PBLA)

201. The allegations contained in paragraphs 1 to 200 above are realleged and incorporated herein by reference.

202. In the Memorandum of Understanding, Defendants Lindberg, AAI, NEC, and PBLA (collectively, "Fraud Defendants") represented and warranted that the execution and performance of the Memorandum of Understanding were duly authorized by all requisite action on their parts.

203. In the Memorandum of Understanding, Fraud Defendants represented and warranted that the execution and performance of the Memorandum of Understanding would not violate any provision of their organizational documents.

204. In the Memorandum of Understanding, Fraud Defendants represented and warranted that the execution and performance of the Memorandum of Understanding would not result in a breach of, constitute a default under, or result in the acceleration of any contract to which any of them is a party or by which they are bound or to which any of their assets are subject.

205. In the Memorandum of Understanding, Fraud Defendants represented and warranted that the execution and performance of the Memorandum of Understanding would not require any notice or consent under any contract to which any of them is a party or by which they are bound or to which any of their assets are subject.

206. As set forth in more detail above, Fraud Defendants made several representations and warranties that they now state were false at the time that they made them.

207. These misrepresentations were material to Plaintiffs' decision to enter into the Memorandum of Understanding and ancillary agreements including the loan deferral and \$40 million revolving line of credit.

208. Plaintiffs requested and received information from Fraud Defendants during the negotiation process. However, owing to the complexity of the underlying affiliated loan transactions Plaintiffs were forced to rely on Fraud Defendants' representations as well.

209. Moreover, at the time of contracting the affiliated companies had no formal internal audit department and no current audited financials.

210. Due to Defendants' highly irregular financial practices, the bargained-for representations and warranties were essential to Plaintiffs.

211. Fraud Defendants had access to material information and documents that they did not provide to Plaintiffs at the time of contracting.

212. The failure to provide this information and these documents was an omission of material information amounting to a misrepresentation.

213. Fraud Defendants were represented by able counsel and were familiar with all of the underlying transactions and the contracts pertaining to those transactions.

214. Fraud Defendants knew that their representations and warranties were false at the time when they made them, or, alternatively, were reckless as to the truth or falsity of the representations.

215. Fraud Defendants intended to induce Plaintiffs to rely on their false representations and enter into the Memorandum of Understanding.

216. Plaintiffs reasonably relied on Fraud Defendants' representations and warranties regarding the underlying contracts.

217. Plaintiffs have taken actions in reliance on Fraud Defendants' representations and warranties, including entering into the Memorandum of Understanding, performing on Plaintiffs' agreement to defer loan payments from Defendants, and numerous other acts as set forth in more detail above.

218. Plaintiffs have been injured by Fraud Defendants' fraudulent inducement in an amount in excess of \$25,000 to be proven at trial, including but not limited to their costs and fees for obtaining necessary consents, authorizations, and amendments that Fraud Defendants represented were not necessary, the diminution in value for any of the underlying Specified Affiliated Companies as a result of these encumbrances, and the value of any Specified Affiliated Company which cannot be transferred to NHC as a result of the encumbrances.

219. In addition, Fraud Defendants have taken numerous actions since the execution of the Memorandum of Understanding in derogation of that agreement, as set forth in more detail above.

220. Fraud Defendants have presented no evidence of concrete steps they have taken to attempt to perform, even partially, under the Memorandum of Understanding.

221. Fraud Defendants have not provided Plaintiffs with any draft loan documents, pro formas, or loan covenants.

222. Not a single Specified Affiliated Company has been transferred to NHC's control.

223. Upon information and belief based on the facts as set forth above, Fraud Defendants had no intention of performing under the Memorandum of Understanding at the time that they entered into the agreement.

224. Plaintiffs have been injured by Fraud Defendants' promissory fraud in an amount in excess of \$25,000 to be proven at trial, including but not limited to damages arising from actions

taken in reliance on the Memorandum of Understanding and their costs and fees incurred attempting to effectuate the agreement.

THIRD CLAIM FOR RELIEF

(In the Alternative, Negligent Misrepresentation – Lindberg, AAL, NEC, and PBLA)

225. The allegations contained in paragraphs 1 to 224 above are realleged and incorporated herein by reference.

226. In the Memorandum of Understanding, Fraud Defendants made the representations and warranties set forth above.

227. As detailed above, Fraud Defendants now take the position that these representations and warranties are not accurate.

228. If Fraud Defendants did not knowingly or recklessly make these false representations, they, at a minimum, prepared these representations and warranties and provided them to Plaintiffs without reasonable care.

229. Fraud Defendants owed Plaintiffs a duty of reasonable care with regard to providing Plaintiffs accurate information about their own businesses during the negotiation of the Memorandum of Understanding.

230. Plaintiffs justifiably relied on these representations.

231. Plaintiffs' justifiable reliance on these representations was to their detriment.

232. Plaintiffs have been injured by Fraud Defendants' negligent misrepresentation in an amount in excess of \$25,000 to be proven at trial, including but not limited to their costs and fees for obtaining necessary consents, authorizations, and amendments that Fraud Defendants represented were not necessary, the diminution in value for any of the underlying Specified Affiliated Companies as a result of these encumbrances, and the value of any Specified Affiliated Company which cannot be transferred to NHC as a result of the encumbrances.

MOTION FOR PRELIMINARY INJUNCTION

233. The allegations of paragraphs 1 through 232 are re-alleged and incorporated herein by reference.

234. As set forth above, Defendants have materially breached the Memorandum of Understanding.

235. On October 1, 2019, this Court entered a Temporary Restraining Order

236. Pursuant to section 1A-1 of the North Carolina General Statutes and Rule 65 of the North Carolina Rules of Civil Procedure, Plaintiffs hereby move for a preliminary injunction and permanent injunction directing Defendants to specifically perform according to the terms of the Memorandum of Understanding.

237. By virtue of the foregoing, Plaintiffs have demonstrated a likelihood of success on the merits and that a balancing of the equities favors the issuance of an injunction against Defendants.

238. Unless Defendants are preliminarily enjoined from the foregoing conduct, Plaintiffs will be immediately and irreparably harmed.

239. The Memorandum of Understanding provides that the Parties agree that irreparable damage would occur if any provision of the agreement was not performed, and that upon a breach the Parties shall be entitled to specific performance in addition to any other remedies at law or in equity.

240. Plaintiffs have no adequate remedy at law.

241. A preliminary injunction is reasonably necessary to protect the rights and interests of Plaintiffs and Plaintiffs' policyholders.

242. The terms of the Temporary Restraining Order are set forth in detail in this Court's October 1, 2019 Order, as modified and extended by the Court's October 7, 2019 Order, and are incorporated by reference herein.

243. As soon as practicable, Plaintiffs are entitled to a Preliminary Injunction directing Defendants, or any third-party acting in concert with them, to:

- i. Continue complying with the terms set forth in the October 1, 2019 Temporary Restraining Order, as modified and extended by the Court's October 7, 2019 Order;
- ii. Grant Plaintiffs, through the Special Deputy Rehabilitators, access to the books and records of the Defendants and affiliated companies, upon request and under reasonable terms, to ensure compliance with the Memorandum of Understanding this Court's Orders, and the rehabilitator's duties under Chapter 58 of the North Carolina General Statutes; and
- iii. Such other terms and conditions as the Court determines to be appropriate in order to maintain the status quo, preserve the long-term equity value of the affiliated entities, and protect Plaintiffs' policyholders.

244. Plaintiffs also request the preliminary relief of the appointment of a Receiver for the Specified Affiliated Companies, pursuant to N.C. Gen. Stat. §§ 1-501, 1-502, 1-507.1, and this Court's inherent authority. Plaintiffs request that the receiver have all the powers and authority held by receivers appointed by North Carolina courts, as well as such powers as may be specifically enumerated by this Court. Plaintiffs further request that the receiver be directed to manage the Specified Affiliated Companies in accordance with the best interests of Plaintiffs' policyholders.

WHEREFORE, Plaintiffs respectfully pray the Court:

- (a) Accept this Verified Amended Complaint as an affidavit;**
- (b) Enter a preliminary injunction Order granting the relief set forth in Paragraphs 243 and 244, including the appointment of a receiver for the Specified Affiliated Companies during the pendency of this litigation;**
- (d) Enter a money judgment in favor of Plaintiffs and against Defendants for all damages occasioned by its breach of the Memorandum of Understanding;**
- (e) Enter a money judgment in favor of Plaintiffs and against Defendants for all damages occasioned by its fraud or, in the alternative, negligent misrepresentations;**
- (f) Award punitive damages in favor of Plaintiffs and against Fraud Defendants;**
- (g) Enter a permanent injunction directing Defendants and anyone acting in concert with them to specifically perform the terms of the Memorandum of Understanding, including: (i) the global restructuring of the Specified Affiliated Companies through the formation of a new holding company as called for in the Global Restructuring provision of the Memorandum of Understanding; and (ii) the global restructuring and modification of all loans, including the assignment of the loans to the new holding company as called for in the Global Loan Amendments provision of the Memorandum of Understanding, all of which should be done in the manner and according to the terms and conditions more particularly set forth in the Memorandum of Understanding;**
- (h) Enter a judgment in favor of Plaintiffs and against Defendants for Plaintiffs' costs and fees associated with pursuing this action, including attorneys' fees, as allowed by law; and**
- (i) Enter such other judgments and orders as are necessary and appropriate to provide Plaintiffs complete relief in accordance with their claims.**

This the 28th day of October, 2019.

WILLIAMS MULLEN

By: 

Wes J. Camden

N.C. State Bar I.D. No.: 33190

Caitlin M. Poe

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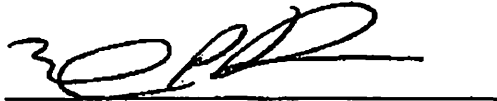
wcamden@williamsmullen.com

VERIFICATION OF COMPLAINT

NORTH CAROLINA
WAKE COUNTY


Mike Dinius, being first duly sworn, deposes and says that he is the CEO of Noble Consulting Services, Inc. and an appointed Special Deputy Rehabilitator for Southland National Insurance Corporation, Bankers Life Insurance Company, Colorado Bankers Life Insurance Company, and Southland National Reinsurance Corporation; that he is authorized to execute this verification on behalf of the Plaintiffs; and that he has read the foregoing Verified Amended Complaint and the allegations are true and accurate based upon his personal knowledge, or, in those instances where allegations are made upon information and belief, are true to the best of his knowledge, information, and belief.

This the 28th day of October, 2019.



Mike Dinius, completed the foregoing Verification of Complaint before me this 28th day of October, 2019. Such person did take an oath and:

- ☒ is personally known to me.
- ☐ produced a current driver's license as identification.
- ☐ produced _____ as identification.

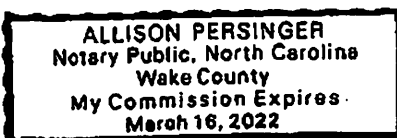


Notary Public

My Commission Expires:

3/16/22

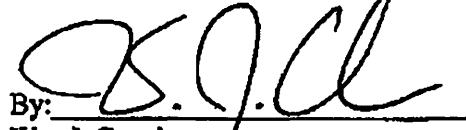
[Notarial Stamp or Seal]



CERTIFICATE OF SERVICE

I certify that on this day, the 28th day of October, 2019, the foregoing document was served upon the parties and counsel of record in this action by mailing a copy thereof at the addresses indicated below with the proper postage for first class mail attached and deposited in an official depository under the exclusive care and custody of the United States Postal Service in Raleigh, North Carolina. Additionally, I certify a courtesy copy on this day is being emailed to Matthew Nis Leerberg.

WILLIAMS MULLEN

By: 

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Edwards Mill Asset Management, LLC
c/o HLG Agent LLC
3110 Edwards Mill Road, Suite 300
Raleigh, NC 27612

New England Capital, LLC
c/o Corporation Service Company,
Registered Agent
2626 Glenwood Avenue, Suite 550
Raleigh, NC 27608

Private Bankers Life and Annuity Co., Ltd.
c/o George Luecke
107 Barkridge Court
Morrisville, NC 27560

Memorandum of Understanding

This Memorandum of Understanding (this "MOU") is made and entered into as of this 27th day of June, 2019 (the "Effective Date") by and among SOUTHLAND NATIONAL INSURANCE CORPORATION ("SNIC"), BANKERS LIFE INSURANCE COMPANY ("BLIC"), COLORADO BANKERS LIFE INSURANCE COMPANY ("CBL"), SOUTHLAND NATIONAL REINSURANCE CORPORATION ("SNRC") (each a "North Carolina Insurance Company" and collectively, the "North Carolina Insurance Companies"), ACADEMY ASSOCIATION, INC. ("AAI"), a North Carolina corporation, the SPECIFIED AFFILIATED COMPANIES (as hereinafter defined), EDWARDS MILL ASSET MANAGEMENT, LLC, as holder of certain Class A common units of the special purpose vehicles set forth on Exhibit A attached hereto ("EMAM"), the AGENTS (as hereinafter defined), and GREG E. LINDBERG, individually and as attorney-in-fact for each of the Specified Affiliated Companies and Agents ("Lindberg") (each of the North Carolina Insurance Companies, Lindberg, AAI, the Specified Affiliated Companies, EMAM and the Agents are sometimes referred to herein as a "Party" and collectively as the "Parties").

RECITALS:

- A. Pursuant to an Order dated as of October 18, 2018, issued under the provisions of N.C. Gen. Stat. § 58-30-60 et seq., the Commissioner of Insurance of North Carolina placed the North Carolina Insurance Companies under confidential administrative supervision (such Order, as amended and extended from time to time, the "Supervision Order").
- B. Lindberg, directly or indirectly, through one or more intermediaries, owns 100% of the shares of stock of all classes of each of the North Carolina Insurance Companies. Lindberg is the sole and exclusive owner of 100% of the shares of stock of all classes of AAI. Except with respect to the Prime Entities (as defined below), either AAI, Lindberg or EMAM "Controls" (as such term is defined in N.C. Gen. Stat. § 58-19-5) the companies listed on Exhibit A hereto (each a "Specified Affiliated Company" and collectively, the "Specified Affiliated Companies"), all of which Specified Affiliated Companies are Affiliates (as such term is defined herein below) of AAI, Lindberg or EMAM. Lindberg is the beneficiary of that certain Prime Trust created under the Amended and Restated Trust Agreement dated as of April 25, 2019 ("Prime Trust"), pursuant to which TAC Holdings, LLC, a North Carolina limited liability company, beneficially owns the equity of TAC Investments, LLC, a North Carolina limited liability company, which owns 100% of the outstanding preferred stock of GoPrime Mortgage, Inc., a North Carolina corporation (collectively, the "Prime Entities"), and that certain voting trust which holds, or which shall shortly hold, the voting common equity of AAPC Holdings, LLC, a North Carolina limited liability company ("Voting Trust"; together with the Prime Trust, the "Excluded Trusts"), which are all Affiliated trusts and represent all Affiliates that operate as trusts of which AAI or Lindberg is a beneficiary. For purposes of this MOU, an *Affiliate* of, or person *Affiliated* with, a specified person, is a person that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the person specified.
- C. As attorney-in-fact of each of the Specified Affiliated Companies, Agents, NHC Exclusions (as defined below), and Other Affiliates (as defined below), Lindberg is duly



authorized to act on behalf of the Specified Affiliated Companies, Agents, NHC Exclusions, and Other Affiliates to bind each to the terms and conditions set forth in this MOU, the Interim Loan Amendment (as hereinafter defined), and any other agreement, instrument, document, or consent contemplated in this MOU.

- D. CBL, SNIC, New England Capital, LLC, a North Carolina limited liability company ("NEC"), and Private Bankers Life and Annuity Co., Ltd., a Bermuda limited company ("PBLA," and, together with CBL, SNIC, and NEC, each, an "Agent" and collectively, the "Agents"), are each Affiliates of AAI and Lindberg.
- E. The Agents serve as agents under the senior term loan agreements in which lenders, including one or more of the North Carolina Insurance Companies, have extended credit facilities to certain of the Specified Affiliated Companies (collectively, the "Senior Debt") in the amounts and pursuant to the agreements set forth on Schedule 1 attached hereto (the "Senior Debt Agreements"). Each of the Agents, as applicable, has the unilateral authority to act for and bind the lenders of such Senior Debt with respect to the Senior Debt Agreements to which such lenders are a party and wherein each such Agent is identified as an agent.
- F. The Agents serve as agents under the subordinated debt arrangements in which lenders, including one or more of the North Carolina Insurance Companies, have extended credit facilities to certain of the Specified Affiliated Companies (collectively, the "Junior Debt") in the amounts and pursuant to the agreements set forth on Schedule 2 attached hereto (the "Junior Debt Agreements"). Each of the Agents, as applicable, has the unilateral authority to act for and bind the lenders of such Junior Debt with respect to the Junior Debt Agreements to which such lenders are a party and wherein each such Agent is identified as an agent.
- G. The Agents serve as agents under the preferred equity financing arrangements in which lenders, including one or more of the North Carolina Insurance Companies, have provided preferred equity financing (the "Preferred Equity") to certain of the Specified Affiliated Companies in the amounts and pursuant to the agreements set forth on Schedule 3 attached hereto (the "Preferred Equity Agreements"). Each of the Agents, as applicable, has the unilateral authority to act for and bind the lenders of such Preferred Equity with respect to the Preferred Equity Agreements to which such lenders are a party and wherein each such Agent is identified as an agent.
- H. Lenders, including one or more of the North Carolina Insurance Companies, have provided certain credit facilities and preferred equity financing to an Affiliate of Lindberg, AGH Parent, LLC, a Delaware limited liability company ("AGH"), and its subsidiaries (the "Agera Debt") in the amounts and pursuant to the agreements set forth on Schedule 4 attached hereto (the "Agera Debt and Preferred Equity Agreements"). Each of the Agents, as applicable, has the unilateral authority to act for and bind the lenders of such Agera Debt with respect to the Agera Debt and Preferred Equity Agreements to which such lenders are a party and wherein each such Agent is identified as an agent.

- I. PBLA has provided certain credit facilities to certain Affiliates of AAI (the "PBLA Loans") in the amounts and pursuant to the agreements set forth on Schedule 5 attached hereto (the "PBLA Loan Agreements").
- J. Lenders, including one or more of the North Carolina Insurance Companies, have provided certain credit facilities and preferred equity financing ("Excluded Loans") to certain of the Affiliates of Lindberg and AAI set forth on Exhibit B attached hereto (the "NHC Exclusions"), in the amounts and pursuant to the agreements set forth on Schedule 6 attached hereto (the "Excluded Loan Agreements"). Each of the Agents, as applicable, has the unilateral authority to act for and bind the lenders of such Excluded Loans with respect to the Excluded Loan Agreements to which such lenders are a party and wherein each such Agent is identified as an agent.
- K. Lenders, including one or more of the North Carolina Insurance Companies, have provided certain credit facilities and preferred equity financing ("Insurance HoldCo Debt"; together with the Senior Debt, the Junior Debt, the Preferred Equity, the Agera Debt, the PBLA Loans, and the Excluded Loans, collectively, the "Loans") to certain of the Affiliates of Lindberg and AAI set forth on Exhibit C attached hereto, in the amounts and pursuant to the agreements set forth on Schedule 7 attached hereto (the "Insurance HoldCo Debt Agreements"; together with the Senior Debt Agreements, Junior Debt Agreements, Preferred Equity Agreements, Agera Debt and Preferred Equity Agreements, PBLA Loan Agreements, and Excluded Loan Agreements, the "Loan Agreements"). Each of the Agents, as applicable, has the unilateral authority to act for and bind the lenders of such Insurance HoldCo Debt with respect to the Insurance HoldCo Debt Agreements to which such lenders are a party and wherein each such Agent is identified as an agent.
- L. EMAM is the holder of certain Class A common units of the special purpose vehicles (the "SPVs") set forth on Exhibit D attached hereto. The SPVs are borrowers and lenders under certain financing transactions, and EMAM is joining this agreement on behalf of such SPVs to agree to cause the transactions contemplated hereby and related to the SPVs to occur.
- M. Lindberg, or EMAM directly or indirectly, through one or more intermediaries, Controls each of AAI, the North Carolina Insurance Companies, the Specified Affiliated Companies, the Agents, the NHC Exclusions, the Other Affiliates and AGH.
- N. The Parties intend that this MOU and the transactions contemplated herein will serve to protect the best interests of the policyholders of each of the North Carolina Insurance Companies (and any other Affiliated insurance companies) (hereinafter the "Policyholders"). In so doing, the Parties also intend to increase the long-term equity value of the Specified Affiliated Companies, so long as it is consistent with the protection of the best interests of the Policyholders and in accordance with North Carolina law.
- O. The Parties are executing this MOU to set forth their agreements regarding, among other things, (i) the immediate partial amendment of, among other things, the interest rate and repayment terms of the Loans (the "Interim Loan Amendment"); (ii) the global

restructuring of the Specified Affiliated Companies through the formation of a new holding company (the "Global Restructuring"); and (iii) the global restructuring and modification of all Loans, including assignment of the Loans to such new holding company (the "Global Loan Amendments"), all in the manner and according to the terms and conditions more particularly set forth in this MOU.

NOW, THEREFORE, in consideration of these premises, the agreements and covenants of the Parties set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties intending to be legally bound hereby agree as follows:

AGREEMENT

ARTICLE I. Interim Loan Amendment

Concurrently with the execution of this MOU, and effective as of the Effective Date, the North Carolina Insurance Companies, the Agents, AAI, Lindberg and EMAM (collectively on behalf of all the Specified Affiliated Companies, the NHC Exclusions, and the Other Affiliates) shall execute and deliver the Interim Loan Amendment attached hereto as Attachment A.

ARTICLE II. Global Restructuring

1. **Global Restructuring.** The Parties agree to restructure the Specified Affiliated Companies to become subsidiaries, either directly or indirectly, of a newly formed holding company ("NHC"), a wholly-owned subsidiary of AAI, on or before September 30, 2019 in accordance with the terms and conditions of this Article II. For the avoidance of doubt, any Affiliate of Lindberg, AAI or EMAM not identified on the attached Exhibit A as a Specified Affiliated Company shall not be a subsidiary of NHC and shall not be subject to the restructuring set forth in this Article II.

2. **Prime Trust Termination.** On or prior to the transactions contemplated in Article II, Section 1 above, Lindberg will take such actions as shall be required to terminate the Prime Trust, and shall contribute the Prime Entities to NHC, after which the Prime Entities shall be treated as Specified Affiliated Companies for all purposes hereof. For the avoidance of doubt, the Loans with respect to the Prime Entities shall not be amended by the Interim Loan Amendment, but shall be amended in connection with the contribution of the Prime Entities to NHC in accordance with the provisions of Article III, Section 1 below.

Governance of NHC. NHC shall be a manager-managed North Carolina limited liability company. NHC and AAI (as the sole member of NHC) shall promptly execute and deliver an operating agreement for NHC that will provide for, among other things as may be negotiated in good faith by the North Carolina Insurance Companies (as third party beneficiaries to the operating agreement with right to enforce such operating agreement) and AAI, the following terms and conditions (which terms and conditions shall be binding on NHC and AAI until such time as the North Carolina Insurance Companies and AAI agree otherwise, and shall be binding on NHC and AAI in the event such an operating agreement is not executed and delivered as required hereunder, and in such latter instance shall serve as the de facto operating agreement of NHC regarding the matters described

below. Without the written consent of each of the North Carolina Insurance Companies, AAI shall be prohibited from amending any operating agreement of NHC.

- i. NHC will be governed by a board of managers fashioned as a "Board of Directors" (hereinafter, the "NHC Board"). The NHC Board will have the exclusive authority to manage the business and affairs of NHC subject to any specific delegation to an Executive Committee approved by the majority vote of the NHC Board. The NHC Board will be composed of seven (7) directors made up of two (2) directors appointed by AAI (each an "AAI Director", and collectively, the "AAI Directors"), three (3) directors appointed by the North Carolina Insurance Company designated by the North Carolina Insurance Companies (each a "Insurance Company Director", and collectively, the "Insurance Company Directors," and together with the AAI Directors, the "Electing Directors"), and two (2) independent directors (which may be nominated by any member of the NHC Board) elected by a majority of the Electing Directors (each an Independent Director and collectively, the "Independent Directors"). If the appointing authority of a director determines that such director (i) breached such director's duties of good faith and care owed by a manager of a limited liability company under North Carolina law or (ii) was convicted of a felony, then the appointing authority shall immediately remove such director and appoint a replacement director. Each of the directors shall have one (1) vote on all matters considered by the NHC Board, and all matters shall be determined by majority vote of the full NHC Board (all seven (7) members), such that any action of the NHC Board will require the affirmative consent of no less than four (4) directors. Notwithstanding the foregoing, provided that there is no default under any Loan, the NHC Board may not approve the sale of the assets or stock of NHC or any NHC subsidiary without the affirmative consent of at least one AAI Director. The initial directors to the NHC Board shall be as follows:

1. Chris Herwig and Lindberg will be the AAI Directors.
2. Mike Dinius ("Dinius") will be one of the Insurance Company Directors (the other two Insurance Company Directors shall be designated before the formation of NHC).
3. The appointed Insurance Company Directors shall have no past or present employment with the North Carolina Department of Insurance.
4. The chairman of the NHC Board will be appointed by the NHC Board from among its members; provided, however, should the action captioned United States of America v. Greg E. Lindberg et al, Docket No. 5:19-CR-22, pending in the United States District Court for the Western District of North Carolina (the "Pending Lindberg Matter") conclude without Lindberg being convicted of a

felony, then the NHC Board shall promptly cause Lindberg to be appointed as chairman of the NHC Board. The chairman of the NHC Board shall have such duties and authority as determined by the NHC Board acting in the manner provided above.

- ii. The NHC Board shall take such actions as the NHC Board deems necessary to protect the best interests of the Policyholders. In so doing, the NHC Board will seek to increase the long-term equity value of the Specified Affiliated Companies, so long as it is consistent with the protection of the best interests of the Policyholders and in accordance with North Carolina law.
- iii. The NHC Board will set the budgets for all Specified Affiliated Companies and cause each of the Specified Affiliated Companies to operate in a manner intended to allow each to repay or refinance or support the repayment, redemption or refinancing of, the Senior Debt, Junior Debt, and Preferred Equity in full on or before December 31, 2029.
- iv. The NHC Board will promptly engage M-III Partners, LP and Mohsin Meghji as the Chief Restructuring Officer ("CRO") to assist NHC with the Global Restructuring plan set forth herein, under such terms and conditions as may be determined by the NHC Board.
- v. The NHC Board shall appoint an executive committee of the NHC Board made up of three directors to include one AAI Director, one Insurance Company Director and one Independent Director (the "Executive Committee") with such delegated authority as the NHC Board determines in its discretion. The Executive Committee will meet in between meetings of the NHC Board with such frequency as determined by the majority vote of the Executive Committee. The members of the Executive Committee shall be appointed by and serve at the will of the NHC Board. The chairman of the Executive Committee shall be the Independent Director, who shall have the responsibilities, duties and authority as determined by the NHC Board. Each member of the Executive Committee shall have one (1) vote on all matters presented to the Executive Committee, and any action will require the affirmative vote of a majority of the Executive Committee. The Executive Committee shall not take action without all members being present at a meeting either by telephone, video conference, or in person. The NHC Board shall have the authority to override, veto, amend or modify any decision of the Executive Committee as the NHC Board determines from time to time.

Lindberg and Dinius shall be appointed as two of the three members of the initial Executive Committee.

- vi. Unless the NHC Board determines otherwise, and subject to the foregoing subpart (v), the Executive Committee shall perform the following tasks:

1. Set the agendas for the board meetings.
 2. Determine Independent Director compensation.
 3. Meet at least on a monthly basis, either in person or via telephone or video conference, with the appointed Chief Executive Officer ("CEO"), Chief Financial Officer ("CFO"), and CRO of NHC.
 4. Subject to the NHC Board's authority to take action independent of the Executive Committee, review and approve all transactions over \$250,000 in advance.
 5. Recommend to the NHC Board the annual operating budgets of NHC and all subsidiaries, provided, however, Lindberg, if then serving as an AAI Director, will present the budgets to the Executive Committee in the presence of the CEO, CFO and CRO.
4. **NHC Management of Subsidiaries.** NHC will be responsible for all management functions solely for NHC and its subsidiaries pursuant to management services agreements between NHC and each subsidiary as determined by the NHC Board. The management functions NHC will provide for its subsidiaries will include, without limitation, human resources, legal, operations, investment management and cash management. Companies that are not subsidiaries of NHC will not be managed by NHC and will not enter into management services agreements with NHC.
5. **Day to Day Management of NHC; Officers.** Day-to-day management of NHC shall be conducted by officers determined and directed by the NHC Board. The officers will serve at the will of the NHC Board, and may be removed and replaced at any time and from time to time by the NHC Board. All officers shall report directly to the NHC Board, and each will have such authority as is usual and customary for each such position and as otherwise may be determined by the NHC Board. The initial officers of NHC shall be:
1. Jason VandenAkker will be appointed as Chief Executive Officer.
 2. Christa Miller will be appointed Chief Financial Officer and Treasurer to oversee the accounting of the various operating companies and assist with the preparation of annual budgets.
 3. Peter Nordberg will be appointed Chief Legal Officer and Secretary.
6. **Indemnification of Directors and Officers.** The members of the NHC Board and NHC's officers in their capacities as directors and officers will be indemnified by NHC to the fullest extent permitted by North Carolina law. NHC will promptly procure and maintain usual and customary D&O insurance for the members of the NHC Board and NHC's officers.

NHC Exclusions. The NHC Exclusions shall not become subsidiaries of NHC in connection with the Global Restructuring, and shall remain effective as of the Effective

Date under sole management and control of Lindberg, and shall not be subject to restrictions on distributions, dividends, loans or management fees.

- 8 **Other Affiliates.** The Affiliates of Lindberg and AAI set forth on Exhibit C attached hereto (the "**Other Affiliates**") shall not become subsidiaries of NHC in connection with the Global Restructuring.

ARTICLE III. GLOBAL LOAN AMENDMENTS

1. **Global Loan Amendments.** Except as provided below, all Loans, as amended by the Interim Loan Amendment, shall be assumed by and assigned to NHC as borrower and further amended to provide for, among such other things as negotiated in good faith by the Parties, the terms and conditions set forth in this **Article III, Section 1** (which terms and conditions shall be binding on all parties to the Loan Agreements from and after the Effective Date until such time as the Parties agree otherwise); **provided**, however, that the Excluded Loans shall be subject to the Interim Loan Amendment and the terms and conditions set forth in this **Article III, Section 1** but shall not be assumed by or assigned to NHC; **provided, further**, however, that the Agera Debt and the PBLA Loans shall be subject to the Interim Loan Amendment but shall not be subject to the terms and conditions set forth in this **Article III, Section 1(i)-(ii)** and also shall not be assumed by or assigned to NHC. In addition, the obligations of Eli Global, LLC set forth on **Exhibit B.1** attached hereto ("**Seller Notes**") shall be assigned to either Lindberg or AAI prior to the Global Restructuring and shall not be assumed by or assigned to NHC. The Parties hereto hereby agree to promptly take all actions, execute all such documents, and deliver all such agreements as reasonably necessary to more fully amend the Loan Agreements on or before September 30, 2019, or such later date as the Parties might agree, such that all Loan Agreements shall thereupon, except as otherwise provided in the Interim Loan Amendment (the terms of which shall be permanent and remain unaffected by the Global Loan Amendments) or herein, reflect commercially reasonable and arm's length terms as are usual and customary for the lending transactions of a similar nature, including without limitation the following terms and conditions:

- i. (a) all Loans, except for the Preferred Equity, will be adequately collateralized, including without limitation a grant to the applicable Affiliated lender of a first-priority lien on all of the applicable borrower's/obligor's assets, unless the borrower's assets are already subject to a first-priority lien by an unaffiliated third party, in which case the Affiliated lender to such borrower/obligor shall use commercially reasonable efforts to enter into customary intercreditor agreements with the unaffiliated lender(s), and in the interim each of the Specified Affiliated Companies, acting through Lindberg as its attorney-in-fact, hereby grants to its Affiliated lender(s) a security interest in all of its goods, accounts, equipment, inventory, chattel paper, instruments, general intangibles, deposit accounts and investment property, whether now existing or hereafter acquired, to secure its repayment of the applicable Loan extended by such Affiliated lender(s); (b) all Loans will be personally guaranteed by Lindberg (subject to subpart (iii) below); (c) all Loans will include adequate

insurance requirements; (d) all applicable borrowers/obligors will provide regular financial reporting of at least review quality; (e) all Loans will contain agreed financial covenants, including reasonable affirmative and negative covenants; (f) all Loans shall contain agreed upon terms for permitted tax distributions required to pay amounts legitimately due and owing by the shareholder(s) of AAI for taxes related to NHC income; (g) all Loans will be subject to events of default and remedies for events of default set forth on Attachment B attached hereto (the "Default and Remedy Terms"). The Parties agree to execute any agreement, certificate, instrument, and document and do and perform, or cause to be done and performed, all such acts and things that are reasonably necessary to effectuate the restructuring and modifications contemplated herein.

- ii. All subsidiaries shall be co-borrowers and shall jointly and severally guaranty the obligations of NHC as borrower under the Loans, and shall provide collateral support as determined by NHC.
- iii. Lindberg shall personally guaranty all Loans; provided, however, such personal guaranty will become void if the NHC Board does not offer to Lindberg a reasonable opportunity to review and recommend improvements to organic EBITDA growth to the NHC Board, NHC's Executive Committee and NHC's executive management team. Reasonable opportunity to review and recommend organic EBITDA growth means (a) the opportunity to recommend in good faith to NHC management the termination of any employee except for the officers of NHC, (b) the opportunity to recommend and review in good faith budgets for subsidiaries of NHC, (c) the opportunity to recommend and review in good faith implementation of operating efficiencies such as elimination of management, consolidation of subsidiary companies, consolidation of offices, and moving positions to lower cost locations, including opening of new offices in lower cost locations, (d) the opportunity to recommend in good faith new organic growth pilot project initiatives such as sales, marketing, and digital strategies, (e) the opportunity to meet with all officers (including portfolio managers), and directors for NHC and all subsidiary companies, with prior notification and at reasonable times, and (f) usual and customary rights to receive promptly any and all reasonable requests for information regarding the operations of NHC and all NHC subsidiary companies, including all payroll and accounting data; provided, however, that the NHC Board shall have the unilateral right to terminate Lindberg's opportunity to review and recommend as described herein in the event the NHC Board reasonably determines that Lindberg (i) breached the duties of good faith and care owed by a manager of a limited liability company under North Carolina law or (ii) was convicted of a felony. The NHC Board shall thoughtfully discuss and consider in good faith any such recommendations. The NHC Board acting through its management team shall exercise reasonable efforts to implement recommendations consistent with (i) protection of the best interests of the Policyholders; (ii) the goal of debt

reduction and improving cash flow; and (iii) the overall strategy and budgets approved by the NHC Board. To maximize effectiveness and efficiency of the new governance and management process, there will be a documented operating protocol reasonably determined by the NHC Board. In addition, Lindberg prior to receiving any information regarding NHC or the subsidiaries or payroll and accounting data, Lindberg shall promptly execute and deliver a usual and customary non-disclosure and confidentiality agreement in favor of NHC and the subsidiaries.

2. **Operating Plan and Cashflow Budget:** The NHC management team will prepare a "bottoms up" operating plan and cashflow budget by operating company/unit for the period of July 1, 2019 to December 31, 2021, which will be presented to the NHC Board for its consideration by August 15, 2019.

Lindberg Management Service Agreement. To align incentives on redemption of all obligations at the soonest opportunity, NHC and Lindberg will enter into a usual and customary management services agreement providing for, among other things, NHC to pay Lindberg (or Lindberg's estate in the event of his death) a success fee of one and one-half percent (1.5%) (the "**Success Fee**") for all net principal reduction in Senior Debt, Junior Debt, Preferred Equity, and the Agera and PBLA zero-coupon notes held by Specified Affiliate Company lenders. Payment of the Success Fee will be paid for each \$25 million of net principal reduction. For the avoidance of doubt, payment of the Success Fee is not contingent on Lindberg maintaining his position on the NHC Board or any other board of directors; provided, however, if Lindberg is convicted of a felony, then no Success Fee shall be paid to Lindberg and instead any Success Fee that becomes due shall be granted to an irrevocable trust which has an independent trustee and is established exclusively for the benefit of Lindberg's children.

ARTICLE IV. ADDITIONAL TERMS AND CONDITIONS

Representations and Warranties. Each of AAI, Lindberg, the Agents and the Specified Affiliated Companies hereby represent and warrant to the North Carolina Insurance Companies that (i) each of the Recitals (each of which are hereby incorporated herein by reference as if fully set forth), the Schedules, and Exhibits to this MOU is true and accurate in all respects; that (ii) Schedules 1, 2, 3, 4, 5, 6 and 7 attached hereto set forth all loan, financing, and investment arrangements of any nature by the North Carolina Insurance Companies with any party; that (iii) included on either Exhibit A or Exhibit B or Exhibit C to this MOU is every Affiliate of Lindberg or AAI; that (iv) the execution and delivery of this MOU, the performance of their obligations hereunder, and the consummation of the transactions contemplated hereby have been duly authorized by all requisite action on the part of them, and this MOU constitutes the legal, valid, and binding obligations of each of them, enforceable against each of them in accordance with its terms; and that (v) neither the execution and delivery of this MOU, nor the consummation of the transactions contemplated hereby, will violate any law to which they are subject or any provision of their organizational documents or conflict with, result in a breach of, constitute a default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify, cancel, or require any notice or consent under any contract to which any of them

is a party or by which any of them is bound or to which any of their assets are subject. EMAM hereby represents and warrants that the execution and delivery of this Amendment, the performance of its obligations hereunder, and the consummation of the transactions contemplated hereby have been duly authorized by all requisite action on the part EMAM, and this Amendment constitutes the legal, valid, and binding obligations of EMAM, enforceable against EMAM in accordance with its terms.

2. Public Disclosure. The Parties will use reasonable efforts to preserve the confidentiality of all matters related to this MOU. None of the Parties will, and each of them will cause their respective affiliates and representatives not to, directly or indirectly, make any public release of information or other public reference regarding the matters contemplated in this MOU, without the prior written approval of the other except to the extent compelled by applicable law (in which case the party required by law to make such release or announcement will provide, as promptly as practicable, prior notice to the other party).

Governing Law. This MOU and all transactions, documents, and actions contemplated herein shall be governed by, and construed in accordance with, the laws of the State of North Carolina, without regard to conflicts of laws principles. In connection with any dispute arising out of or relating to this MOU, the negotiation, execution, delivery, performance or validity of this MOU, or the transactions, documents, and actions contemplated hereby, each of the Parties irrevocably and unconditionally consents to submit to the state court located in Wake County, North Carolina

No Third-Party Beneficiary. Except as expressly provided herein, this MOU is for the sole benefit of the Parties and their respective successors and permitted assigns and nothing herein, 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 MOU.

5. Entire Agreement. This MOU, along with all Exhibits, Schedules, and Attachments attached hereto, sets forth the entire understanding of the Parties with respect to the transactions contemplated hereby. Any and all previous agreements and understandings between or among the Parties regarding the subject matter hereof, whether written or oral, are superseded by this MOU. This MOU may not be amended with the written consent of all Parties.

- D. No Assignment. Neither this MOU nor any right or obligation hereunder may assigned by any Party without the written consent of the other Parties.

Notices. All notices, requests, consents, demands and other communications given in connection with this MOU (collectively, "Notices" and each, a "Notice") must be in writing and delivered to the Parties at the addresses set forth beneath the Parties' signatures below or to such other address as may be designated by the receiving party in a Notice given in accordance with this Article IV, Section 7 by certified US mail, return receipt requested. Notwithstanding the foregoing, each of Lindberg, AAI, Agents and the Specified Affiliated Companies hereby irrevocably appoints Lindberg as its sole


representative for the purposes of receiving Notices, and all Notices to such Parties shall be delivered to Lindberg. All Notices shall be effective upon actual receipt.

8. Severability. Any term or provision of this MOU that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the invalid or unenforceable term or provision in any other situation or in any other jurisdiction. If a final judgment of a court of competent jurisdiction declares that any term or provision hereof is invalid or unenforceable, then the Parties agree that the court making the determination of invalidity or unenforceability shall have the power to reduce the scope, duration, or area of the term or provision, to delete specific words or phrases, or to replace any invalid or unenforceable term or provision with a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision, and this MOU shall be enforceable as so modified after the expiration of the time within which the judgment may be appealed.
9. Counterparts. This MOU may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this MOU delivered by facsimile, e-mail or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this MOU.
10. Specific Performance. The Parties agree that irreparable damage would occur if any provision of this MOU were not performed in accordance with the terms hereof, and that the Parties shall be entitled to specific performance of the terms hereof, in addition to any other remedy to which they are entitled at law or in equity.

[Signatures on following page]

IN WITNESS WHEREOF, the Parties intending to be legally bound hereby have executed this MOU as of the day and year first above written.

GREG E. LINDBERG, Individually

 (SEAL)

Address for Notice: 3406 Stagcreek Rd
Durham NC 27713

SPECIFIED AFFILIATED COMPANIES

 (SEAL)


Name: Greg E. Lindberg, Attorney-In-Fact of each Specified Affiliated Company

AGENTS

 (SEAL)

Name: Greg E. Lindberg, Attorney-In-Fact of each Agent

ACADEMY ASSOCIATION, INC.

 (SEAL)

Name:

Title:

Greg E. Lindberg
Chairman

[Signature Page to Memorandum of Understanding]

IN WITNESS WHEREOF, the Parties intending to be legally bound hereby have executed this MOU as of the day and year first above written.

SOUTHLAND NATIONAL INSURANCE CORPORATION

246 (SEAL)
Name: Lou E. Hensley
Title: CEO / President

Address for Notice: 2327 Engle + Drive
Durham, NC 27713

BANKERS LIFE INSURANCE COMPANY

246 (SEAL)
Name: Lou E. Hensley
Title: CEO / President

Address for Notice: 2327 Engle + Drive
Durham, NC 27713

COLORADO BANKERS LIFE INSURANCE COMPANY

246 (SEAL)
Name: Lou E. Hensley
Title: CEO / President

Address for Notice: 2327 Engle + Drive
Durham, NC 27713

SOUTHLAND NATIONAL REINSURANCE CORPORATION

247 (SEAL)
Name: Lou E. Hensley
Title: CEO / President

Address for Notice: 2327 Engle + Drive
Durham, NC 27713

[Signature Page to Memorandum of Understanding]

IN WITNESS WHEREOF, the Parties intending to be legally bound hereby have executed this
MOU as of the day and year first above written.

**EDWARDS MILL ASSET MANAGEMENT,
LLC**

By: 

Name: William N. Wofford

Title: Member

Address for Notice:

3110 Edwards Mill Road, Suite 300

Raleigh, NC 27612

[Signature Page to Memorandum of Understanding]

Schedule 1

Senior Debt Agreements

[See attached.]

MOU Schedule 1 - Senior Debt Agreements

Lender	Borrower	Principal and Interest
BLIC	Academy Financial Assets LLC	
BLIC	Academy Financial Assets LLC	
BLIC	Augusta Asset Management Inc	
BLIC	Baldwin Asset Management Inc	
BLIC	BMO	
BLIC	Capital Asset Fund I LLC	
BLIC	Capital Asset Fund IV LLC	
BLIC	Capital Asset Fund V LLC	
BLIC	Gilford Asset Management Inc	
BLIC	Hampton Asset Management Inc	
BLIC	Iron City Asset Management Inc	
BLIC	iTech Funding LLC	
BLIC	Jackson Asset Management Inc	
BLIC	Pierre Mendes	
BLIC	Summerville Asset Management Inc	
BLIC	TAC Investments LLC	
CBL	Academy Financial Assets LLC	
CBL	Academy Financial Assets LLC	
CBL	Academy Financial Assets LLC	
CBL	Alpharetta LLC	
CBL	AR Purchasing Solutions 2 LLC	
CBL	AR Purchasing Solutions LLC	
CBL	AT Denmark Investments ApS - (Arcane Tinmen)	
CBL	Augusta Asset Management Inc	
CBL	Baldwin Asset Management Inc	
CBL	Blue Violet	
CBL	BMO	
CBL	Capital Asset Fund I LLC	
CBL	Capital Asset Fund IV LLC	
CBL	Capital Asset Fund V LLC	
CBL	Capital Asset Management III LLC	
CBL	Chatsworth Asset Management Inc	
CBL	ComplySmart LLC	
CBL	Damascus Asset Management Inc	
CBL	Ephesus Asset Management Inc	
CBL	Forest Park Asset Management Inc	
CBL	Hampton Asset Management Inc	
CBL	HPCSP Investments LLC	
CBL	Intralco Investments Limited	
CBL	Iron City Asset Management Inc	
CBL	iTech Funding LLC	
CBL	Jackson Asset Management Inc	
CBL	Kite Asset Management Inc	
CBL	Lares LLC	

CBL	Lily Asset Management Inc
CBL	Marshall Asset Management Inc
CBL	Medical Physics LLC
CBL	Medical Physics LLC
CBL	Paradise Asset Management Inc
CBL	PCF LLC
CBL	Pierre Mendes
CBL	Rockdale Asset Management Inc
CBL	Standard Financial Limited
CBL	Summerville Asset Management Inc
CBL	Tybee Island Asset Management Inc
NORTHSTAR	Alta Billing LLC
NORTHSTAR	AR Purchasing Solutions LLC
NORTHSTAR	Baldwin Asset Management Inc
NORTHSTAR	Barrington LLC
NORTHSTAR	Berlin LLC
NORTHSTAR	Chatsworth Asset Management Inc
NORTHSTAR	Conway LLC
NORTHSTAR	Damascus Asset Management Inc
NORTHSTAR	Ephesus Asset Management Inc
NORTHSTAR	Goffstown LLC
NORTHSTAR	Hansen Aerospace LLC
NORTHSTAR	HPCSP Investments LLC
NORTHSTAR	IMW EMR LLC
NORTHSTAR	Intralan Investments Limited
NORTHSTAR	ITech Funding LLC
NORTHSTAR	Jaffrey LLC
NORTHSTAR	Lares LLC
NORTHSTAR	LMG Holdings LLC
NORTHSTAR	Marval Investments Limited
NORTHSTAR	Medical Physics LLC
NORTHSTAR	MRX Holdings LLC/ M plus
NORTHSTAR	Standard Financial Limited
NORTHSTAR	Standard Malta Holdings Limited
NORTHSTAR	Summerville Asset Management Inc
NORTHSTAR	TAC Investments LLC
NORTHSTAR	Yarrow Three LLC
OMNIA	Yarrow Three LLC
PBLA	ASIM Holdings LLC
PBLA	Atkinson LLC
PBLA	Augusta Asset Management Inc
PBLA	Begonia Eight LLC
PBLA	Blue Daffodil LLC
PBLA	Blue Violet
PBLA	Capital Asset Fund I LLC
PBLA	Carnation Three LLC
PBLA	Chatsworth Asset Management Inc

PBLA	Chrysanthemum Two LLC
PBLA	CMC Holding Company LLC
PBLA	Daisy Seven LLC
PBLA	Drummond Group LLC
PBLA	Epping LLC
PBLA	Flowery Branch LLC
PBLA	Forsyth LLC
PBLA	Fortrex LLC
PBLA	Geranium Two LLC
PBLA	Gilford Asset Management Inc
PBLA	Greenfield Capital LLC
PBLA	Hansen Aerospace LLC
PBLA	Hooksett LLC
PBLA	IMW EMR LLC
PBLA	Red Begonia LLC
PBLA	Sedwick LLC
PBLA	Summerville Asset Management Inc
PBLA	TAC Investments LLC
PBLA	Weare LLC
PBLA	Yellow Lotus
PBLA	Academy Financial Assets LLC
PBLA	BLH Capital LLC
PBLA	Capital Asset Management II LLC
PBLA	Capital Asset Management III LLC
PBLA	Hampton Asset Management Inc
PBLA	Iron City Asset Management Inc
PBLA	Jackson Asset Management Inc
PBLA	Netherlands Insurance Holdings Inc
PBLA	Parallel Capital Assets
PBLA	Standard Investment Capital Ltd
SNIC	Academy Financial Assets LLC
SNIC	Augusta Asset Management Inc
SNIC	Baldwin Asset Management Inc
SNIC	BMO
SNIC	Capital Asset Fund I LLC
SNIC	Capital Asset Fund IV LLC
SNIC	Capital Asset Fund V LLC
SNIC	Damascus Asset Management Inc
SNIC	Ephesus Asset Management Inc
SNIC	Forest Park Asset Management Inc
SNIC	Hampton Asset Management Inc
SNIC	HPCSP Investments LLC
SNIC	Iron City Asset Management Inc
SNIC	iTech Funding LLC
SNIC	Jackson Asset Management Inc
SNIC	Pierre Mendes
SNIC	Summerville Asset Management Inc

SNIC	TAC Investments LLC
VISTA/USAP	Academy Financial Assets LLC
VISTA/USAP	Academy Financial Assets LLC
VISTA/USAP	Amherst LLC
VISTA/USAP	Augusta Asset Management Inc
VISTA/USAP	Barnstead LLC
VISTA/USAP	Bow LLC
VISTA/USAP	Canaan LLC
VISTA/USAP	Claremont LLC
VISTA/USAP	Deering LLC
VISTA/USAP	Derry LLC
VISTA/USAP	Dunbarton LLC
VISTA/USAP	Durham LLC
VISTA/USAP	Effingham LLC
VISTA/USAP	Farmington LLC
VISTA/USAP	Fiasco Fine Wine LLC
VISTA/USAP	Gilford Asset Management Inc
VISTA/USAP	Goshen LLC
VISTA/USAP	Henniker LLC
VISTA/USAP	Littleton LLC
VISTA/USAP	Londonderry LLC
VISTA/USAP	Meredith LLC
VISTA/USAP	Merrimack LLC
VISTA/USAP	Nashua LLC
VISTA/USAP	Rindge LLC
VISTA/USAP	Rumney LLC
VISTA/USAP	Standard Financial Limited
VISTA/USAP	Standard Malta Holdings Limited
VISTA/USAP	Stoddard LLC
VISTA/USAP	Summerville Asset Management Inc
VISTA/USAP	Swanzey LLC
VISTA/USAP	Tybee Island Asset Management Inc
VISTA/USAP	Wolfeboro LLC

Subtotal

Less

CBL	Duplicates through FinCos and PPNs
BLIC	Duplicates through FinCos and PPNs
SNIC	Duplicates through FinCos and PPNs
PBLA	Duplicates through FinCos and PPNs
Northstar	Duplicates through FinCos and PPNs
OMNIA	Duplicates through FinCos and PPNs
Vista/USAP	Duplicates through FinCos and PPNs

Total

Schedule 2

Junior Debt Agreements

[See attached.]

MOU Schedule 2 - Junior Debt Agreements

Lender	Borrower	Principal and Interest
BLIC	Academy Financial Assets LLC	
BLIC	HPCSP Investments LLC	
CBL	Academy Financial Assets LLC	
CBL	HPCSP Investments LLC	
NORTHSTAR	3BL Media LLC	
NORTHSTAR	CBV Collections Limited	
NORTHSTAR	CMC Holding Company LLC	
NORTHSTAR	IMW EMR LLC	
NORTHSTAR	MRX Holdings LLC/ M plus	
PBLA	ASIM Holdings LLC	
PBLA	Certification for Long-Term Care LLC (CLTC)	
SNIC	Academy Financial Assets LLC	
SNIC	HPCSP investments LLC	
STANDARD RE	CBV Collections Limited	
Total		

Schedule 3

Preferred Equity Agreements

[See attached.]

MOU Schedule 3 - Preferred Equity Agreements

Lender	Borrower	Principal and Interest
BLIC	Barclays	
BLIC	Capital Asset Fund II LLC	
BLIC	Capital Asset Management II LLC	
BLIC	CV Investments LLC	
BLIC	Franklin Street	
BLIC	Gilford Asset Management Inc	
BLIC	Nom GB 2018	
CBL	Barclays	
CBL	Capital Asset Fund II LLC	
CBL	Capital Asset Management II LLC	
CBL	CV Investments LLC	
CBL	Franklin Street	
CBL	Gilford Asset Management Inc	
CBL	Nom GB 2018	
NORTHSTAR	ASL Holding LLC	
NORTHSTAR	Daisy Seven LLC	
NORTHSTAR	Damovo	
NORTHSTAR	iTech Funding LLC	
NORTHSTAR	Konnect Net Holdings LLC	
NORTHSTAR	Triton Financial Limited	
OMNIA	Flagship Holding LLC	
OMNIA	MBW Interco LLC	
PBIHL	Flagship Holding LLC	
PBLA	BRC Holding LLC	
PBLA	iTech Funding LLC	
PBLA	LMG Holding LLC	
PBLA	Nom GB 2018	
SNIC	Barclays	
SNIC	Capital Asset Fund II LLC	
SNIC	Capital Asset Management II LLC	
SNIC	CV Investments LLC	
SNIC	Franklin Street	
SNIC	Gilford Asset Management Inc	
SNIC	Nom GB 2018	
VISTA/AIC	Nom GB 2018	
Vista/USAP	Barclays	
Subtotal		
Less		
CBL	Duplicates through FinCos and PPNS	
BLIC	Duplicates through FinCos and PPNS	
SNIC	Duplicates through FinCos and PPNS	
PBLA	Duplicates through FinCos and PPNS	
Vista/USAP	Duplicates through FinCos and PPNS	

Vista/AIC Duplicates through FinCos and PPNs

Total

Schedule 4

Agera Debt and Preferred Equity Agreements

[See attached.]

MOU Schedule 4 - Agera Debt and Preferred Equity Agreements

Lender	Borrower	Principal and Interest
Baldwin Asset Management Inc	AGH Parent LLC	
Capital Asset Fund II LLC	AGH Parent LLC	
Capital Asset Fund IV LLC	Agera Holdings LLC	
Capital Asset Fund V LLC	Agera Holdings LLC	
CBL	Agera Energy LLC	
Derry LLC	Mckinley Ventures Group LLC	
Effingham LLC	AGH Parent LLC	
Iron City Asset Management Inc	AGH Parent LLC	
Littleton LLC	Mckinley Ventures Group LLC	
NORTHSTAR	AGH Parent LLC	
OMNIA	AGH Parent LLC	
OMNIA	AGH Parent LLC	
OMNIA	AGH Parent LLC	
Paradise Asset Management Inc	Agera Holdings LLC	
Paradise Asset Management Inc	Red River Developments LLC	
PBIHL	AGH Parent LLC	
PBIHL	AGH Parent LLC	
PBIHL	AGH Parent LLC	
PBLA	AGH Parent LLC	
PBLA	AGH Parent LLC	
PBLA	AGH Parent LLC	
Rockdale Asset Management Inc	Agera Holdings LLC	
Rockdale Asset Management Inc	Red River Developments LLC	
Stoddard LLC	Mckinley Ventures Group LLC	
Summerville Asset Management Inc	AGH Parent LLC	
Yarrow Three LLC	AGH Parent LLC	
Yarrow Three LLC	Red River Developments LLC	
Total		

Schedule 5

PBLA Loan Agreements

[See attached.]

MOU Schedule 5 - PBLA Loan Agreements

Lender	Borrower	Principal and Interest
PBLA Main	AAPC Holdings LLC	
PBLA Main	AGH Parent LLC	
PBLA Main	Academy Financial Assets LLC	
PBLA Main	GBIG Capital LLC	
PBLA Main	GBIG Capital LLC	
PBLA Main	Flagship Holding LLC	
PBLA Main	Academy Financial Assets LLC	
PBLA Main	Capital Asset Fund I LLC	
PBLA Main	Capital Asset Management II LLC	
PBLA Main	Yarrow Three LLC	
Total		

Schedule 6

Excluded Loan Agreements

[See attached.]

MOU Schedule 6 - Excluded Loan Agreements

Lender	Borrower	Principal and Interest
Baldwin Asset Management Inc	BCC Research	
Baldwin Asset Management Inc	UKAT Investment	
Capital Asset Fund I LLC	BCC Holdings LLC	
Capital Asset Fund I LLC	BCC Research	
Capital Asset Fund I LLC	PBO Holdings Inc	
Capital Asset Fund II LLC	BCC Research	
Capital Asset Fund II LLC	UKAT Investment	
Capital Asset Fund IV LLC	UKAT Investment	
Capital Asset Fund V LLC	UKAT Investment	
Chatsworth Asset Management Inc	Automotive Fleet Inv. Ltd	
Chatsworth Asset Management Inc	UKAT Investment	
Damascus Asset Management Inc	Automotive Fleet Inv. Ltd	
Damascus Asset Management Inc	Proactive Software Holdings	
Damascus Asset Management Inc	UKAT Investment	
Ephesus Asset Management Inc	Automotive Fleet Inv. Ltd	
Ephesus Asset Management Inc	UKAT Investment	
Forest Park Asset Management Inc	Automotive Fleet Inv. Ltd	
Forest Park Asset Management Inc	UKAT Investment	
Gilford Asset Management Inc	BCC Research	
Gilford Asset Management Inc	UKAT Investment	
Hampton Asset Management Inc	Global Data Insights Limited	
Hampton Asset Management Inc	UKAT Investment	
Iron City Asset Management Inc	Automotive Fleet Inv. Ltd	
Iron City Asset Management Inc	Proactive Software Holdings	
Iron City Asset Management Inc	Proactive Software Holdings	
Iron City Asset Management Inc	UKAT Investment	
Jackson Asset Management Inc	UKAT Investment	
Kite Asset Management Inc	BCC Research	
Kite Asset Management Inc	UKAT Investment	
Lily Asset Management Inc	Automotive Fleet Inv. Ltd	
Lily Asset Management Inc	UKAT Investment	
Marshall Asset Management Inc	Automotive Fleet Inv. Ltd	
Marshall Asset Management Inc	BCC Research	
Marshall Asset Management Inc	UKAT Investment	
NORTHSTAR	Automotive Fleet Inv. Ltd	
NORTHSTAR	UKAT Investment	
PBLA	UKAT Investment	
Pierre Mendes	Global Data Insights Limited	
Pierre Mendes	UKAT Investment	
Summerville Asset Management Inc	Automotive Fleet Inv. Ltd	
Summerville Asset Management Inc	Global Data insights Limited	
Swanzy LLC	BCC Holdings LLC	
Tybee Island Asset Management Inc	Automotive Fleet Inv. Ltd	
Tybee Island Asset Management Inc	UKAT Investment	

Total



Schedule 7

Insurance HoldCo Debt Agreements

[See attached.]

MOU Schedule 7 - Insurance HoldCo Debt Agreements

Lender	Borrower	Principal and Interest
Alstead LLC	GBIG Capital LLC	
Augusta Asset Management Inc	GBIG Capital LLC	
Augusta Asset Management Inc	GBIG Holdings Inc	
Baldwin Asset Management Inc	GBIG Holdings Inc	
Baldwin Asset Management Inc	PBX Bermuda Holdings Ltd	
BLIC	Netherlands Insurance Holdings Inc	
Bow LLC	GBIG Capital LLC	
Canaan LLC	GBIG Holdings Inc	
Capital Asset Fund II LLC	GBIG Capital LLC	
Capital Asset Fund II LLC	PBX Bermuda Holdings Ltd	
Capital Asset Fund IV LLC	Beaufort Holding S.A.	
Capital Asset Fund IV LLC	PBX Bermuda Holdings Ltd	
Capital Asset Fund IV LLC	PBX Bermuda Holdings Ltd	
Capital Asset Fund IV LLC	PBX Holdings LLC	
Capital Asset Fund V LLC	GBIG Holdings Inc	
Capital Asset Fund V LLC	Netherlands Insurance Holdings Inc	
Capital Asset Fund V LLC	PBX Bermuda Holdings Ltd	
CBL	Beaufort Holding S.A.	
CBL	Netherlands Insurance Holdings Inc	
Chatsworth Asset Management Inc	GBIG Holdings Inc	
Chrysanthemum Two LLC	PBX Holdings LLC	
Claremont LLC	NIH Capital LLC	
Daisy Seven LLC	Netherlands Insurance Holdings Inc	
Damascus Asset Management Inc	GBIG Holdings Inc	
Damascus Asset Management Inc	PBX Bermuda Holdings Ltd	
Dunbarton LLC	GBIG Holdings Inc	
Ephesus Asset Management Inc	GBIG Holdings Inc	
Hampton Asset Management Inc	GBIG Holdings Inc	
Hampton Asset Management Inc	Netherlands Insurance Holdings Inc	
Hampton Asset Management Inc	PBX Holdings LLC	
Henniker LLC	GBIG Holdings Inc	
Iron City Asset Management Inc	GBIG Holdings Inc	
Jackson Asset Management Inc	GBIG Capital LLC	
Jackson Asset Management Inc	GBIG Holdings Inc	
Kite Asset Management Inc	PBX Bermuda Holdings Ltd	
Lily Asset Management Inc	Netherlands Insurance Holdings Inc	
Londonderry LLC	NIH Capital LLC	
Marshall Asset Management Inc	GBIG Capital LLC	
Marshall Asset Management Inc	PBX Bermuda Holdings Ltd	
Marshall Asset Management Inc	PBX Holdings LLC	
Meredith LLC	NIH Capital LLC	
Nashua LLC	GBIG Holdings Inc	
New Ipswich LLC	GBIG Capital LLC	
NORTHSTAR	Beaufort Holding S.A.	

NORTHSTAR	Beaufort Holding S.A.
NORTHSTAR	Beaufort Holding S.A.
NORTHSTAR	GBIG Capital LLC
NORTHSTAR	GBIG Capital LLC
NORTHSTAR	PBX Bermuda Holdings Ltd
OMNIA	GBIG Capital LLC
Paradise Asset Management Inc	Netherlands Insurance Holdings In
Paradise Asset Management Inc	PBX Bermuda Holdings Ltd
PBIHL	GBIG Capital LLC
PBLA	GBIG Capital LLC
PBLA	New England Capital LLC
Pierre Mendes	GBIG Capital LLC
Rockdale Asset Management Inc	PBX Bermuda Holdings Ltd
SNIC	GBIG Holdings Inc
SNIC	Netherlands Insurance Holdings In
SNIC	PBX Bermuda Holdings Ltd
STANDARD RE	GBIG Holdings Inc
Stratham LLC	GBIG Capital LLC
Summerville Asset Management Inc	GBIG Capital LLC
Summerville Asset Management Inc	GBIG Capital LLC
Tybee Island Asset Management Inc	GBIG Capital LLC
Tybee Island Asset Management Inc	GBIG Holdings Inc
Wolfeboro LLC	NIH Capital LLC
Total	

EXHIBIT A

Specified Affiliated Companies

[See attached.]

MOU Exhibit A - Specified Affiliated Companies

NHC

Clanwilliam Headquarters Limited

Legal Entity Name

Clanwilliam Headquarters Limited
Clanwilliam Investments Ireland Limited
Analytical Medical Insight Limited
Claimsure Sainte (Ireland) Limited
Clanwilliam Health (Socrates) Limited
Epic Care Home Technologies Limited
Epic Solutions Limited
HH Spiral Holdings Limited
Helix Health Group Limited
Clanwilliam Health Limited
Clanwilliam Ventures Limited
Clanwilliam Investments (U.K.) Limited
A.C.J. Computer Services Limited
Bluespinner International Limited
Clanwilliam Health (DGL) Limited
Clanwilliam Health (Rx Web) Limited
Dictate IT Limited
British Orient Infotel Private Limited
Informatica Systems Limited
Maxwell Stanley Consulting Investments Limited
Maxwell Stanley Consulting Limited
Obsidian Healthcare Group Limited
Connect2 CME Limited
Elements Communications Limited

Connect 2 Medical Communications Limited
PharmaSys Investments Limited
PharmaSys Limited
Professional Medical Management Services Limited
MBS Investments PTY. LTD.
Medical Business Systems PTY LTD
Clanwilliam NZ Limited
HealthLink Group Limited
Healthlink Group Pty Limited
Healthlink Research Limited
Konnect Net Limited
Toniq Limited
Notochord Limited
UK Atlanta Holdings, LLC
Atlanta TopCo Limited
Atlanta MidCo Limited
Atlanta BidCo Limited
Damoco Holdco Limited
Damoco Midco Limited
Damoco Bidco Limited

Damoco Holdco Limited

	Damovo Belgium NV/SA
	Damovo Costa Rica SRL
	Damovo Deutschland GmbH & Co. KG
	Damovo Holdings Deutschland GmbH
	Damovo Deutschland Verwaltungs GmbH
	Damovo Global Services (UK) Limited
	Netfarmers GmbH
	Damovo Ireland Limited
	Damovo Luxembourg S.a.r.l.
	Damovo Österreich GmbH
	Damova Polska sp. Zo.o
	Damovo Schweiz AG
	Voice & Data Network AG
	Damovo USA, Inc.
CBV Collection Services Ltd	CBV Collection Services Ltd.
	CV Holdings, LLC
	CV Investments, LLC
Clarix Vision LLC	Clarix Vision Holdings, LLC
	Clarix Vision LLC
	Candescent Eye Health Surgicenter LLC
	Candescent Eye Surgicenter LLC
Patriot Group Holdings LLC	Patriot Group Holdings, LLC
	Boston Laser-Eye & Lasik Specialists
	Holdings, LLC
	Boston Laser Holdings, LLC
	Boston Laser Eye Care Management, LLC
	Eye & LASIK Holdings, LLC
	Eye & LASIK Eye Care Management, LLC
	Eye & LASIK Optical, LLC
	MBW Holdco, LLC
	MBW Interco, LLC
McCarthy Burgess & Wolff Inc	McCarthy, Burgess & Wolff, Inc.
Prairie E&L Holdings LLC	Prairie E&L Holdings, LLC
	Prairie E&L Management, LLC
	Client Services Holdings, LLC
CSI Interco LLC	CSI Interco, LLC
Client Services Inc	Client Services, Inc.
	Client Services CSICR, SRL
	3BL Holdings, LLC
3BL Media LLC	3BL Media, LLC
Dunstons Publishing Limited	Dunstons Publishing Limited
	The Corporate Responsibility Board, LLC
AT Denmark Investments ApS	AT Denmark Investments ApS
	GamesPro Global Group ApS
	Arcane Tinmen ApS
	AT Private Labels APS
	Fafnir Distribution ApS
	MDO Group Holdings, LLC
MD OFFICE LLC	MD OFFICE, LLC

Insight Software LLC	MNI Holdings, LLC
	Insight Software, LLC
	SP HoldCo, LLC
Stratford Pharmaceuticals, LLC	Stratford HoldCo, LLC
	Stratford Pharmaceuticals, LLC
Medflow Holdings LLC	MDX, LLC
	Medflow Holdings, LLC
	TAC Holdings, LLC
TAC Investments LLC	TAC Home Mortgage, LLC
	TAC Investments, LLC
	GoPrime Mortgage, Inc. (fka Prime Mortgage Lending, Inc.)
	The River Source Solution Holdings Company, LLC
	The River Source Solutions, LLC
The River Source Treatment Center- Casa Grande LLC	The River Source Treatment Center - Casa Grande LLC
Drummond Group LLC	Addiction Recovery Helpline LLC
	Drummond Group, LLC
Integrity EMR LLC	Integrity EMR Holdings, LLC
Marval Investments Limited	Integrity EMR, LLC
	Marval Investments Limited
	Marval Group Limited
	Marval Software Limited
	MRX Holdings, LLC
The HOEHNE Group - Software Division Inc	The HOEHNE Group - Software Division, LLC
A/R Allegiance Group LLC	ARA Group Holdings, LLC
	A/R Allegiance Group, LLC
	CMC Holding Company, LLC
Collection Management Company	Collections Management Holdings, LLC
ASIM Holdings LLC	Collection Management Company
ASIM CE LLC	ASIM Holdings, LLC
eRADIMAGING LLC	ASIM CE, LLC
	eRADIMAGING, LLC
IMW EMR LLC	IMW Holdings, LLC
iMedicWare Inc	IMW EMR, LLC
	iMedicWare Inc.
LMG Holdings LLC	Northeast LMG Holdings, LLC
	LMG Holdings, LLC
	Delmar Center Holdings, LLC
	Delmar Surgical Center, LLC
	LMG Management Holdings, LLC
	LMG Management, LLC
GHTG Investment LLC	GHTG Investment, LLC
	EGX Holdings, LLC
	Eye Care Leaders Portfolio Holdings, LLC
	Eye Care Leaders Holdings, LLC
	Alcohol & Data Holdings, LLC
Fiasco Fine Wine LLC	Fiasco Fine Wine, LLC

ECL Group LLC	ECL Holdings, LLC
	ECL Group, LLC
Alta Billing LLC	Alta Billing Holdings, LLC
	Alta Billing, LLC
	PI Software Holdings, LLC
	PI Software, LLC
	Global TIC CE, LLC
	Pharma Database, LLC
	Media Product Services, LLC
Trans-Continental Credit & Collection Corp	Transcontinental Holdings, LLC
Global Health Technology Group LLC	Trans-Continental Credit & Collection Corp
	Global Health Technology Group, LLC
	ASL Holdings, LLC
Prolimiate Solutions LLC	Prolimiate Solutions Holdings, LLC
AR Purchasing Solutions 2 LLC	Prolimiate Solutions, LLC
GCC Interco LLC	AR Purchasing Solutions 2, LLC
	GCC Interco, LLC
	AFFGLO Holding Inc.
	Agence de Recouvrement Global Inc.
Global Credit and Collections Inc	Global Credit and Collections Inc.
	GCC Holdings US, LLC
Global Credit & Collection Corporation	Global Credit & Collection Corporation
	Global Credit & Collection (Indiana)
	Corporation
	WWS Holdings, LLC
WW Staffing LLC	WW Staffing, LLC
	EXX Holdings, LLC
	Beckett Collectibles Holdings, LLC
Beckett Collectibles Inc	Beckett Collectibles, LLC
	Beckett Authentication Services, LLC
	Beckett Business Solutions, LLC
	Beckett Coin & Rock, LLC
	Beckett Conferences, LLC
	Creative Collectible Company, LLC
	Non Sport Update Holdings, LLC
	Non Sport Update, LLC
AR Purchasing Solutions LLC	AR Purchasing Solutions, LLC
	Fortrex Holdings, LLC
Fortrex LLC	Fortrex, LLC
	MedClaims Holdings, LLC
Med Claims International LLC	Med Claims International, LLC
	EG Media Holdings, LLC
EG Media Investments LLC	EG Media Investments, LLC
	PMX, LLC
Penn Medical Informatics Systems LLC	Penn Medical Informatics Systems, LLC
	IOPW Holdings, LLC
IO Practiceware Inc	IO Practiceware Inc.
	CBCS Holdings, LLC
CBCS Operations LLC	CBCS Operations, LLC

Engaged Media Inc	Engaged Media Holdings, LLC
Beckett Auctions LLC	Engaged Media, LLC
KeyMed LLC	Beckett Auction Holdings, LLC
CCM Investments LLC	Beckett Auctions, LLC
Castle & Cooke Mortgage LLC	KeyMed Holdings, LLC
Triton Financial Limited	KeyMed, LLC
	CCM Holdings, LLC
	CCM Investments, LLC
	Inkop, LLC
	Castle & Cooke Mortgage LLC
	Triton Financial Limited
	American Healthcare Alliance Limited
	Clanwilliam Software Limited
	Health Ireland Partners Limited
	Helix Health Software Limited
	Medicom Medical Computer Solutions Limited
	PMMS Investments Limited
	Socrates Healthcare Inc.
	Vision Care Services Holdings, LLC
	Vision Care Services, LLC
Carolina Eye Center	PCF Holdings, LLC
Prime Case Funding, LLC	PCF, LLC
Eli Global, LLC	Eli Global, LLC
HME/Autonomy Investments, LLC	Autonomy Holdings, LLC
HPCSP Holdings, LLC	Autonomy Investments, LLC
	Home Medical Equipment Specialists, LLC
	HPCSP Holdings, LLC
	HPCSP Investments, LLC
	Hemophilia Preferred Care of Memphis, Inc.
	Hemophilia Preferred Care of Mississippi, Inc.
	Hemophilia Preferred Care of Oklahoma, Inc.
	HPC Biologicals, Inc.
	HPC, LLC
	HPCNC, Inc.
	HPC Specialty Rx of Kansas, Inc.
	HPC Specialty Rx Reed, Inc.
	HPC Specialty Rx West Virginia, Inc.
Intralac	UK Intralac Investments, LLC
	Intralac Investments Limited
	GMK Pepper Holdings Limited
NEBB	NEBB Holdings, LLC
	ISBA-International Society of Business Appraisers, LLC
	NEBB Institute, LLC

Caploc	CAPLOC HOLDINGS, LLC
	CAPLOC, LLC
CLTC	CLTC Holdings, LLC
	Certification for Long-Term Care, LLC
	Dental Management Holdings, LLC
DMO	Dental Management Operations, LLC
	FIA Holdings, LLC
IDFA	Financial Institute Advisors, LLC
Financial Institute Advisors	
Med Attend	
	MedAttend, LLC
	Tier 1 Lending Holdings, LLC
Tier 1 Lending	Tier 1 Lending, LLC
	VRC Holdings, LLC
Van Ru	VR Collections, LLC
	Van Ru Credit Corporation
	Van Ru International, Inc.
	WesternB Holdings, LLC
	WesternB Investments, LLC
Western Bancorp	Western Bancorp
	GBC Holdings, LLC
GB Capital	GB Capital, LLC
	GBC Advisors, LLC
Sedwick, LLC	Sedwick, LLC
	Standard Advisory Services Limited
	Standard Malta Holdings Limited
	Standard Investment Holdings Ltd.
	Standard Investment Capital Ltd.
	Standard Life Holdings Limited
	Standard Life Limited
	Standard Malta Limited
	Sirius Capital Holdings Limited
	SN Malta Services Limited
	Standard Holdings Limited
	Wilmington Holdings Limited
	Standard Financial Limited
	ELI BPO INDIA PRIVATE LIMITED
	GBIG Business Solutions Private Limited
	Eli Revenue Cycle Solutions Private Limited
	Eli Shared Services Private Limited
	DJRTC, LLC
	Medflow, Inc.
	AAM Holdings, LLC
	Andover Asset Management, LLC
	AAM Holdings I, LLC
	Augusta Asset Management, LLC
	BAM Holdings I, LLC
	Baldwin Asset Management, LLC
	CAM Holdings I, LLC

SASL and all other Malta cos

Chatsworth Asset Management, LLC
DAM Holdings I, LLC
Damascus Asset Management, LLC
EAM Holdings I, LLC
Ephesus Asset Management, LLC
FPAM Holdings I, LLC
Forest Park Asset Management, LLC
GAM Holdings I, LLC
Gifford Asset Management, LLC
HAM Holdings I, LLC
Hampton Asset Management, LLC
ICAM Holdings I, LLC
Iron City Asset Management, LLC
JAM Holdings I, LLC
Jackson Asset Management, LLC
KITE Holdings I, LLC
Kite Asset Management, LLC
LAM Holdings I, LLC
Lilly Asset Management, LLC
MAM Holdings I, LLC
Marshall Asset Management, LLC
NAM Holdings I, Inc.
Nice Asset Management, Inc.
OAM Holdings I, Inc.
Oatman Asset Management, Inc.
PAM Holdings I, LLC
Paradise Asset Management, LLC
QAM Holdings I, Inc.
Queenstown Asset Management, Inc.
Rock Holdings I, LLC
Rockdale Asset Management, LLC
SAM Holdings I, LLC
Summerville Asset Management, LLC
TIAM Holdings I, LLC
Tybee Island Asset Management, LLC
UAM Holdings I, Inc.
Utopia Asset Management, Inc.
VAM Holdings I, Inc.
Ventura Asset Management, Inc.
WACO Holdings I, Inc.
Waco Asset Management, Inc.
ZAM Holdings I, Inc.
Zion Asset Management, Inc.
iTech Funding, LLC
Capital Assets Management II, LLC
Capital Assets Management III, LLC
Parallel Capital Assets, LLC
CAF Holdings, LLC
Capital Assets Fund I, LLC

CAF II Holdings, LLC
Capital Assets Fund II, LLC
CAF III Holdings, LLC
Capital Assets Fund III, LLC
CAF IV Holdings, LLC
Capital Assets Fund IV, LLC
CAF V Holdings, LLC
Capital Assets Fund V, LLC
NHA Holdings, LLC
New Hill Asset Management, LLC
Secured Loan-Backed Funding I, LLC
Secured Loan-Backed Funding II, LLC
Secured Loan-Backed Funding III, LLC
Secured Loan-Backed Funding IV, LLC
Secured Loan-Backed Funding V, LLC
Secured Loan-Backed Funding VI, LLC
Secured Loan-Backed Funding VII, LLC
Secured Loan-Backed Funding VIII, LLC
Secured Loan-Backed Funding IX, LLC
Secured Loan-Backed Funding X, LLC
Secured Loan-Backed Funding XI, LLC
Secured Loan-Backed Funding XII, LLC
Secured Loan-Backed Funding XIII, LLC
Secured Loan-Backed Funding XIV, LLC
Secured Loan-Backed Funding XV, LLC
Secured Loan-Backed Funding XVI, LLC
Secured Loan-Backed Funding XVII, LLC
Alstead, LLC
Amherst, LLC
Atkinson, LLC
Barnstead, LLC
Barrington, LLC
Berlin, LLC
Bow, LLC
Canaan, LLC
Claremont, LLC
Conway, LLC
Deering, LLC
Derry, LLC
Dunbarton, LLC
Durham, LLC
Effingham, LLC
Epping, LLC
Farmington, LLC
Franconia, LLC
Gilford, LLC
Goffstown, LLC
Goshen, LLC
Hampstead, LLC

SPVs

Henniker, LLC
Hooksett, LLC
Hopkinton, LLC
Jaffrey, LLC
Laconia, LLC
Littleton, LLC
Londonderry, LLC
Loudon, LLC
Madbury, LLC
Meredith, LLC
Merrimack, LLC
Nashua, LLC
New Ipswich, LLC
Plaistow, LLC
Raymond, LLC
Rindge, LLC
Rumney, LLC
Sandown, LLC
Somersworth, LLC
Stoddard, LLC
Stratham, LLC
Swanzey, LLC
Weare, LLC
Wolfeboro, LLC
Anaconda, LLC
Athens, LLC
Augusta, LLC
Berkeley Lake, LLC
Cobra, LLC
Columbus, LLC
Macon, LLC
Shir, LLC
Tomado, LLC
Valdosta, LLC
Ahoskie, LLC
Asheboro, LLC
Casar, LLC
Clayton, LLC
Cowper, LLC
Creston, LLC
Faison, LLC
Fayetteville, LLC
Greenville, LLC
Holt, LLC
Iredell, LLC
Jacksonville, LLC
Kenly, LLC
Louisburg, LLC
Morresville, LLC

Norlina, LLC
Whitaker Mill, LLC
Williamson, LLC
AAH Loan-Backed Funding, LLC
BCC Junior Loan-Backed Funding, LLC
BCC Senior Loan-Backed Funding, LLC
BKT Loan-Backed Funding, LLC
CLTC Junior Loan-Backed Funding, LLC
CLTC Senior Loan-Backed Funding, LLC
CMC Loan-Backed Funding, LLC
SFM Loan-Backed Funding, LLC
TCC Junior Loan-Backed Funding, LLC
TCC Senior Loan-Backed Funding, LLC
TCI Loan-Backed Funding, LLC
ELP Holdings, LLC
SCMA, LLC
Career Health, LLC
Healthcare Jobs, LLC
Compliance Services, LLC
DGX Holdings, LLC
WC Holdings, LLC
Web Courseworks, LLC
Elevate Portfolio, LLC
Enterprises Services, LLC
Entrust Global Group, LLC
HRWeb Holdings, LLC
HRWeb Software, LLC
Southern Hobby Holdings, LLC
Southern Hobby Distribution, LLC
ARREVIO, LLC
Atlas Global Holdings, LLC
Atlas Global, LLC
FTGU Holdings, LLC
FTGU Medical Billing, LLC
Century Vision Global, LLC
Global Vision Growth, LLC
NWES Holdings, LLC
NW Eye Surgeons Holdings, LLC
NW Eye Care Management, LLC
R&A Eye Holdings, LLC
Reynolds & Antiker Holdings, LLC
R&A Eye Management, LLC
Pelton Holdings, LLC
Pelton Group, LLC
RHS Holdings, LLC
Revenue Health Solutions, LLC
Eli Research India Private Limited
Eli Knowledge Services (India) Private
Limited

Nationwide Recovery Holdings, LLC
 Nationwide Recovery Systems, Ltd.
 Harvard Collect, LLC
 Harvard Collection Services, LLC
 4839 N. Elston LLC
 The American Council, Inc.
 CWNP, LLC
 The American Council on English Language Program Ce
 Canta Health, LLC
 Lares Holdings, LLC
 Lares, LLC
 ComplySmart Holdings, LLC
 ComplySmart, LLC
 Academy Financial Holdings, LLC
 Academy Financial Assets, LLC
 Certitrek Group, LLC
 Flagship Holdings, LLC
 GC Holdings, LLC
 Greenfield Capital, LLC
 NEC Holdings, LLC
 New England Capital, LLC
 Eli Research, LLC
 Finanzen Holdings, LLC
 Mercato Leadmanagement Investments Holdings GmbH
 BlackFin Finanzen SAS
 finanzen.de Vermittlungsgesellschaft für Verbrauchervert
 ZB4A Sàrl
 2media GmbH
 Demand Side Media, Ltd.
 Finanzen.de Maklerservice GmbH
 Finanzen France SAS
 K2B Sàrl
 toconnect GmbH
 E-finity Leads Ltd.
 AGT Media Ltd.
 Medical Physics, LLC
 NPC National Physics Consultants, LLC
 OMPC, LLC
 RPI Radiological Physics, LLC
 ZapIT Medical Physics, LLC

Trust Name	Company(ies) in Trust
Prime Trust	TAC Investments, LLC

EXHIBIT B

NHC Exclusions

[See attached.]

MOU Exhibit B - NHC Exclusions

Entity Name

Shop Loc Holdings, LLC
Shopper Local, LLC
Market Tech Media Corporation
TV Fanfare Canada, LTD.
Global Operations Services, LLC
Independent Contractor Services, LLC
ProActive Software Holdings, LLC
P A S Holding Limited
ProActive Software Limited
UKAT Holdings, LLC
UKAT InterCo Limited
UKAT Investments Limited
UK Addiction Treatment Group Limited
UK Addiction Treatment Limited
Blue Skies Addiction Centre Ltd.
Liberty House Clinic Limited
Treatment Direct Limited
Sanctuary Banbury Limited
Care Referrals Limited
Recovery Web Solutions Limited
The Recovery House Limited
Targeted Metrics, LLC
PBO Holdings, Inc.
Online Reputations Manager, LLC
Patent Review Score, Inc.
Global A&D Holdings, LLC
Global Data Insights Limited
Futuresource Holdings Limited
Futuresource Consulting Limited
ProEdTech, LLC
AudioEducator, LLC
AudioSolutionz, LLC
Health Audio, LLC
BCC Holdings, LLC
BCC Research, LLC
Fleet Assist Interco Limited
Automotive Fleet Investments Limited
Fleet Assist Limited
WPP Capital, LLC
Practice Builders, LLC

EXHIBIT B.1

Seller Notes

[See attached.]

Exhibit B.1


	Seller Notes/EEAs to be assigned	
UKAT		
Fleet Assist		
Future Source		
TOTALS:		
<u>Future Source Entities</u>	<u>UKAT Entities</u>	<u>Fleet Assist Entities</u>
Futuresource Holdings Limited	UKAT Holdings, LLC	Fleet Assist Interco Limited
Futuresource Consulting Limited	UKAT InterCo Limited	Automotive Fleet Investments Limited
	UKAT Investments Limited	Fleet Assist Limited
	UK Addiction Treatment Group Limited	
	UK Addiction Treatment Limited	

EXHIBIT C

Other Affiliates

[See attached.]

MOU Exhibit C - Other Affiliates

Entity Name

Academy Association, Inc.
AAPC Holdings, LLC
American Academy Holdings, LLC
American Academy of Professional Coders Chapter Association
Audit Services Group, LLC
Healthicity, LLC
AAPC Investments, LLC
Alpine Capital, LLC*
ASL New Holdings, LLC
American Academy Holdings Ltd.
Compliance Services Ltd.
Eli Global Philippines Resources Operations Center, Inc.
NSX Wilmington Limited
Eli Health Solutions Pvt. Ltd.
Autonomy Healthcare Management, LLC
Cato Holdings, Inc.
CBS Group Holdings, LLC
CBS Group Services, LLC
CRI Holdings, LLC
Carolina Longevity Institute, LLC
Research Triangle Clinical Development
DSE Holdings, LLC
Elevate Healthcare, Inc.
Eli Germany Holdings, LLC
Eli Deutschland GmbH
ENX, LLC
ERX Holdings, LLC
Coding Institute, LLC
FMX Holdings, LLC
Firstmark, LLC
GB UK Investments, LLC
Foxford Investments Limited*
Global Mortgage Capital Holdings, LLC
GP Management, LLC
Inhealthcare, LLC
Miracard, LLC
Phenna Holdings, LLC
HA Windup 1, LLC
P Windup2 Limited
P Windup1 Limited
PPH Holdings, LLC
SAF Holdings I, LLC
Standard Assets Fund I, LLC
SAF Holdings II, LLC
Standard Assets Fund II, LLC
SAF Holdings III, LLC
Standard Assets Fund III, LLC
SAF Holdings IV, LLC
Standard Assets Fund IV, LLC
SIC US Holdings, LLC

Talent Acquisition Innovation Holdings, LLC
 Talent Acquisition Innovation, LLC
 UK Asset Fund Holdings, LLC
 Wsam Holdings Limited
 William Street Asset Management Limited
 VR Enterprises, LLC
 Advantage Capital Investments, LLC
 AFP, LLC
 America Free Press, LLC
 Resolute Free Press, LLC
 Apache Junction, LLC
 APAC Holdco, LLC
 Eli Global Asia Pacific Limited
 Apex International, LLC
 Apio Local, LLC
 ARREVIO Holdings, LLC
 Ascendent D4K Holdings, LLC
 Ascendent Dental Management D4K, LLC
 Autonomy Holdings, LLC
 Benson, LLC
 Bisbee, LLC
 BMX Holdings, LLC
 BMX Bermuda Holdings, Ltd.
 Northstar Financial Services (Bermuda) Ltd.
 Diversified Terra Holdings, Ltd.
 NSES B, Inc.
 NSES C, Inc.
 NSES D, Inc.
 NSES E, Inc.
 NSES F, Inc.
 NSES G, Inc.
 NSES H, Inc.
 Prospect Ridge Energy, LLC
 NSES 13, LLC
 GSRE 29, LLC
 NS EBR, LLP
 NSES Funding 10, LLC
 DTH Holdings Ltd.
 GSRE 27, LLC
 Northstar Financial Services (Bermuda) Ltd.
 PB Investment Holdings Ltd.
 BHLN-Agera Corp.
 PB Investment Company Ltd.
 BRC Capital, LLC
 BRC Holdings, Inc.
 BRCB (Barbados) Capital, Ltd.
 BRCB (Barbados) Holdings, Ltd.
 Bankers Reinsurance Company Ltd.
 American Yacht Charters, LLC
 Bullhead City, LLC
 Camp Verde, LLC
 Capital Lending Partners, Inc.

Cave Creek, LLC
 CEIC Capital, LLC
 CEIC Holdings, Inc.
 CFH Holdings, LLC
 Assistive Partner Investments Limited
 CVE Holdings, LLC
 CV Equipment Leasing, LLC
 Dunhill Holdings, LLC
 Englert Holdings, LLC
 Horizon Holdings I, LLC
 Unit 77, LLC
 East Hill Holdings, LLC
 Eiffel Holdings, LLC
 ELT Groupe
 Eli Denmark Investments, LLC
 Eli Equity, LLC
 Beckett Media, LLC
 Eli New Media, LLC
 Eli Ventures, LLC
 ENG Holdings, LLC
 Engagement Group, LLC
 First International Financial, Inc.
 Farrington Mill Holdings, LLC
 FS Windup, LLC
 Fortrex Technologies Holdings, LLC
 GBIG Capital, LLC
 GBIG Holdings, Inc.
 Bankers Life Insurance Company
 Colorado Bankers Life Insurance Company
 Global Bankers Insurance Group, LLC
 Northstar Financial Insurance Services, LLC
 Pavonia Life Insurance Company of Michigan
 Preferred Financial Corporation, LLC
 SN Group Development, LLC
 Sirius Capital Holdings Limited
 SN Malta Services Limited
 SNH Acquisition, LLC
 Southland National Insurance Corporation
 American Funeral and Cremation Plans, LLC
 Southland National Reinsurance Corporation
 Capstone Preneed Funeral and Burial Association
 GBI Group, LLC
 GBVF Holdings, LLC
 GB Venture Fund, LLC
 GCC Holdings, LLC
 Global ETC, LLC
 Global Mortgage Capital, Inc.
 GTIC Holdings, LLC
 GTIC&A, LLC
 HealthLink Holdings, LLC
 HealthLink Investments, LLC
 HealthLink Group Investments Limited

Health Through Information
 Konnect Net Holdings, LLC
 Konnect Net Investments Limited
 Master Procure, LLC
 Bidworld Private Limited
 McKinley Ventures Group, LLC
 Metronome Holdings, LLC
 Metronome Financial, LLC
 NEI Holdings, LLC
 NEI Investments, LLC
 NEI Management, LLC
 NIH Capital, LLC
 Netherlands Insurance Holdings, Inc.
 Trier Holding B.V.
 Conservatrix Leven, NV
 NLC Holdings, LLC
 NLC Investments, LLC
 Ocean Ophthalmology Management Holdings, LLC
 Ocean Ophthalmology Management, LLC
 PBX Holdings, LLC
 PBX Bermuda Holdings, Ltd.
 Omnia Ltd.
 BOLN-Agera Corp.
 Private Bankers Life and Annuity Co., Ltd.
 PBLA ULICO
 BMLN-286 Spring Corp.
 BOLN-286 Spring Corp.
 Erie Properties, LLC
 Limitless Research Inc.
 Morning Mountain Holdings, LLC
 Paradigm Park Holdings, LLC
 286 Spring PH Holdings Corp.
 TUX Holdings, LLC
 Pharma Holdings, LLC
 Red River Developments, LLC
 BBLN-Agera Corp.
 Skyworld Corporation
 SNA Funding, LLC
 Southeast Insurance Capital, LLC
 Northeast Insurance Holdings, Inc.
 Beaufort Holding S.A.
 Bankers Insurance Holdings S.A.
 GBIG Portugal, S.A.
 GB Life Luxembourg S.A.
 SSH Capital, LLC
 South Hill Holdings, LLC
 Standard Insurance Holdings, Inc.
 Standard LC Capital, LLC
 Standard LC Holdings, Inc.
 Standard Pacific Investments PTY LTD
 SW Holdings, LLC
 Hybrid Treatment Solutions, LLC

Talaria Global Health, LLC
UK Automotive Holdings, LLC
UK Fintech Holdings, LLC
UK Informatica Investments, LLC
Informatica Investments Limited
UK Investment Holdings, LLC
UK Marvel Investments, LLC
Understand.com Holding, LLC
Understand.com, LLC
United Staffing Solutions, LLC
Vision Care Alliance, LLC
WPSC HoldCo, LLC
WPSC Investments, LLC
Yaras Group, LLC
AGH Parent LLC
Agera Holdings, LLC
Acquired Development, LLC
AGX Holdings, LLC

*Loan servicing transferred to GBIG

For avoidance of doubt, and notwithstanding anything herein to the contrary, the following assets and related liabilities shall be retained by AAI or GEL:

All assets and all liabilities related to any watercraft (M/Y Double Down) or aircraft (N280GL and N84GV)
One-time cash in from the STD RE wind-up net of all debt
One-time cash in from the sale of the rights to the Portugal contract
All assets and all liabilities related to loans to or from shareholder

EXHIBIT D

SPVs

Secured Loan-Backed Funding I, LLC
Secured Loan-Backed Funding II, LLC
Secured Loan-Backed Funding III, LLC
Secured Loan-Backed Funding IV, LLC
Secured Loan-Backed Funding V, LLC
Secured Loan-Backed Funding VI, LLC
Secured Loan-Backed Funding VII, LLC
Secured Loan-Backed Funding VIII, LLC
Secured Loan-Backed Funding IX, LLC
Secured Loan-Backed Funding X, LLC
Secured Loan-Backed Funding XI, LLC
Secured Loan-Backed Funding XII, LLC
Secured Loan-Backed Funding XIII, LLC
Secured Loan-Backed Funding XIV, LLC
Secured Loan-Backed Funding XV, LLC
Secured Loan-Backed Funding XVI, LLC
Secured Loan-Backed Funding XVII, LLC
Alstead, LLC
Amherst, LLC
Atkinson, LLC
Barnstead, LLC
Barrington, LLC
Berlin, LLC
Bow, LLC
Canaan, LLC
Claremont, LLC
Conway, LLC
Deering, LLC
Derry, LLC
Dunbarton, LLC
Durham, LLC
Effingham, LLC

Epping, LLC
Farmington, LLC
Franconia, LLC
Gilford, LLC
Goffstown, LLC
Goshen, LLC
Hampstead, LLC
Henniker, LLC
Hooksett, LLC
Hopkinton, LLC
Jaffrey, LLC
Laconia, LLC
Littleton, LLC
Londonderry, LLC
Loudon, LLC
Madbury, LLC
Meredith, LLC
Merrimack, LLC
Nashua, LLC
New Ipswich, LLC
Plaistow, LLC
Raymond, LLC
Rindge, LLC
Rumney, LLC
Sandown, LLC
Somersworth, LLC
Stoddard, LLC
Stratham, LLC
Swanzey, LLC
Weare, LLC
Wolfeboro, LLC
Anaconda, LLC
Athens, LLC
Augusta, LLC
Berkeley Lake, LLC

Cobra, LLC
Columbus, LLC
Macon, LLC
Shirt, LLC
Tornado, LLC
Valdosta, LLC
Ahoskie, LLC
Asheboro, LLC
Casar, LLC
Clayton, LLC
Cowper, LLC
Creston, LLC
Faison, LLC
Fayetteville, LLC
Greenville, LLC
Holt, LLC
Iredell, LLC
Jacksonville, LLC
Kenly, LLC
Louisburg, LLC
Morresville, LLC
Norlina, LLC
Whitaker Mill, LLC
Williamson, LLC
AAH Loan-Backed Funding, LLC
BCC Junior Loan-Backed Funding, LLC
BCC Senior Loan-Backed Funding, LLC
BKT Loan-Backed Funding, LLC
CLTC Junior Loan-Backed Funding, LLC
CLTC Senior Loan-Backed Funding, LLC
CMC Loan-Backed Funding, LLC
SFM Loan-Backed Funding, LLC
TCC Junior Loan-Backed Funding, LLC
TCC Senior Loan-Backed Funding, LLC
TCI Loan-Backed Funding, LLC

ATTACHMENT A

Interim Loan Amendment

[See attached.]

INTERIM AMENDMENT TO LOAN AGREEMENTS

This INTERIM AMENDMENT TO LOAN AGREEMENTS (this "Amendment") is made and entered into as of June 27, 2019 (the "Execution Date"), by and among Colorado Bankers Life Insurance Company, a North Carolina insurance corporation ("CBL"), Southland National Insurance Corporation, a North Carolina insurance corporation ("SNIC"), New England Capital, LLC, a North Carolina limited liability company ("NEC"), Private Bankers Life and Annuity Co., Ltd., a Bermuda limited company ("PBLA"), and together with CBL, SNIC, and NEC, each, an "Agent," and, collectively, the "Agents"), each of the borrowers set forth on the exhibits hereto (each, a "Borrower," and, collectively, the "Borrowers"), each of the holders of preferred equity set forth on the exhibits hereto (each, a "Preferred Equity Owner," and, collectively, the "Preferred Equity Owners"), each of the issuers of preferred equity set forth on the exhibits hereto (each, a "Preferred Equity Issuer," and, collectively, the "Preferred Equity Issuers"), AGH Parent, LLC, a Delaware limited liability company ("AGH"), Academy Association, Inc., a North Carolina corporation ("AAI"), Edwards Mill Asset Management, LLC, as holder of certain Class A common units of the special purpose vehicles ("SPVs") set forth on Exhibit H attached hereto ("EMAM") and Greg E. Lindberg, individually and as attorney-in-fact for each of the Borrowers, the Preferred Equity Owners and the Preferred Equity Issuers to the extent they are not included in the Affiliated Trusts, ("Lindberg", and together with the Agents, Borrowers, Preferred Equity Owners, Preferred Equity Issuers, AGH, AAI, and EMAM collectively, the "Parties" and, each, a "Party").

RECITALS

WHEREAS, each of the senior term loan agreements set forth on Exhibit A attached hereto and incorporated herein by reference (the "Senior Loans") and each of the junior term loan agreements set forth on Exhibit B attached hereto and incorporated herein by reference (the "Junior Loans") provides for one of the Agents to serve as the agent of such loan; and

WHEREAS, each of the Agents has the unilateral authority to act for and bind the lenders of the Senior Loans and Junior Loans (the "Lenders") with respect to the Senior Loans and/or Junior Loans on which it serves as the agent; and

WHEREAS, as attorney-in-fact of each of the Borrowers, Preferred Equity Owners and Preferred Equity Issuers, and Lindberg are duly authorized to act on behalf of the Borrowers, Preferred Equity Owners and Preferred Equity Issuers and to bind the Borrowers, Preferred Equity Owners and Preferred Equity Issuers to the terms and conditions set forth in this Amendment and any other agreement, instrument, document, or consent related to this Amendment; and

WHEREAS, certain of the Lenders, as set forth on Exhibit A, have provided the Senior Loans to certain of the Borrowers, as set forth on Exhibit A, which Borrowers are each controlled by AAI and Lindberg, in the principal amounts set forth on Exhibit A; and

WHEREAS, certain of the Lenders, as set forth on Exhibit B, have provided the Junior Loans to certain of the Borrowers, as set forth on Exhibit B, which Borrowers are each controlled by AAI and Lindberg, in the principal amounts set forth on Exhibit B; and

WHEREAS, the Preferred Equity Owners set forth on Exhibit C have provided preferred equity financing to the Preferred Equity Issuers, which Preferred Equity Issuers are each controlled by AAI and Lindberg, in the amounts set forth on Exhibit C (the "Preferred Equity"), pursuant to the governing documents of the Preferred Equity Issuers (the "Governing Documents"); and

WHEREAS, certain lenders, as set forth on Exhibit D, have provided certain loans and preferred equity financing to AGH and its subsidiaries (the "Agera Financing Documents"), in the principal amounts set forth on Exhibit D, and one of the Agents serves as the agent of each such loan agreement or preferred equity financing arrangement and has the unilateral authority to act for and bind the lenders and preferred equity owners of the Agera Financing Documents; and

WHEREAS, PBLA has provided the loans set forth on Exhibit E (the "PBLA Loans") to certain of the Borrowers, as set forth on Exhibit E, which Borrowers are each controlled by AAI and Lindberg, in the principal amounts set forth on Exhibit E; and

WHEREAS, certain lenders and preferred equity owners set forth on Exhibit F have provided certain loans and preferred equity financing (the "Loans Excluded From NHC") to certain borrowers (the "NHC Excluded Borrowers"), as set forth on Exhibit F, which NHC Excluded Borrowers are each controlled by AAI and Lindberg, in the principal amounts set forth on Exhibit F, and one of the Agents serves as the agent of each such loan agreement or preferred equity financing arrangement and has the unilateral authority to act for and bind the lenders and preferred equity owners of the Loans Excluded From NHC.

WHEREAS, certain lenders set forth on Exhibit G have provided certain loans and preferred equity financing (the "Insurance Hold Co-Related Debt") to certain affiliated insurance holding companies, which insurance holding companies are each controlled by AAI and Lindberg, in the principal amounts set forth on Exhibit G and one of the Agents serves as the agent of each such loan agreement or preferred equity financing arrangement and has the unilateral authority to act for and bind the lenders and preferred equity owners of the Insurance Hold Co-Related Debt.

WHEREAS, EMAM, in its capacity as the Class A Member of SPVs, consents on behalf of such SPVs (a) to the herein described amendments to the Loans, to the extent such SPVs are parties thereto and (b) to promptly execute and deliver any and all such further instruments and documents and take such further action as the Agents may reasonably request to obtain the full benefits of this Amendment.

WHEREAS, the Parties desire to amend the Senior Loans, the Junior Loans, the Preferred Equity, the Agera Financing Documents, Loans Excluded From NHC, Insurance Hold Co-Related Debt, and the PBLA Loans (collectively, the "Loans") on the terms described herein, effective immediately upon the effective date hereof (the "Amendment Effective Date"); and

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which hereby are acknowledged, the Parties hereto agree as follows:

AGREEMENT

1. Amendments to Senior Loans. Each of the Senior Loans is hereby amended by replacing the definition of "Base Interest Rate," or any corresponding term set forth therein describing the interest rate payable thereunder in the ordinary course, with "five percent (5%) per annum." In addition, notwithstanding anything in the Senior Loans to the contrary: (a) for the first six (6) month period following the Amendment Effective Date (the "Senior Loan Deferral Period"), each of the Senior Loans shall accrue interest at the Base Interest Rate as set forth herein, but the accrued interest on each Senior Loan shall not be payable and instead shall be added to the principal of the applicable Senior Loan upon the end of the Senior Loan Deferral Period; (b) after the Senior Loan Deferral Period, such capitalized interest shall bear interest along with the principal amount of such loan at the Base Interest Rate; (c) beginning February 1, 2020, interest on the Senior Loans shall be payable quarterly in cash at the Base Interest Rate as set forth

herein; (d) from and after the Amendment Effective Date, any prepayment penalties in the Senior Loans shall equal zero percent (0%); and (e) the maturity date of each Senior Loan shall be December 31, 2029.

2. Amendments to Junior Loans. Each of the Junior Loans is hereby amended by replacing the definition of "Base Interest Rate," or any corresponding term set forth therein describing the interest rate payable thereunder in the ordinary course, with "five and one half percent (5.5%) per annum." In addition, notwithstanding anything in the Junior Loans to the contrary: (a) for the first twelve (12) month period following the Amendment Effective Date (the "Junior Loan Deferral Period"), each of the Junior Loans shall accrue interest at the Base Interest Rate as set forth herein, but the accrued interest on each Junior Loan shall not be payable and instead shall be added to the principal of the applicable Junior Loan upon the end of the Junior Loan Deferral Period; (b) after the Junior Loan Deferral Period, such capitalized interest shall bear interest along with the principal amount of such loan at the Base Interest Rate as set forth herein; (c) beginning February 1, 2021, such interest on the Junior Loans shall be payable quarterly in cash at the Base Interest Rate as set forth herein; (d) from and after the Amendment Effective Date, any prepayment penalties in the Junior Loans shall equal zero percent (0%); and (e) the maturity date of each Junior Loan shall be June 30, 2029.

3. Amendments to Preferred Equity. Each of the Governing Documents is hereby amended as follows: (a) the definition of "Preferred Return," or any corresponding term set forth therein describing the accrued return with respect to preferred units of the applicable Preferred Equity Issuer, shall be modified to mean six percent (6%) per annum (the "Preferred Return"), calculated with respect to the aggregate capital contribution with respect to the applicable preferred units as set forth on Exhibit C attached hereto; (b) provide that the Preferred Return shall accrue but not compound on an annual basis, and shall be payable as, when, and if declared by the managers of the applicable Preferred Equity Issuer; and (c) require that such preferred units shall be mandatorily redeemed by the applicable Preferred Equity Issuer on the ten (10)-year anniversary of the Amendment Effective Date, and may be redeemed by the applicable Preferred Equity Issuer at any time prior to such date without penalty, in each case, for the sum of the capital contribution with respect to such preferred units plus the then-accrued Preferred Return, but shall not be required to be redeemed prior to such date. For avoidance of doubt, the Preferred Equity shall at all times be unsecured.

4. Amendments to Agera Loans. Each of the Agera Financing Documents is hereby amended by providing that: (a) no interest shall accrue or be paid or payable from and after the Amendment Effective Date; (b) there shall be no prepayment fee applicable to any such loan; and (c) the maturity date shall be June 30th, 2029. For avoidance of doubt, the Agera Loans shall not contain any financial performance covenants.

5. Amendments to PBLA Loans. Each of the PBLA Loans is hereby amended by providing that: (a) no interest shall accrue or be paid or payable from and after the Amendment Effective Date; (b) there shall be no prepayment fee applicable to any such loan; and (c) the maturity date shall be June 30th, 2029. For avoidance of doubt, the PBLA Loans shall not contain any financial performance covenants.

6. Amendments to Loans Excluded From NHC. Each of the Loans Excluded from NHC is hereby amended by replacing the definition of "Base Interest Rate," or "Preferred Return" or any corresponding term set forth therein describing the interest rate payable or dividend yield thereunder in the ordinary course, with "five percent (5%) per annum." In addition, notwithstanding anything in the Loans Excluded From NHC to the contrary: (a) for the first forty-eight (48) month period following the Amendment Effective Date (the "Loans Excluded From NHC Deferral Period"), each of the Loans Excluded From NHC shall accrue interest at the Base Interest Rate or Preferred Return as set forth herein, but the accrued interest on each Loans Excluded From NHC shall not be payable and instead shall be added to the principal of the applicable Loans Excluded From NHC upon the end of the Loans Excluded From

NHC Deferral Period; (b) after the Loans Excluded From NHC Deferral Period, such capitalized interest shall bear interest along with the principal amount of such loan at the Base Interest Rate or Preferred Return; (c) beginning July 1, 2023, interest on the Loans Excluded From NHC shall be payable quarterly in cash at the Base Interest Rate or Preferred Return as set forth herein; (d) from and after the Amendment Effective Date, any prepayment penalties in the Loans Excluded From NHC shall equal zero percent (0%); and (e) the maturity date shall be June 30, 2024. The sole financial covenant for the Loans Excluded From NHC shall be as follows: Net Senior Indebtedness to EBITDA of no greater than 9.50 to 1.00. Furthermore, solely as it relates to the Loans Excluded From NHC, each of the Agents and the Preferred Equity owners shall covenant and agree that, in the event any of the NHC Excluded Borrowers, or any successor thereof, is able to obtain senior secured financing from a third party, such parties agree to enter into any commercially reasonable subordination provisions, so long as the proceeds of such facility are used exclusively to: (a) pay third-party fees incurred in connection with such financing and pay any third party seller notes, earnouts, and Equity Equivalence Agreement payments due; (b) prepay the Senior Debt; (c) prepay the Junior Debt; and (d) redeem the Preferred Equity, in the order set forth herein, and, in each case, to the extent of the amount of such facility.

7. Insurance Hold Co-Related Debt. Each of the Insurance Hold Co-Related Debt instruments is hereby amended by providing that: (a) no interest shall accrue or be paid or payable from and after the Amendment Effective Date; (b) there shall be no prepayment fee applicable to any such loan; and (c) the maturity date shall be June 30th, 2026.

8. Further Amendment to Loans. Each of the Loans is hereby amended by providing that it shall be an "Event of Default" if the Borrowers, except for the NHC Excluded Borrowers, fail to satisfy the Curtailment Requirements (as hereinafter defined) or fail to pay the balance in full when due at the end of the term.

9. Curtailment Requirements. Notwithstanding anything in any of the Loans or this Amendment to the contrary, the Borrowers (other than the NHC Excluded Borrowers) shall be jointly and severally responsible for making a first curtailment of the aggregate principal balance outstanding on all Senior Loans in the amount of Four Hundred Million and No/100 Dollars (\$400,000,000.00) on or before December 31, 2023, to the extent such amounts are not already paid, and for making the second curtailment of the aggregate principal balance outstanding on all Senior Loans in the amount of Six Hundred Million and No/100 Dollars (\$600,000,000.00) on or before December 31, 2027, to the extent such amounts are not already paid.

10. Representations and Warranties. Each of the Agents, Lenders, Borrowers, Preferred Equity Owners, Preferred Equity Issuers, AGH, AAI, and Lindberg hereby represent and warrant that (i) each of the Recitals (each of which are hereby incorporated herein by reference as if fully set forth) and Exhibits A, B, C, D, E, F, G and H to this Amendment is true and accurate in all respects; that (ii) the execution and delivery of this Amendment, the performance of their obligations hereunder, and the consummation of the transactions contemplated hereby have been duly authorized by all requisite action on the part of them, and this Amendment constitutes the legal, valid, and binding obligations of each of them, enforceable against each of them in accordance with its terms; that (iii) neither the execution and delivery of this Amendment, nor the consummation of the transactions contemplated hereby, will violate any law to which they are subject or any provision of their organizational documents or conflict with, result in a breach of, constitute a default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify, cancel, or require any notice or consent under any contract to which any of them is a party or by which any of them is bound or to which any of their assets are subject; and that (iv) as of the moment of execution of this Amendment, this Amendment becomes immediately binding on all Lenders and Borrowers. EMAM hereby represents and warrants that the execution and delivery of this Amendment, the performance of their obligations hereunder, and the consummation of the transactions contemplated hereby have been duly

authorized by all requisite action on the part of them, and this Amendment constitutes the legal, valid, and binding obligations of each of them, enforceable against each of them in accordance with its terms.

11. Default Interest Rate. If an Event of a Default related to payment occurs under any of the Loans the default interest rate shall be double the Base Interest Rate.

12. Notices. All notices, requests, consents, demands and other communications given in connection with this Amendment (collectively, "Notices" and each, a "Notice") must be in writing and delivered to the parties at the addresses set forth beneath the parties' signatures below or to such other address as may be designated by the receiving party in a Notice given in accordance with this Section 12. Notwithstanding the foregoing, each of Lindberg, AAL, the Agents, the Borrowers, the Preferred Equity Issuers, the Preferred Equity Owners, and AGH hereby irrevocably appoints Lindberg as its sole representative for the purposes of receiving Notices, and all Notices to such Parties shall be delivered to Lindberg. All Notices shall be effective upon actual receipt by the notified party.

13. Effect of Amendments. Except as expressly amended hereby, the Loans shall be and remain in full force and effect. This Amendment shall become a part of the Loans, as applicable, by reference and nothing contained herein shall impair any security held for the obligations arising under the Loans, nor waive, annul, vary or affect any provision, condition, covenant or agreement contained in the Loans except as herein amended, nor affect or impair any rights, powers or remedies under the Loans as hereby amended. Each Lender shall reserve all rights and remedies it may have as against all Borrowers and any other party who may be or may hereafter become primarily or secondarily liable for the repayment of the Loans. Notwithstanding anything herein to the contrary, Each Lender hereby waives any and all claims for any Events of Default prior to the Amendment Effective Date. This Amendment and such original agreements embody the entire agreement between parties relating to the subject matter hereof.

14. Ratification; No Novation. Each Borrower promises and agrees to pay all amounts due and to perform all of its requirements, conditions and obligations arising under the Loan(s) to which it is a borrower in accordance with the terms of the Loans and the Loan Documents, in each case as hereby modified and amended. All such Loans and Loan Documents being hereby ratified and affirmed. The execution and delivery of this Amendment shall not constitute a novation or accord and satisfaction, or a modification of any lien, encumbrance or security title of the Loans or other Loan Documents. Without limiting the generality of the foregoing, all collateral given by any Borrower prior to the date hereof to secure repayment of the Loans does and shall continue to secure the obligations of the Borrowers under the Loans and Loan Documents, in each case as hereby modified and amended and, no such collateral shall be released until such obligations are satisfied and completely discharged. Each Borrower expressly reaffirms, ratifies, confirms and approves all of the security interests, liens, pledges and mortgages made by it in favor of any Lender prior to the date hereof, all of which shall be security for the prompt payment in full when due.

15. Counterparts. This Amendment may be executed in any number of separate counterparts and by different parties to this Amendment on such separate counterparts, each of which when executed shall be deemed an original, but all of which taken together constitute one and the same instrument. Any signature delivered by a party by .pdf or by facsimile transmission shall be deemed to be an original signature to this Amendment.

16. Governing Law. THIS AMENDMENT SHALL BE GOVERNED BY AND CONSTRUED UNDER THE LAWS OF THE STATE OF NORTH CAROLINA, WITHOUT REFERENCE TO ANY CHOICE OF LAW DOCTRINE.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Execution Date to be effective as of the Execution Date.

GREG E. LINDBERG

By: 
Greg E. Lindberg, an Individual

Address for Notice: 3406 Stagmoach Rd
Durham NC 27713

**AAI
ACADEMY ASSOCIATION, INC.**

By: 
[Greg E. Lindberg, President]

BORROWERS

By: 
Greg E. Lindberg, Attorney-In-Fact of
each of the Borrowers

NHC EXCLUDED BORROWERS

By: 
Greg E. Lindberg, Attorney-In-Fact of
each of the Borrowers

PREFERRED EQUITY OWNERS

By: 
Greg E. Lindberg, Attorney-In-Fact of each of
the Preferred Equity Owners

PREFERRED EQUITY ISSUERS

By: 
Greg E. Lindberg, Attorney-In-Fact of each of
the Preferred Equity Issuers

[Signature Page to Interim Amendment to Loan Agreements]

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Execution Date to be effective as of the Execution Date.

AGENTS
COLORADO BANKERS LIFE INSURANCE
COMPANY

By: 242
Name: Lois E. Hensley
Title: CEO and President

SOUTHLAND NATIONAL INSURANCE
CORPORATION

By: 242
Name: Lois E. Hensley
Title: CEO & President

NEW ENGLAND CAPITAL, LLC

By: _____
Name: _____
Title: _____

PRIVATE BANKERS LIFE AND ANNUITY CO.,
LTD.

By: _____
Name: _____
Title: _____

[Signature Page to Interim Amendment to Loan Agreements]

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Execution Date to be effective as of the Execution Date.

**AGENTS
COLORADO BANKERS LIFE INSURANCE
COMPANY**

By: _____
Name: _____
Title: _____

**SOUTHLAND NATIONAL INSURANCE
CORPORATION**

By: _____
Name: _____
Title: _____

NEW ENGLAND CAPITAL, LLC

By: Christa M Miller
Name: Christa Miller
Title: Manager

**PRIVATE BANKERS LIFE AND ANNUITY CO.,
LTD.**

By: _____
Name: _____
Title: _____

[Signature Page to Interim Amendment to Loan Agreements]

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Execution Date to be effective as of the Execution Date.

**AGENTS
COLORADO BANKERS LIFE INSURANCE
COMPANY**

By: _____
Name: _____
Title: _____

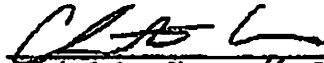
**SOUTHLAND NATIONAL INSURANCE
CORPORATION**

By: _____
Name: _____
Title: _____

NEW ENGLAND CAPITAL, LLC

By: _____
Name: _____
Title: _____

**PRIVATE BANKERS LIFE AND ANNUITY CO.,
LTD.**

By: 
Name: Christopher H. H. H.
Title: Director

[Signature Page to Interim Amendment to Loan Agreements]

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Execution Date to be effective as of the Execution Date.

AGH
AGH PARENT, LLC

By: AGX Holdings, LLC
Its: Manager

By: Christa M Miller
Name: Christa Miller
Its: Manager

[Signature Page to Interim Amendment to Loan Agreements]

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Execution Date to be effective as of the Execution Date.

EMAM

EDWARDS MILL ASSET MANAGEMENT, LLC

By: _____

Name: William N. Wofford

Title: Member

Address for Notice:

3110 Edwards Mill Road, Suite 300

Raleigh, NC 27612

[Signature Page to Interim Amendment to Loan Agreements]

EXHIBIT A
SENIOR LOANS
[See attached.]

Exhibit A

ILA Exhibit A - Senior Loans

Lender	Borrower	Principal and Interest
BLIC	Academy Financial Assets LLC	
BLIC	Academy Financial Assets LLC	
BLIC	Augusta Asset Management Inc	
BLIC	Baldwin Asset Management Inc	
BLIC	BMO	
BLIC	Capital Asset Fund I LLC	
BLIC	Capital Asset Fund IV LLC	
BLIC	Capital Asset Fund V LLC	
BLIC	Gilford Asset Management Inc	
BLIC	Hampton Asset Management Inc	
BLIC	Iron City Asset Management Inc	
BLIC	iTech Funding LLC	
BLIC	Jackson Asset Management Inc	
BLIC	Pierre Mendes	
BLIC	Summerville Asset Management Inc	
BLIC	TAC Investments LLC	
CBL	Academy Financial Assets LLC	
CBL	Academy Financial Assets LLC	
CBL	Academy Financial Assets LLC	
CBL	Alpharetta LLC	
CBL	AR Purchasing Solutions 2 LLC	
CBL	AR Purchasing Solutions LLC	
CBL	AT Denmark Investments ApS - (Arcane Tinmen)	
CBL	Augusta Asset Management Inc	
CBL	Baldwin Asset Management Inc	
CBL	Blue Violet	
CBL	BMO	
CBL	Capital Asset Fund I LLC	
CBL	Capital Asset Fund IV LLC	
CBL	Capital Asset Fund V LLC	
CBL	Capital Asset Management III LLC	
CBL	Chatsworth Asset Management Inc	
CBL	ComplySmart LLC	
CBL	Damascus Asset Management Inc	
CBL	Ephesus Asset Management Inc	
CBL	Forest Park Asset Management Inc	
CBL	Hampton Asset Management Inc	
CBL	HPCSP Investments LLC	
CBL	Intralco Investments Limited	
CBL	Iron City Asset Management Inc	
CBL	iTech Funding LLC	
CBL	Jackson Asset Management Inc	
CBL	Kite Asset Management Inc	
CBL	Lares LLC	

CBL	Lily Asset Management Inc
CBL	Marshall Asset Management Inc
CBL	Medical Physics LLC
CBL	Medical Physics LLC
CBL	Paradise Asset Management Inc
CBL	PCF LLC
CBL	Pierre Mendes
CBL	Rockdale Asset Management Inc
CBL	Standard Financial Limited
CBL	Summerville Asset Management Inc
CBL	Tybee Island Asset Management Inc
NORTHSTAR	Alta Billing LLC
NORTHSTAR	AR Purchasing Solutions LLC
NORTHSTAR	Baldwin Asset Management Inc
NORTHSTAR	Barrington LLC
NORTHSTAR	Berlin LLC
NORTHSTAR	Chatsworth Asset Management Inc
NORTHSTAR	Conway LLC
NORTHSTAR	Damascus Asset Management Inc
NORTHSTAR	Ephesus Asset Management Inc
NORTHSTAR	Goffstown LLC
NORTHSTAR	Hansen Aerospace LLC
NORTHSTAR	HPCSP Investments LLC
NORTHSTAR	IMW EMR LLC
NORTHSTAR	Intralax Investments Limited
NORTHSTAR	ITech Funding LLC
NORTHSTAR	Jaffrey LLC
NORTHSTAR	Lares LLC
NORTHSTAR	LMG Holdings LLC
NORTHSTAR	Marval Investments Limited
NORTHSTAR	Medical Physics LLC
NORTHSTAR	MRX Holdings LLC/ M plus
NORTHSTAR	Standard Financial Limited
NORTHSTAR	Standard Malta Holdings Limited
NORTHSTAR	Summerville Asset Management Inc
NORTHSTAR	TAC Investments LLC
NORTHSTAR	Yarrow Three LLC
OMNIA	Yarrow Three LLC
PBLA	ASIM Holdings LLC
PBLA	Atkinson LLC
PBLA	Augusta Asset Management Inc
PBLA	Begonia Eight LLC
PBLA	Blue Daffodil LLC
PBLA	Blue Violet
PBLA	Capital Asset Fund I LLC
PBLA	Carnation Three LLC
PBLA	Chatsworth Asset Management Inc

PBLA	Chrysanthemum Two LLC
PBLA	CMC Holding Company LLC
PBLA	Daisy Seven LLC
PBLA	Drummond Group LLC
PBLA	Epping LLC
PBLA	Flowery Branch LLC
PBLA	Forsyth LLC
PBLA	Fortrex LLC
PBLA	Geranium Two LLC
PBLA	Gilford Asset Management Inc
PBLA	Greenfield Capital LLC
PBLA	Hansen Aerospace LLC
PBLA	Hooksett LLC
PBLA	IMW EMR LLC
PBLA	Red Begonia LLC
PBLA	Sedwick LLC
PBLA	Summerville Asset Management Inc
PBLA	TAC Investments LLC
PBLA	Weare LLC
PBLA	Yellow Lotus
PBLA	Academy Financial Assets LLC
PBLA	BLH Capital LLC
PBLA	Capital Asset Management II LLC
PBLA	Capital Asset Management III LLC
PBLA	Hampton Asset Management Inc
PBLA	Iron City Asset Management Inc
PBLA	Jackson Asset Management Inc
PBLA	Netherlands Insurance Holdings Inc
PBLA	Parallel Capital Assets
PBLA	Standard Investment Capital Ltd
SNIC	Academy Financial Assets LLC
SNIC	Augusta Asset Management Inc
SNIC	Baldwin Asset Management Inc
SNIC	BMO
SNIC	Capital Asset Fund I LLC
SNIC	Capital Asset Fund IV LLC
SNIC	Capital Asset Fund V LLC
SNIC	Damascus Asset Management Inc
SNIC	Ephesus Asset Management Inc
SNIC	Forest Park Asset Management Inc
SNIC	Hampton Asset Management Inc
SNIC	HPCSP Investments LLC
SNIC	Iron City Asset Management Inc
SNIC	iTech Funding LLC
SNIC	Jackson Asset Management Inc
SNIC	Pierre Mendes
SNIC	Summerville Asset Management Inc

SNIC	TAC Investments LLC
VISTA/USAP	Academy Financial Assets LLC
VISTA/USAP	Academy Financial Assets LLC
VISTA/USAP	Amherst LLC
VISTA/USAP	Augusta Asset Management Inc
VISTA/USAP	Barnstead LLC
VISTA/USAP	Bow LLC
VISTA/USAP	Canaan LLC
VISTA/USAP	Claremont LLC
VISTA/USAP	Deering LLC
VISTA/USAP	Derry LLC
VISTA/USAP	Dunbarton LLC
VISTA/USAP	Durham LLC
VISTA/USAP	Effingham LLC
VISTA/USAP	Farmington LLC
VISTA/USAP	Fiasco Fine Wine LLC
VISTA/USAP	Gilford Asset Management Inc
VISTA/USAP	Goshen LLC
VISTA/USAP	Henniker LLC
VISTA/USAP	Littleton LLC
VISTA/USAP	Londonderry LLC
VISTA/USAP	Meredith LLC
VISTA/USAP	Merrimack LLC
VISTA/USAP	Nashua LLC
VISTA/USAP	Rindge LLC
VISTA/USAP	Rumney LLC
VISTA/USAP	Standard Financial Limited
VISTA/USAP	Standard Malta Holdings Limited
VISTA/USAP	Stoddard LLC
VISTA/USAP	Summerville Asset Management Inc
VISTA/USAP	Swanzey LLC
VISTA/USAP	Tybee Island Asset Management Inc
VISTA/USAP	Wolfeboro LLC

Subtotal

Less

CBL	Duplicates through FinCos and PPNs
BUC	Duplicates through FinCos and PPNs
SNIC	Duplicates through FinCos and PPNs
PBLA	Duplicates through FinCos and PPNs
Northstar	Duplicates through FinCos and PPNs
OMNIA	Duplicates through FinCos and PPNs
Vista/USAP	Duplicates through FinCos and PPNs

Total

EXHIBIT B
JUNIOR LOANS
[See attached.]

Exhibit B

ILA Exhibit B - Junior Loans

Lender	Borrower	Principal and Interest
BLIC	Academy Financial Assets LLC	
BLIC	HPCSP Investments LLC	
CBL	Academy Financial Assets LLC	
CBL	HPCSP Investments LLC	
NORTHSTAR	3BL Media LLC	
NORTHSTAR	CBV Collections Limited	
NORTHSTAR	CMC Holding Company LLC	
NORTHSTAR	IMW EMR LLC	
NORTHSTAR	MRX Holdings LLC/ M plus	
PBLA	ASIM Holdings LLC	
PBLA	Certification for Long-Term Care LLC (CLTC	
SNIC	Academy Financial Assets LLC	
SNIC	HPCSP Investments LLC	
STANDARD RE	CBV Collections Limited	
Total		

EXHIBIT C
PREFERRED EQUITY
[See attached.]

Exhibit C

ILA Exhibit C - Preferred Equity

Lender	Borrower	Principal and Interest
BLIC	Barclays	
BLIC	Capital Asset Fund II LLC	
BLIC	Capital Asset Management II LLC	
BLIC	CV Investments LLC	
BLIC	Franklin Street	
BLIC	Gilford Asset Management Inc	
BLIC	Nom GB 2018	
CBL	Barclays	
CBL	Capital Asset Fund II LLC	
CBL	Capital Asset Management II LLC	
CBL	CV Investments LLC	
CBL	Franklin Street	
CBL	Gilford Asset Management Inc	
CBL	Nom GB 2018	
NORTHSTAR	ASL Holding LLC	
NORTHSTAR	Daisy Seven LLC	
NORTHSTAR	Damovo	
NORTHSTAR	iTech Funding LLC	
NORTHSTAR	Konnect Net Holdings LLC	
NORTHSTAR	Triton Financial Limited	
OMNIA	Flagship Holding LLC	
OMNIA	MBW Interco LLC	
PBIHL	Flagship Holding LLC	
PBLA	BRC Holding LLC	
PBLA	iTech Funding LLC	
PBLA	LMG Holding LLC	
PBLA	Nom GB 2018	
SNIC	Barclays	
SNIC	Capital Asset Fund II LLC	
SNIC	Capital Asset Management II LLC	
SNIC	CV Investments LLC	
SNIC	Franklin Street	
SNIC	Gilford Asset Management Inc	
SNIC	Nom GB 2018	
VISTA/AIC	Nom GB 2018	
Vista/USAP	Barclays	
Subtotal		
Less		
CBL	Duplicates through FinCos and PPNS	
BLIC	Duplicates through FinCos and PPNS	
SNIC	Duplicates through FinCos and PPNS	
PBLA	Duplicates through FinCos and PPNS	
Vista/USAP	Duplicates through FinCos and PPNS	

Vista/AIC Duplicates through FinCos and PPNs

Total



EXHIBIT D
AGERA FINANCING DOCUMENTS
[Sec attached.]

Exhibit D

ILA Exhibit D - Agera Financing Documents

Lender	Borrower	Principal and Interest
Baldwin Asset Management Inc	AGH Parent LLC	
Capital Asset Fund II LLC	AGH Parent LLC	
Capital Asset Fund IV LLC	Agera Holdings LLC	
Capital Asset Fund V LLC	Agera Holdings LLC	
CBL	Agera Energy LLC	
Derry LLC	Mckinley Ventures Group LLC	
Effingham LLC	AGH Parent LLC	
Iron City Asset Management Inc	AGH Parent LLC	
Littleton LLC	Mckinley Ventures Group LLC	
NORTHSTAR	AGH Parent LLC	
OMNIA	AGH Parent LLC	
OMNIA	AGH Parent LLC	
OMNIA	AGH Parent LLC	
Paradise Asset Management Inc	Agera Holdings LLC	
Paradise Asset Management Inc	Red River Developments LLC	
PBIHL	AGH Parent LLC	
PBIHL	AGH Parent LLC	
PBIHL	AGH Parent LLC	
PBLA	AGH Parent LLC	
PBLA	AGH Parent LLC	
PBLA	AGH Parent LLC	
Rockdale Asset Management Inc	Agera Holdings LLC	
Rockdale Asset Management Inc	Red River Developments LLC	
Stoddard LLC	Mckinley Ventures Group LLC	
Summerville Asset Management Inc	AGH Parent LLC	
Yarrow Three LLC	AGH Parent LLC	
Yarrow Three LLC	Red River Developments LLC	
Total		

EXHIBIT E
PBLA LOANS
[See attached.]

Exhibit E

ILA Exhibit E - PBLA Loans

Lender	Borrower	Principal and Interest
PBLA Main	AAPC Holdings LLC	
PBLA Main	AGH Parent LLC	
PBLA Main	Academy Financial Assets LLC	
PBLA Main	GBIG Capital LLC	
PBLA Main	GBIG Capital LLC	
PBLA Main	Flagship Holding LLC	
PBLA Main	Academy Financial Assets LLC	
PBLA Main	Capital Asset Fund I LLC	
PBLA Main	Capital Asset Management II LLC	
PBLA Main	Yarrow Three LLC	
Total		

EXHIBIT F

**NHC EXCLUDED BORROWERS
& LOANS EXCLUDED FROM NHC
[See attached.]**

Exhibit F

ILA Exhibit F - NHC Excluded Borrowers & Loans Excluded from NHC

Lender	Borrower	Principal and Interest
Baldwin Asset Management Inc	BCC Research	
Baldwin Asset Management Inc	UKAT Investment	
Capital Asset Fund I LLC	BCC Holdings LLC	
Capital Asset Fund I LLC	BCC Research	
Capital Asset Fund I LLC	PBO Holdings Inc	
Capital Asset Fund II LLC	BCC Research	
Capital Asset Fund II LLC	UKAT Investment	
Capital Asset Fund IV LLC	UKAT Investment	
Capital Asset Fund V LLC	UKAT Investment	
Chatsworth Asset Management Inc	Automotive Fleet Inv. Ltd	
Chatsworth Asset Management Inc	UKAT Investment	
Damascus Asset Management Inc	Automotive Fleet Inv. Ltd	
Damascus Asset Management Inc	Proactive Software Holdings	
Damascus Asset Management Inc	UKAT Investment	
Ephesus Asset Management Inc	Automotive Fleet Inv. Ltd	
Ephesus Asset Management Inc	UKAT Investment	
Forest Park Asset Management Inc	Automotive Fleet Inv. Ltd	
Forest Park Asset Management Inc	UKAT Investment	
Gilford Asset Management Inc	BCC Research	
Gilford Asset Management Inc	UKAT Investment	
Hampton Asset Management Inc	Global Data Insights Limited	
Hampton Asset Management Inc	UKAT Investment	
Iron City Asset Management Inc	Automotive Fleet Inv. Ltd	
Iron City Asset Management Inc	Proactive Software Holdings	
Iron City Asset Management Inc	Proactive Software Holdings	
Iron City Asset Management Inc	UKAT Investment	
Jackson Asset Management Inc	UKAT Investment	
Kite Asset Management Inc	BCC Research	
Kite Asset Management Inc	UKAT Investment	
Lily Asset Management Inc	Automotive Fleet Inv. Ltd	
Lily Asset Management Inc	UKAT Investment	
Marshall Asset Management Inc	Automotive Fleet Inv. Ltd	
Marshall Asset Management Inc	BCC Research	
Marshall Asset Management Inc	UKAT Investment	
NORTHSTAR	Automotive Fleet Inv. Ltd	
NORTHSTAR	UKAT Investment	
PBLA	UKAT Investment	
Pierre Mendes	Global Data Insights Limited	
Pierre Mendes	UKAT Investment	
Summerville Asset Management Inc	Automotive Fleet Inv. Ltd	
Summerville Asset Management Inc	Global Data Insights Limited	
Swanzy LLC	BCC Holdings LLC	
Tybee Island Asset Management Inc	Automotive Fleet Inv. Ltd	
Tybee Island Asset Management Inc	UKAT Investment	

EXHIBIT G

INSURANCE HOLD CO-RELATED DEBT

[See attached.]

Exhibit G

ILA Exhibit G - Insurance Hold Co-Related Debt

Lender	Borrower	Principal and Interest
Alstead LLC	GBIG Capital LLC	
Augusta Asset Management Inc	GBIG Capital LLC	
Augusta Asset Management Inc	GBIG Holdings Inc	
Baldwin Asset Management Inc	GBIG Holdings Inc	
Baldwin Asset Management Inc	PBX Bermuda Holdings Ltd	
BLIC	Netherlands Insurance Holdings Inc	
Bow LLC	GBIG Capital LLC	
Canaan LLC	GBIG Holdings Inc	
Capital Asset Fund II LLC	GBIG Capital LLC	
Capital Asset Fund II LLC	PBX Bermuda Holdings Ltd	
Capital Asset Fund IV LLC	Beaufort Holding S.A.	
Capital Asset Fund IV LLC	PBX Bermuda Holdings Ltd	
Capital Asset Fund IV LLC	PBX Bermuda Holdings Ltd	
Capital Asset Fund IV LLC	PBX Holdings LLC	
Capital Asset Fund V LLC	GBIG Holdings Inc	
Capital Asset Fund V LLC	Netherlands Insurance Holdings Inc	
Capital Asset Fund V LLC	PBX Bermuda Holdings Ltd	
CBL	Beaufort Holding S.A.	
CBL	Netherlands Insurance Holdings Inc	
Chatsworth Asset Management Inc	GBIG Holdings Inc	
Chrysanthemum Two LLC	PBX Holdings LLC	
Claremont LLC	NIH Capital LLC	
Daisy Seven LLC	Netherlands Insurance Holdings Inc	
Damascus Asset Management Inc	GBIG Holdings Inc	
Damascus Asset Management Inc	PBX Bermuda Holdings Ltd	
Dunbarton LLC	GBIG Holdings Inc	
Ephesus Asset Management Inc	GBIG Holdings Inc	
Hampton Asset Management Inc	GBIG Holdings Inc	
Hampton Asset Management Inc	Netherlands Insurance Holdings Inc	
Hampton Asset Management Inc	PBX Holdings LLC	
Henniker LLC	GBIG Holdings Inc	
Iron City Asset Management Inc	GBIG Holdings Inc	
Jackson Asset Management Inc	GBIG Capital LLC	
Jackson Asset Management Inc	GBIG Holdings Inc	
Kite Asset Management Inc	PBX Bermuda Holdings Ltd	
Lily Asset Management Inc	Netherlands Insurance Holdings Inc	
Londonderry LLC	NIH Capital LLC	
Marshall Asset Management Inc	GBIG Capital LLC	
Marshall Asset Management Inc	PBX Bermuda Holdings Ltd	
Marshall Asset Management Inc	PBX Holdings LLC	
Meredith LLC	NIH Capital LLC	
Nashua LLC	GBIG Holdings Inc	
New Ipswich LLC	GBIG Capital LLC	
NORTHSTAR	Beaufort Holding S.A.	

NORTHSTAR	Beaufort Holding S.A.
NORTHSTAR	Beaufort Holding S.A.
NORTHSTAR	GBIG Capital LLC
NORTHSTAR	GBIG Capital LLC
NORTHSTAR	PBX Bermuda Holdings Ltd
OMNIA	GBIG Capital LLC
Paradise Asset Management Inc	Netherlands Insurance Holdings Inc
Paradise Asset Management Inc	PBX Bermuda Holdings Ltd
PBIHL	GBIG Capital LLC
PBLA	GBIG Capital LLC
PBLA	New England Capital LLC
Pierre Mendes	GBIG Capital LLC
Rockdale Asset Management Inc	PBX Bermuda Holdings Ltd
SNIC	GBIG Holdings Inc
SNIC	Netherlands Insurance Holdings Inc
SNIC	PBX Bermuda Holdings Ltd
STANDARD RE	GBIG Holdings Inc
Stratham LLC	GBIG Capital LLC
Summerville Asset Management Inc	GBIG Capital LLC
Summerville Asset Management Inc	GBIG Capital LLC
Tybee Island Asset Management Inc	GBIG Capital LLC
Tybee Island Asset Management Inc	GBIG Holdings Inc
Wolfeboro LLC	NIH Capital LLC

Total

EXHIBIT H

SPVs

Secured Loan-Backed Funding I, LLC
Secured Loan-Backed Funding II, LLC
Secured Loan-Backed Funding III, LLC
Secured Loan-Backed Funding IV, LLC
Secured Loan-Backed Funding V, LLC
Secured Loan-Backed Funding VI, LLC
Secured Loan-Backed Funding VII, LLC
Secured Loan-Backed Funding VIII, LLC
Secured Loan-Backed Funding IX, LLC
Secured Loan-Backed Funding X, LLC
Secured Loan-Backed Funding XI, LLC
Secured Loan-Backed Funding XII, LLC
Secured Loan-Backed Funding XIII, LLC
Secured Loan-Backed Funding XIV, LLC
Secured Loan-Backed Funding XV, LLC
Secured Loan-Backed Funding XVI, LLC
Secured Loan-Backed Funding XVII, LLC
Alstead, LLC
Amherst, LLC
Atkinson, LLC
Barnstead, LLC
Barrington, LLC
Berlin, LLC
Bow, LLC
Canaan, LLC
Claremont, LLC
Conway, LLC
Deering, LLC
Derry, LLC
Dunbarton, LLC
Durham, LLC

Exhibit H

Effingham, LLC
Epping, LLC
Farmington, LLC
Franconia, LLC
Gilford, LLC
Goffstown, LLC
Goshen, LLC
Hampstead, LLC
Henniker, LLC
Hooksett, LLC
Hopkinton, LLC
Jaffrey, LLC
Laconia, LLC
Littleton, LLC
Londonderry, LLC
Loudon, LLC
Madbury, LLC
Meredith, LLC
Merrimack, LLC
Nashua, LLC
New Ipswich, LLC
Plaistow, LLC
Raymond, LLC
Rindge, LLC
Rumney, LLC
Sandown, LLC
Somersworth, LLC
Stoddard, LLC
Stratham, LLC
Swanzey, LLC
Weare, LLC
Wolfeboro, LLC
Anaconda, LLC
Athens, LLC
Augusta, LLC

Berkeley Lake, LLC
Cobra, LLC
Columbus, LLC
Macon, LLC
Shirt, LLC
Tornado, LLC
Valdosta, LLC
Aboskie, LLC
Asheboro, LLC
Casar, LLC
Clayton, LLC
Cowper, LLC
Creston, LLC
Faison, LLC
Fayetteville, LLC
Greenville, LLC
Holt, LLC
Iredell, LLC
Jacksonville, LLC
Kenly, LLC
Louisburg, LLC
Morresville, LLC
Norlina, LLC
Whitaker Mill, LLC
Williamson, LLC
AAH Loan-Backed Funding, LLC
BCC Junior Loan-Backed Funding, LLC
BCC Senior Loan-Backed Funding, LLC
BKT Loan-Backed Funding, LLC
CLTC Junior Loan-Backed Funding, LLC
CLTC Senior Loan-Backed Funding, LLC
CMC Loan-Backed Funding, LLC
SFM Loan-Backed Funding, LLC
TCC Junior Loan-Backed Funding, LLC
TCC Senior Loan-Backed Funding, LLC

ATTACHMENT B

Default and Remedy Terms

Events of Default

If any of the following events shall occur and be continuing, it shall be an event of default ("Event of Default"):

- a. **Non-Payment.** The borrower fails to pay any principal of the outstanding principal balance of the Loan payable by the borrower to its lender pursuant to the applicable Loan Agreement when due, or the borrower fails to pay any interest or any other sums payable by the borrower to its lender pursuant to the applicable Loan Agreement to its lender within ten (10) days after any such interest or other sum payable is due;
- b. **Representations.** Any representation or warranty made by the borrower in connection with the Loan proves to have been incorrect in any material respect when made;
- c. **Breach of Negative Covenants.** The borrower fails to observe or comply with any negative covenants contained in the applicable Loan Agreement;
- d. **Breach of Covenants.** The borrower fails to perform or observe any other term, covenant or agreement contained in the applicable Loan Agreement, and such failure has not been cured within thirty (30) days after the borrower's lender has notified the borrower of such failure;
- e. **Insolvency.** The borrower generally fails to pay its debts as such debts become due, or shall admit in writing its inability to pay its debts generally, or shall make a general assignment for the benefit of creditors; or any proceeding shall be instituted by or against the borrower seeking to adjudicate it a bankrupt or insolvent, or seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee, or other similar official for it or for any substantial part of its property; or the borrower shall take any corporate action to authorize any of the actions set forth above in this subsection;
- f. **Judgments.** Any judgment or order for the payment of money shall be rendered against the borrower and either (i) enforcement proceedings shall have been commenced by any creditor upon such judgment or order, or (ii) there shall be any period of thirty (30) consecutive days during which a stay of enforcement of such judgment or order, by reason of a pending appeal or otherwise, shall not be in effect;
- g. **Non-Monetary Judgments.** Any non-monetary judgment or order shall be rendered against the borrower that could reasonably be expected to have a material adverse effect, and there shall be a period of thirty (30) consecutive days during which a stay of enforcement of such judgment or order, by reason of a pending appeal or otherwise, shall not be in effect;

h. Change of Control. A Change of Control shall occur or exist (as used herein, "Change of Control" means any transaction of the borrower involving (i) the merger or consolidation of the borrower into or with another entity where the borrower's membership interest holders receive less than fifty percent (50%) of the voting securities of the new or continuing entity, (ii) the sale or all or substantially all of the borrower's assets or properties, (iii) any person not already a membership interest holder (other than the estate of such interest holder, his/her family and/or a trust maintained for the benefit of any of the foregoing) of the borrower becoming a beneficial owner, directly or indirectly, of the securities of the borrower representing fifty percent (50%) or more of the combined voting power of the borrower's then outstanding securities, (iv) a change in the manager(s) of the borrower, or (v) the borrower terminating its business or liquidating its assets); or

i. Material Adverse Effect. Any event or circumstance occurs that has a material adverse effect.

Remedies for Events of Default

Upon the occurrence of any Event of Default, the borrower's lender shall have the right:

a. Further Advances. To declare the Loan and any commitment of the lender to make advances under the Loan terminated, whereupon such commitment and obligation shall be terminated;

b. Acceleration. To declare the outstanding principal balance of the Loan and all interest accrued thereon and all other amounts payable under the applicable Loan Agreement to be immediately due and payable whereupon all such indebtedness of the borrower to its lender shall become and be immediately due and payable without presentment, demand, protest, or further notice of any kind, all of which are hereby expressly waived by the borrower;

c. Default Interest. Declare that the borrower shall pay default interest, which shall be the lesser of the maximum rate chargeable under applicable law and twelve percent (12%) per annum, on the outstanding principal balance of the Loan;

d. Security Interest Enforcement. Repossess and/or foreclose upon any collateral supporting the obligations under the Loan; or

e. Other Rights. To exercise any other rights or remedies available to it whether under the applicable Loan Agreement or at law or in equity.

INTERIM AMENDMENT TO LOAN AGREEMENTS

This INTERIM AMENDMENT TO LOAN AGREEMENTS (this "Amendment") is made and entered into as of June 27, 2019 (the "Execution Date"), by and among Colorado Bankers Life Insurance Company, a North Carolina insurance corporation ("CBL"), Southland National Insurance Corporation, a North Carolina insurance corporation ("SNIC"), New England Capital, LLC, a North Carolina limited liability company ("NEC"), Private Bankers Life and Annuity Co., Ltd., a Bermuda limited company ("PBLA", and together with CBL, SNIC, and NEC, each, an "Agent," and, collectively, the "Agents"), each of the borrowers set forth on the exhibits hereto (each, a "Borrower," and, collectively, the "Borrowers"), each of the holders of preferred equity set forth on the exhibits hereto (each, a "Preferred Equity Owner," and, collectively, the "Preferred Equity Owners"), each of the issuers of preferred equity set forth on the exhibits hereto (each, a "Preferred Equity Issuer," and, collectively, the "Preferred Equity Issuers"), AGH Parent, LLC, a Delaware limited liability company ("AGH"), Academy Association, Inc., a North Carolina corporation ("AAI"), Edwards Mill Asset Management, LLC, as holder of certain Class A common units of the special purpose vehicles ("SPVs") set forth on Exhibit H attached hereto ("EMAM") and Greg E. Lindberg, individually and as attorney-in-fact for each of the Borrowers, the Preferred Equity Owners and the Preferred Equity Issuers to the extent they are not included in the Affiliated Trusts, ("Lindberg", and together with the Agents, Borrowers, Preferred Equity Owners, Preferred Equity Issuers, AGH, AAI, and EMAM collectively, the "Parties" and, each, a "Party").

RECITALS

WHEREAS, each of the senior term loan agreements set forth on Exhibit A attached hereto and incorporated herein by reference (the "Senior Loans") and each of the junior term loan agreements set forth on Exhibit B attached hereto and incorporated herein by reference (the "Junior Loans") provides for one of the Agents to serve as the agent of such loan; and

WHEREAS, each of the Agents has the unilateral authority to act for and bind the lenders of the Senior Loans and Junior Loans (the "Lenders") with respect to the Senior Loans and/or Junior Loans on which it serves as the agent; and

WHEREAS, as attorney-in-fact of each of the Borrowers, Preferred Equity Owners and Preferred Equity Issuers, and Lindberg are duly authorized to act on behalf of the Borrowers, Preferred Equity Owners and Preferred Equity Issuers and to bind the Borrowers, Preferred Equity Owners and Preferred Equity Issuers to the terms and conditions set forth in this Amendment and any other agreement, instrument, document, or consent related to this Amendment; and

WHEREAS, certain of the Lenders, as set forth on Exhibit A, have provided the Senior Loans to certain of the Borrowers, as set forth on Exhibit A, which Borrowers are each controlled by AAI and Lindberg, in the principal amounts set forth on Exhibit A; and

WHEREAS, certain of the Lenders, as set forth on Exhibit B, have provided the Junior Loans to certain of the Borrowers, as set forth on Exhibit B, which Borrowers are each controlled by AAI and Lindberg, in the principal amounts set forth on Exhibit B; and

WHEREAS, the Preferred Equity Owners set forth on Exhibit C have provided preferred equity financing to the Preferred Equity Issuers, which Preferred Equity Issuers are each controlled by AAI and Lindberg, in the amounts set forth on Exhibit C (the "Preferred Equity"), pursuant to the governing documents of the Preferred Equity Issuers (the "Governing Documents"); and

WHEREAS, certain lenders, as set forth on Exhibit D, have provided certain loans and preferred equity financing to AGH and its subsidiaries (the "Agera Financing Documents"), in the principal amounts set forth on Exhibit D, and one of the Agents serves as the agent of each such loan agreement or preferred equity financing arrangement and has the unilateral authority to act for and bind the lenders and preferred equity owners of the Agera Financing Documents; and

WHEREAS, PBLA has provided the loans set forth on Exhibit E (the "PBLA Loans") to certain of the Borrowers, as set forth on Exhibit E, which Borrowers are each controlled by AAI and Lindberg, in the principal amounts set forth on Exhibit E; and

WHEREAS, certain lenders and preferred equity owners set forth on Exhibit F have provided certain loans and preferred equity financing (the "Loans Excluded From NHC") to certain borrowers (the "NHC Excluded Borrowers"), as set forth on Exhibit F, which NHC Excluded Borrowers are each controlled by AAI and Lindberg, in the principal amounts set forth on Exhibit F, and one of the Agents serves as the agent of each such loan agreement or preferred equity financing arrangement and has the unilateral authority to act for and bind the lenders and preferred equity owners of the Loans Excluded From NHC.

WHEREAS, certain lenders set forth on Exhibit G have provided certain loans and preferred equity financing (the "Insurance Hold Co-Related Debt") to certain affiliated insurance holding companies, which insurance holding companies are each controlled by AAI and Lindberg, in the principal amounts set forth on Exhibit G and one of the Agents serves as the agent of each such loan agreement or preferred equity financing arrangement and has the unilateral authority to act for and bind the lenders and preferred equity owners of the Insurance Hold Co-Related Debt.

WHEREAS, EMAM, in its capacity as the Class A Member of SPVs, consents on behalf of such SPVs (a) to the herein described amendments to the Loans, to the extent such SPVs are parties thereto and (b) to promptly execute and deliver any and all such further instruments and documents and take such further action as the Agents may reasonably request to obtain the full benefits of this Amendment.

WHEREAS, the Parties desire to amend the Senior Loans, the Junior Loans, the Preferred Equity, the Agera Financing Documents, Loans Excluded From NHC, Insurance Hold Co-Related Debt, and the PBLA Loans (collectively, the "Loans") on the terms described herein, effective immediately upon the effective date hereof (the "Amendment Effective Date"); and

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which hereby are acknowledged, the Parties hereto agree as follows:

AGREEMENT

1. Amendments to Senior Loans. Each of the Senior Loans is hereby amended by replacing the definition of "Base Interest Rate," or any corresponding term set forth therein describing the interest rate payable thereunder in the ordinary course, with "five percent (5%) per annum." In addition, notwithstanding anything in the Senior Loans to the contrary: (a) for the first six (6) month period following the Amendment Effective Date (the "Senior Loan Deferral Period"), each of the Senior Loans shall accrue interest at the Base Interest Rate as set forth herein, but the accrued interest on each Senior Loan shall not be payable and instead shall be added to the principal of the applicable Senior Loan upon the end of the Senior Loan Deferral Period; (b) after the Senior Loan Deferral Period, such capitalized interest shall bear interest along with the principal amount of such loan at the Base Interest Rate; (c) beginning February 1, 2020, interest on the Senior Loans shall be payable quarterly in cash at the Base Interest Rate as set forth

herein; (d) from and after the Amendment Effective Date, any prepayment penalties in the Senior Loans shall equal zero percent (0%); and (e) the maturity date of each Senior Loan shall be December 31, 2029.

2. Amendments to Junior Loans. Each of the Junior Loans is hereby amended by replacing the definition of "Base Interest Rate," or any corresponding term set forth therein describing the interest rate payable thereunder in the ordinary course, with "five and one half percent (5.5%) per annum." In addition, notwithstanding anything in the Junior Loans to the contrary: (a) for the first twelve (12) month period following the Amendment Effective Date (the "Junior Loan Deferral Period"), each of the Junior Loans shall accrue interest at the Base Interest Rate as set forth herein, but the accrued interest on each Junior Loan shall not be payable and instead shall be added to the principal of the applicable Junior Loan upon the end of the Junior Loan Deferral Period; (b) after the Junior Loan Deferral Period, such capitalized interest shall bear interest along with the principal amount of such loan at the Base Interest Rate as set forth herein; (c) beginning February 1, 2021, such interest on the Junior Loans shall be payable quarterly in cash at the Base Interest Rate as set forth herein; (d) from and after the Amendment Effective Date, any prepayment penalties in the Junior Loans shall equal zero percent (0%); and (e) the maturity date of each Junior Loan shall be June 30, 2029.

3. Amendments to Preferred Equity. Each of the Governing Documents is hereby amended as follows: (a) the definition of "Preferred Return," or any corresponding term set forth therein describing the accrued return with respect to preferred units of the applicable Preferred Equity Issuer, shall be modified to mean six percent (6%) per annum (the "Preferred Return"), calculated with respect to the aggregate capital contribution with respect to the applicable preferred units as set forth on Exhibit C attached hereto; (b) provide that the Preferred Return shall accrue but not compound on an annual basis, and shall be payable as, when, and if declared by the managers of the applicable Preferred Equity Issuer; and (c) require that such preferred units shall be mandatorily redeemed by the applicable Preferred Equity Issuer on the ten (10)-year anniversary of the Amendment Effective Date, and may be redeemed by the applicable Preferred Equity Issuer at any time prior to such date without penalty, in each case, for the sum of the capital contribution with respect to such preferred units plus the then-accrued Preferred Return, but shall not be required to be redeemed prior to such date. For avoidance of doubt, the Preferred Equity shall at all times be unsecured.

4. Amendments to Agera Loans. Each of the Agera Financing Documents is hereby amended by providing that: (a) no interest shall accrue or be paid or payable from and after the Amendment Effective Date; (b) there shall be no prepayment fee applicable to any such loan; and (c) the maturity date shall be June 30th, 2029. For avoidance of doubt, the Agera Loans shall not contain any financial performance covenants.

5. Amendments to PBLA Loans. Each of the PBLA Loans is hereby amended by providing that: (a) no interest shall accrue or be paid or payable from and after the Amendment Effective Date; (b) there shall be no prepayment fee applicable to any such loan; and (c) the maturity date shall be June 30th, 2029. For avoidance of doubt, the PBLA Loans shall not contain any financial performance covenants.

6. Amendments to Loans Excluded From NHC. Each of the Loans Excluded from NHC is hereby amended by replacing the definition of "Base Interest Rate," or "Preferred Return" or any corresponding term set forth therein describing the interest rate payable or dividend yield thereunder in the ordinary course, with "five percent (5%) per annum." In addition, notwithstanding anything in the Loans Excluded From NHC to the contrary: (a) for the first forty-eight (48) month period following the Amendment Effective Date (the "Loans Excluded From NHC Deferral Period"), each of the Loans Excluded From NHC shall accrue interest at the Base Interest Rate or Preferred Return as set forth herein, but the accrued interest on each Loans Excluded From NHC shall not be payable and instead shall be added to the principal of the applicable Loans Excluded From NHC upon the end of the Loans Excluded From

NHC Deferral Period; (b) after the Loans Excluded From NHC Deferral Period, such capitalized interest shall bear interest along with the principal amount of such loan at the Base Interest Rate or Preferred Return; (c) beginning July 1, 2023, interest on the Loans Excluded From NHC shall be payable quarterly in cash at the Base Interest Rate or Preferred Return as set forth herein; (d) from and after the Amendment Effective Date, any prepayment penalties in the Loans Excluded From NHC shall equal zero percent (0%); and (e) the maturity date shall be June 30, 2024. The sole financial covenant for the Loans Excluded From NHC shall be as follows: Net Senior Indebtedness to EBITDA of no greater than 9.50 to 1.00. Furthermore, solely as it relates to the Loans Excluded From NHC, each of the Agents and the Preferred Equity owners shall covenant and agree that, in the event any of the NHC Excluded Borrowers, or any successor thereof, is able to obtain senior secured financing from a third party, such parties agree to enter into any commercially reasonable subordination provisions, so long as the proceeds of such facility are used exclusively to: (a) pay third-party fees incurred in connection with such financing and pay any third party seller notes, earnouts, and Equity Equivalence Agreement payments due; (b) prepay the Senior Debt; (c) prepay the Junior Debt; and (d) redeem the Preferred Equity, in the order set forth herein, and, in each case, to the extent of the amount of such facility.

7. Insurance Hold Co-Related Debt. Each of the Insurance Hold Co-Related Debt instruments is hereby amended by providing that: (a) no interest shall accrue or be paid or payable from and after the Amendment Effective Date; (b) there shall be no prepayment fee applicable to any such loan; and (c) the maturity date shall be June 30th, 2026.

8. Further Amendment to Loans. Each of the Loans is hereby amended by providing that it shall be an "Event of Default" if the Borrowers, except for the NHC Excluded Borrowers, fail to satisfy the Curtailment Requirements (as hereinafter defined) or fail to pay the balance in full when due at the end of the term.

9. Curtailment Requirements. Notwithstanding anything in any of the Loans or this Amendment to the contrary, the Borrowers (other than the NHC Excluded Borrowers) shall be jointly and severally responsible for making a first curtailment of the aggregate principal balance outstanding on all Senior Loans in the amount of Four Hundred Million and No/100 Dollars (\$400,000,000.00) on or before December 31, 2023, to the extent such amounts are not already paid, and for making the second curtailment of the aggregate principal balance outstanding on all Senior Loans in the amount of Six Hundred Million and No/100 Dollars (\$600,000,000.00) on or before December 31, 2027, to the extent such amounts are not already paid.

10. Representations and Warranties. Each of the Agents, Lenders, Borrowers, Preferred Equity Owners, Preferred Equity Issuers, AGH, AAI, and Lindberg hereby represent and warrant that (i) each of the Recitals (each of which are hereby incorporated herein by reference as if fully set forth) and Exhibits A, B, C, D, E, F, G and H to this Amendment is true and accurate in all respects; that (ii) the execution and delivery of this Amendment, the performance of their obligations hereunder, and the consummation of the transactions contemplated hereby have been duly authorized by all requisite action on the part of them, and this Amendment constitutes the legal, valid, and binding obligations of each of them, enforceable against each of them in accordance with its terms; that (iii) neither the execution and delivery of this Amendment, nor the consummation of the transactions contemplated hereby, will violate any law to which they are subject or any provision of their organizational documents or conflict with, result in a breach of, constitute a default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify, cancel, or require any notice or consent under any contract to which any of them is a party or by which any of them is bound or to which any of their assets are subject; and that (iv) as of the moment of execution of this Amendment, this Amendment becomes immediately binding on all Lenders and Borrowers. EMAM hereby represents and warrants that the execution and delivery of this Amendment, the performance of their obligations hereunder, and the consummation of the transactions contemplated hereby have been duly

authorized by all requisite action on the part of them, and this Amendment constitutes the legal, valid, and binding obligations of each of them, enforceable against each of them in accordance with its terms.

11. Default Interest Rate. If an Event of a Default related to payment occurs under any of the Loans the default interest rate shall be double the Base Interest Rate.

12. Notices. All notices, requests, consents, demands and other communications given in connection with this Amendment (collectively, "Notices" and each, a "Notice") must be in writing and delivered to the parties at the addresses set forth beneath the parties' signatures below or to such other address as may be designated by the receiving party in a Notice given in accordance with this Section 12. Notwithstanding the foregoing, each of Lindberg, AAL, the Agents, the Borrowers, the Preferred Equity Issuers, the Preferred Equity Owners, and AGH hereby irrevocably appoints Lindberg as its sole representative for the purposes of receiving Notices, and all Notices to such Parties shall be delivered to Lindberg. All Notices shall be effective upon actual receipt by the notified party.

13. Effect of Amendments. Except as expressly amended hereby, the Loans shall be and remain in full force and effect. This Amendment shall become a part of the Loans, as applicable, by reference and nothing contained herein shall impair any security held for the obligations arising under the Loans, nor waive, annul, vary or affect any provision, condition, covenant or agreement contained in the Loans except as herein amended, nor affect or impair any rights, powers or remedies under the Loans as hereby amended. Each Lender shall reserve all rights and remedies it may have as against all Borrowers and any other party who may be or may hereafter become primarily or secondarily liable for the repayment of the Loans. Notwithstanding anything herein to the contrary, Each Lender hereby waives any and all claims for any Events of Default prior to the Amendment Effective Date. This Amendment and such original agreements embody the entire agreement between parties relating to the subject matter hereof.

14. Ratification; No Novation. Each Borrower promises and agrees to pay all amounts due and to perform all of its requirements, conditions and obligations arising under the Loan(s) to which it is a borrower in accordance with the terms of the Loans and the Loan Documents, in each case as hereby modified and amended, All such Loans and Loan Documents being hereby ratified and affirmed. The execution and delivery of this Amendment shall not constitute a novation or accord and satisfaction, or a modification of any lien, encumbrance or security title of the Loans or other Loan Documents. Without limiting the generality of the foregoing, all collateral given by any Borrower prior to the date hereof to secure repayment of the Loans does and shall continue to secure the obligations of the Borrowers under the Loans and Loan Documents, in each case as hereby modified and amended and, no such collateral shall be released until such obligations are satisfied and completely discharged. Each Borrower expressly reaffirms, ratifies, confirms and approves all of the security interests, liens, pledges and mortgages made by it in favor of any Lender prior to the date hereof, all of which shall be security for the prompt payment in full when due.

15. Counterparts. This Amendment may be executed in any number of separate counterparts and by different parties to this Amendment on such separate counterparts, each of which when executed shall be deemed an original, but all of which taken together constitute one and the same instrument. Any signature delivered by a party by .pdf or by facsimile transmission shall be deemed to be an original signature to this Amendment.

16. Governing Law. THIS AMENDMENT SHALL BE GOVERNED BY AND CONSTRUED UNDER THE LAWS OF THE STATE OF NORTH CAROLINA, WITHOUT REFERENCE TO ANY CHOICE OF LAW DOCTRINE.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Execution Date to be effective as of the Execution Date.

GREG E. LINDBERG

By: 
Greg E. Lindberg, an Individual

Address for Notice: 3406 Stagmoach Rd
Durham NC 27713

**AAI
ACADEMY ASSOCIATION, INC.**

By: 
Greg E. Lindberg, President

BORROWERS

By: 
Greg E. Lindberg, Attorney-In-Fact of
each of the Borrowers

NHC EXCLUDED BORROWERS

By: 
Greg E. Lindberg, Attorney-In-Fact of
each of the Borrowers

PREFERRED EQUITY OWNERS

By: 
Greg E. Lindberg, Attorney-In-Fact of each of
the Preferred Equity Owners

PREFERRED EQUITY ISSUERS

By: 
Greg E. Lindberg, Attorney-In-Fact of each of
the Preferred Equity Issuers

[Signature Page to Interim Amendment to Loan Agreements]

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Execution Date to be effective as of the Execution Date.

**AGENTS
COLORADO BANKERS LIFE INSURANCE
COMPANY**

By: _____
Name: _____
Title: _____

**SOUTHLAND NATIONAL INSURANCE
CORPORATION**

By: _____
Name: _____
Title: _____

NEW ENGLAND CAPITAL, LLC

By: Christa M Miller
Name: Christa Miller
Title: Manager

**PRIVATE BANKERS LIFE AND ANNUITY CO.,
LTD.**

By: _____
Name: _____
Title: _____

[Signature Page to Interim Amendment to Loan Agreements]

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Execution Date to be effective as of the Execution Date.

**AGENTS
COLORADO BANKERS LIFE INSURANCE
COMPANY**

By: _____
Name: _____
Title: _____

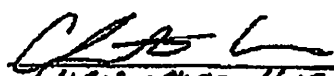
**SOUTHLAND NATIONAL INSURANCE
CORPORATION**

By: _____
Name: _____
Title: _____

NEW ENGLAND CAPITAL, LLC

By: _____
Name: _____
Title: _____

**PRIVATE BANKERS LIFE AND ANNUITY CO.,
LTD.**

By: 
Name: Christopher Hennessey
Title: Director

[Signature Page to Interim Amendment to Loan Agreements]

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Execution Date to be effective as of the Execution Date.

AGH
AGH PARENT, LLC

By: AGX Holdings, LLC
Its: Manager

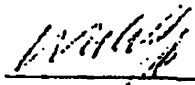
By: Christa M Miller
Name: Christa Miller
Its: Manager

[Signature Page to Interim Amendment to Loan Agreements]

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Execution Date to be effective as of the Execution Date.

EMAM

EDWARDS MILL ASSET MANAGEMENT, LLC

By: _____

Name: William N. Wofford

Title: Member

Address for Notice:

3110 Edwards Mill Road, Suite 300

Raleigh, NC 27612

[Signature Page to Interim Amendment to Loan Agreements]

EXHIBIT A
SENIOR LOANS
[See attached.]

Exhibit A

ILA Exhibit A - Senior Loans

Lender	Borrower	Principal and Interest
BLIC	Academy Financial Assets LLC	
BLIC	Academy Financial Assets LLC	
BLIC	Augusta Asset Management Inc	
BLIC	Baldwin Asset Management Inc	
BLIC	BMO	
BLIC	Capital Asset Fund I LLC	
BLIC	Capital Asset Fund IV LLC	
BLIC	Capital Asset Fund V LLC	
BLIC	Gilford Asset Management Inc	
BLIC	Hampton Asset Management Inc	
BLIC	Iron City Asset Management Inc	
BLIC	iTech Funding LLC	
BLIC	Jackson Asset Management Inc	
BLIC	Pierre Mendes	
BLIC	Summerville Asset Management Inc	
BLIC	TAC Investments LLC	
CBL	Academy Financial Assets LLC	
CBL	Academy Financial Assets LLC	
CBL	Academy Financial Assets LLC	
CBL	Alpharetta LLC	
CBL	AR Purchasing Solutions 2 LLC	
CBL	AR Purchasing Solutions LLC	
CBL	AT Denmark Investments ApS - (Arcane Tinmen)	
CBL	Augusta Asset Management Inc	
CBL	Baldwin Asset Management Inc	
CBL	Blue Violet	
CBL	BMO	
CBL	Capital Asset Fund I LLC	
CBL	Capital Asset Fund IV LLC	
CBL	Capital Asset Fund V LLC	
CBL	Capital Asset Management III LLC	
CBL	Chatsworth Asset Management Inc	
CBL	ComplySmart LLC	
CBL	Damascus Asset Management Inc	
CBL	Ephesus Asset Management inc	
CBL	Forest Park Asset Management Inc	
CBL	Hampton Asset Management Inc	
CBL	HPCSP Investments LLC	
CBL	Intralco Investments Limited	
CBL	Iron City Asset Management Inc	
CBL	iTech Funding LLC	
CBL	Jackson Asset Management Inc	
CBL	Kite Asset Management Inc	
CBL	Lares LLC	

CBL	Lily Asset Management Inc
CBL	Marshall Asset Management Inc
CBL	Medical Physics LLC
CBL	Medical Physics LLC
CBL	Paradise Asset Management Inc
CBL	PCF LLC
CBL	Pierre Mendes
CBL	Rockdale Asset Management Inc
CBL	Standard Financial Limited
CBL	Summerville Asset Management Inc
CBL	Tybee Island Asset Management Inc
NORTHSTAR	Alta Billing LLC
NORTHSTAR	AR Purchasing Solutions LLC
NORTHSTAR	Baldwin Asset Management Inc
NORTHSTAR	Barrington LLC
NORTHSTAR	Berlin LLC
NORTHSTAR	Chatsworth Asset Management Inc
NORTHSTAR	Conway LLC
NORTHSTAR	Damascus Asset Management Inc
NORTHSTAR	Ephesus Asset Management Inc
NORTHSTAR	Goffstown LLC
NORTHSTAR	Hansen Aerospace LLC
NORTHSTAR	HPCSP Investments LLC
NORTHSTAR	IMW EMR LLC
NORTHSTAR	Intralco Investments Limited
NORTHSTAR	iTech Funding LLC
NORTHSTAR	Jaffrey LLC
NORTHSTAR	Lares LLC
NORTHSTAR	LMG Holdings LLC
NORTHSTAR	Marval Investments Limited
NORTHSTAR	Medical Physics LLC
NORTHSTAR	MRX Holdings LLC/ M plus
NORTHSTAR	Standard Financial Limited
NORTHSTAR	Standard Malta Holdings Limited
NORTHSTAR	Summerville Asset Management Inc
NORTHSTAR	TAC Investments LLC
NORTHSTAR	Yarrow Three LLC
OMNIA	Yarrow Three LLC
PBLA	ASIM Holdings LLC
PBLA	Atkinson LLC
PBLA	Augusta Asset Management Inc
PBLA	Begonia Eight LLC
PBLA	Blue Daffodil LLC
PBLA	Blue Violet
PBLA	Capital Asset Fund I LLC
PBLA	Carnation Three LLC
PBLA	Chatsworth Asset Management Inc

PBLA	Chrysanthemum Two LLC
PBLA	CMC Holding Company LLC
PBLA	Daisy Seven LLC
PBLA	Drummond Group LLC
PBLA	Epping LLC
PBLA	Flowery Branch LLC
PBLA	Forsyth LLC
PBLA	Fortrex LLC
PBLA	Geranium Two LLC
PBLA	Gilford Asset Management Inc
PBLA	Greenfield Capital LLC
PBLA	Hansen Aerospace LLC
PBLA	Hooksett LLC
PBLA	IMW EMR LLC
PBLA	Red Begonia LLC
PBLA	Sedwick LLC
PBLA	Summerville Asset Management Inc
PBLA	TAC Investments LLC
PBLA	Weare LLC
PBLA	Yellow Lotus
PBLA	Academy Financial Assets LLC
PBLA	BLH Capital LLC
PBLA	Capital Asset Management II LLC
PBLA	Capital Asset Management III LLC
PBLA	Hampton Asset Management Inc
PBLA	Iron City Asset Management Inc
PBLA	Jackson Asset Management Inc
PBLA	Netherlands Insurance Holdings Inc
PBLA	Parallel Capital Assets
PBLA	Standard Investment Capital Ltd
SNIC	Academy Financial Assets LLC
SNIC	Augusta Asset Management Inc
SNIC	Baldwin Asset Management Inc
SNIC	BMO
SNIC	Capital Asset Fund I LLC
SNIC	Capital Asset Fund IV LLC
SNIC	Capital Asset Fund V LLC
SNIC	Damascus Asset Management Inc
SNIC	Ephesus Asset Management Inc
SNIC	Forest Park Asset Management Inc
SNIC	Hampton Asset Management Inc
SNIC	HPCSP Investments LLC
SNIC	Iron City Asset Management Inc
SNIC	ITech Funding LLC
SNIC	Jackson Asset Management Inc
SNIC	Pierre Mendes
SNIC	Summerville Asset Management Inc

SNIC	TAC Investments LLC
VISTA/USAP	Academy Financial Assets LLC
VISTA/USAP	Academy Financial Assets LLC
VISTA/USAP	Amherst LLC
VISTA/USAP	Augusta Asset Management Inc
VISTA/USAP	Barnstead LLC
VISTA/USAP	Bow LLC
VISTA/USAP	Canaan LLC
VISTA/USAP	Claremont LLC
VISTA/USAP	Deering LLC
VISTA/USAP	Derry LLC
VISTA/USAP	Dunbarton LLC
VISTA/USAP	Durham LLC
VISTA/USAP	Effingham LLC
VISTA/USAP	Farmington LLC
VISTA/USAP	Fiasco Fine Wine LLC
VISTA/USAP	Gilford Asset Management Inc
VISTA/USAP	Goshen LLC
VISTA/USAP	Henniker LLC
VISTA/USAP	Littleton LLC
VISTA/USAP	Londonderry LLC
VISTA/USAP	Meredith LLC
VISTA/USAP	Merrimack LLC
VISTA/USAP	Nashua LLC
VISTA/USAP	Rindge LLC
VISTA/USAP	Rumney LLC
VISTA/USAP	Standard Financial Limited
VISTA/USAP	Standard Malta Holdings Limited
VISTA/USAP	Stoddard LLC
VISTA/USAP	Summerville Asset Management Inc
VISTA/USAP	Swanzey LLC
VISTA/USAP	Tybee Island Asset Management Inc
VISTA/USAP	Wolfeboro LLC

Subtotal

Less

CBL	Duplicates through FinCos and PPNs
BLIC	Duplicates through FinCos and PPNs
SNIC	Duplicates through FinCos and PPNs
PBLA	Duplicates through FinCos and PPNs
Northstar	Duplicates through FinCos and PPNs
OMNIA	Duplicates through FinCos and PPNs
Vista/USAP	Duplicates through FinCos and PPNs

Total

EXHIBIT B
JUNIOR LOANS
[See attached.]

Exhibit B

ILA Exhibit B - Junior Loans

Lender	Borrower	Principal and Interest
BLIC	Academy Financial Assets LLC	
BLIC	HPCSP Investments LLC	
CBL	Academy Financial Assets LLC	
CBL	HPCSP Investments LLC	
NORTHSTAR	3BL Media LLC	
NORTHSTAR	CBV Collections Limited	
NORTHSTAR	CMC Holding Company LLC	
NORTHSTAR	IMW EMR LLC	
NORTHSTAR	MRX Holdings LLC/ M plus	
PBLA	ASIM Holdings LLC	
PBLA	Certification for Long-Term Care LLC (CLTC)	
SNIC	Academy Financial Assets LLC	
SNIC	HPCSP Investments LLC	
STANDARD RE	CBV Collections Limited	
Total		

EXHIBIT C
PREFERRED EQUITY
[See attached.]

Exhibit C

ILA Exhibit C - Preferred Equity

Lender	Borrower	Principal and Interest
BLIC	Barclays	
BLIC	Capital Asset Fund II LLC	
BLIC	Capital Asset Management II LLC	
BLIC	CV Investments LLC	
BLIC	Franklin Street	
BLIC	Gilford Asset Management Inc	
BLIC	Nom GB 2018	
CBL	Barclays	
CBL	Capital Asset Fund II LLC	
CBL	Capital Asset Management II LLC	
CBL	CV Investments LLC	
CBL	Franklin Street	
CBL	Gilford Asset Management Inc	
CBL	Nom GB 2018	
NORTHSTAR	ASL Holding LLC	
NORTHSTAR	Daisy Seven LLC	
NORTHSTAR	Damovo	
NORTHSTAR	iTech Funding LLC	
NORTHSTAR	Konnect Net Holdings LLC	
NORTHSTAR	Triton Financial Limited	
OMNIA	Flagship Holding LLC	
OMNIA	MBW Interco LLC	
PBIHL	Flagship Holding LLC	
PBLA	BRC Holding LLC	
PBLA	iTech Funding LLC	
PBLA	LMG Holding LLC	
PBLA	Nom GB 2018	
SNIC	Barclays	
SNIC	Capital Asset Fund II LLC	
SNIC	Capital Asset Management II LLC	
SNIC	CV Investments LLC	
SNIC	Franklin Street	
SNIC	Gilford Asset Management Inc	
SNIC	Nom GB 2018	
VISTA/AIC	Nom GB 2018	
Vista/USAP	Barclays	
Subtotal		
Less		
CBL	Duplicates through FinCos and PPNs	
BLIC	Duplicates through FinCos and PPNs	
SNIC	Duplicates through FinCos and PPNs	
PBLA	Duplicates through FinCos and PPNs	
Vista/USAP	Duplicates through FinCos and PPNs	

Vista/AIC Duplicates through FinCos and PPNs

Total



EXHIBIT D
AGERA FINANCING DOCUMENTS
{See attached.}

Exhibit D

ILA Exhibit D - Agera Financing Documents

Lender	Borrower	Principal and Interest
Baldwin Asset Management Inc	AGH Parent LLC	
Capital Asset Fund II LLC	AGH Parent LLC	
Capital Asset Fund IV LLC	Agera Holdings LLC	
Capital Asset Fund V LLC	Agera Holdings LLC	
CBL	Agera Energy LLC	
Derry LLC	Mckinley Ventures Group LLC	
Effingham LLC	AGH Parent LLC	
Iron City Asset Management Inc	AGH Parent LLC	
Littleton LLC	Mckinley Ventures Group LLC	
NORTHSTAR	AGH Parent LLC	
OMNIA	AGH Parent LLC	
OMNIA	AGH Parent LLC	
OMNIA	AGH Parent LLC	
Paradise Asset Management Inc	Agera Holdings LLC	
Paradise Asset Management Inc	Red River Developments LLC	
PBIHL	AGH Parent LLC	
PBIHL	AGH Parent LLC	
PBIHL	AGH Parent LLC	
PBLA	AGH Parent LLC	
PBLA	AGH Parent LLC	
PBLA	AGH Parent LLC	
Rockdale Asset Management Inc	Agera Holdings LLC	
Rockdale Asset Management Inc	Red River Developments LLC	
Stoddard LLC	Mckinley Ventures Group LLC	
Summerville Asset Management Inc	AGH Parent LLC	
Yarrow Three LLC	AGH Parent LLC	
Yarrow Three LLC	Red River Developments LLC	
Total		

EXHIBIT E
PBLA LOANS
[See attached.]

Exhibit E

ILA Exhibit E - PBLA Loans

Lender	Borrower	Principal and Interest
PBLA Main	AAPC Holdings LLC	
PBLA Main	AGH Parent LLC	
PBLA Main	Academy Financial Assets LLC	
PBLA Main	GBIG Capital LLC	
PBLA Main	GBIG Capital LLC	
PBLA Main	Flagship Holding LLC	
PBLA Main	Academy Financial Assets LLC	
PBLA Main	Capital Asset Fund I LLC	
PBLA Main	Capital Asset Management II LLC	
PBLA Main	Yarrow Three LLC	
Total		

EXHIBIT F

**NHC EXCLUDED BORROWERS
& LOANS EXCLUDED FROM NHC**

[See attached.]

Exhibit F

ILA Exhibit F - NHC Excluded Borrowers & Loans Excluded from NHC

Lender	Borrower	Principal and Interest
Baldwin Asset Management Inc	BCC Research	
Baldwin Asset Management Inc	UKAT Investment	
Capital Asset Fund I LLC	BCC Holdings LLC	
Capital Asset Fund I LLC	BCC Research	
Capital Asset Fund I LLC	PBO Holdings Inc	
Capital Asset Fund II LLC	BCC Research	
Capital Asset Fund II LLC	UKAT Investment	
Capital Asset Fund IV LLC	UKAT Investment	
Capital Asset Fund V LLC	UKAT Investment	
Chatsworth Asset Management Inc	Automotive Fleet Inv. Ltd	
Chatsworth Asset Management Inc	UKAT Investment	
Damascus Asset Management Inc	Automotive Fleet Inv. Ltd	
Damascus Asset Management Inc	Proactive Software Holdings	
Damascus Asset Management Inc	UKAT Investment	
Ephesus Asset Management Inc	Automotive Fleet Inv. Ltd	
Ephesus Asset Management Inc	UKAT Investment	
Forest Park Asset Management Inc	Automotive Fleet Inv. Ltd	
Forest Park Asset Management Inc	UKAT Investment	
Gilford Asset Management Inc	BCC Research	
Gilford Asset Management Inc	UKAT Investment	
Hampton Asset Management Inc	Global Data Insights Limited	
Hampton Asset Management Inc	UKAT Investment	
Iron City Asset Management Inc	Automotive Fleet Inv. Ltd	
Iron City Asset Management Inc	Proactive Software Holdings	
Iron City Asset Management Inc	Proactive Software Holdings	
Iron City Asset Management Inc	UKAT Investment	
Jackson Asset Management Inc	UKAT Investment	
Kite Asset Management Inc	BCC Research	
Kite Asset Management Inc	UKAT Investment	
Lily Asset Management Inc	Automotive Fleet Inv. Ltd	
Lily Asset Management Inc	UKAT Investment	
Marshall Asset Management Inc	Automotive Fleet Inv. Ltd	
Marshall Asset Management Inc	BCC Research	
Marshall Asset Management Inc	UKAT Investment	
NORTHSTAR	Automotive Fleet Inv. Ltd	
NORTHSTAR	UKAT Investment	
PBLA	UKAT Investment	
Pierre Mendes	Global Data Insights Limited	
Pierre Mendes	UKAT Investment	
Summerville Asset Management Inc	Automotive Fleet Inv. Ltd	
Summerville Asset Management Inc	Global Data Insights Limited	
Swanzy LLC	BCC Holdings LLC	
Tybee Island Asset Management Inc	Automotive Fleet Inv. Ltd	
Tybee Island Asset Management Inc	UKAT Investment	

Total



EXHIBIT G
INSURANCE HOLD CO-RELATED DEBT
[See attached.]

Exhibit G

ILA Exhibit G - Insurance Hold Co-Related Debt

Lender	Borrower	Principal and Interest
Alstead LLC	GBIG Capital LLC	
Augusta Asset Management Inc	GBIG Capital LLC	
Augusta Asset Management Inc	GBIG Holdings Inc	
Baldwin Asset Management Inc	GBIG Holdings Inc	
Baldwin Asset Management Inc	PBX Bermuda Holdings Ltd	
BLIC	Netherlands Insurance Holdings Inc	
Bow LLC	GBIG Capital LLC	
Canaan LLC	GBIG Holdings Inc	
Capital Asset Fund II LLC	GBIG Capital LLC	
Capital Asset Fund II LLC	PBX Bermuda Holdings Ltd	
Capital Asset Fund IV LLC	Beaufort Holding S.A.	
Capital Asset Fund IV LLC	PBX Bermuda Holdings Ltd	
Capital Asset Fund IV LLC	PBX Bermuda Holdings Ltd	
Capital Asset Fund IV LLC	PBX Holdings LLC	
Capital Asset Fund V LLC	GBIG Holdings Inc	
Capital Asset Fund V LLC	Netherlands Insurance Holdings Inc	
Capital Asset Fund V LLC	PBX Bermuda Holdings Ltd	
CBL	Beaufort Holding S.A.	
CBL	Netherlands Insurance Holdings Inc	
Chatsworth Asset Management Inc	GBIG Holdings Inc	
Chrysanthemum Two LLC	PBX Holdings LLC	
Claremont LLC	NIH Capital LLC	
Daisy Seven LLC	Netherlands Insurance Holdings Inc	
Damascus Asset Management Inc	GBIG Holdings Inc	
Damascus Asset Management Inc	PBX Bermuda Holdings Ltd	
Dunbarton LLC	GBIG Holdings Inc	
Ephesus Asset Management Inc	GBIG Holdings Inc	
Hampton Asset Management Inc	GBIG Holdings Inc	
Hampton Asset Management Inc	Netherlands Insurance Holdings Inc	
Hampton Asset Management Inc	PBX Holdings LLC	
Henniker LLC	GBIG Holdings Inc	
Iron City Asset Management Inc	GBIG Holdings Inc	
Jackson Asset Management Inc	GBIG Capital LLC	
Jackson Asset Management Inc	GBIG Holdings Inc	
Kite Asset Management Inc	PBX Bermuda Holdings Ltd	
Lily Asset Management Inc	Netherlands Insurance Holdings Inc	
Londonderry LLC	NIH Capital LLC	
Marshall Asset Management Inc	GBIG Capital LLC	
Marshall Asset Management Inc	PBX Bermuda Holdings Ltd	
Marshall Asset Management Inc	PBX Holdings LLC	
Meredith LLC	NIH Capital LLC	
Nashua LLC	GBIG Holdings Inc	
New Ipswich LLC	GBIG Capital LLC	
NORTHSTAR	Beaufort Holding S.A.	

NORTHSTAR	Beaufort Holding S.A.
NORTHSTAR	Beaufort Holding S.A.
NORTHSTAR	GBIG Capital LLC
NORTHSTAR	GBIG Capital LLC
NORTHSTAR	PBX Bermuda Holdings Ltd
OMNIA	GBIG Capital LLC
Paradise Asset Management Inc	Netherlands Insurance Holdings Inc
Paradise Asset Management Inc	PBX Bermuda Holdings Ltd
PBIHL	GBIG Capital LLC
PBLA	GBIG Capital LLC
PBLA	New England Capital LLC
Pierre Mendes	GBIG Capital LLC
Rockdale Asset Management Inc	PBX Bermuda Holdings Ltd
SNIC	GBIG Holdings Inc
SNIC	Netherlands Insurance Holdings Inc
SNIC	PBX Bermuda Holdings Ltd
STANDARD RE	GBIG Holdings Inc
Stratham LLC	GBIG Capital LLC
Summerville Asset Management Inc	GBIG Capital LLC
Summerville Asset Management Inc	GBIG Capital LLC
Tybee Island Asset Management Inc	GBIG Capital LLC
Tybee Island Asset Management Inc	GBIG Holdings Inc
Wolfeboro LLC	NIH Capital LLC
Total	

EXHIBIT H

SPVs

Secured Loan-Backed Funding I, LLC
Secured Loan-Backed Funding II, LLC
Secured Loan-Backed Funding III, LLC
Secured Loan-Backed Funding IV, LLC
Secured Loan-Backed Funding V, LLC
Secured Loan-Backed Funding VI, LLC
Secured Loan-Backed Funding VII, LLC
Secured Loan-Backed Funding VIII, LLC
Secured Loan-Backed Funding IX, LLC
Secured Loan-Backed Funding X, LLC
Secured Loan-Backed Funding XI, LLC
Secured Loan-Backed Funding XII, LLC
Secured Loan-Backed Funding XIII, LLC
Secured Loan-Backed Funding XIV, LLC
Secured Loan-Backed Funding XV, LLC
Secured Loan-Backed Funding XVI, LLC
Secured Loan-Backed Funding XVII, LLC
Alstead, LLC
Amherst, LLC
Atkinson, LLC
Barnstead, LLC
Barrington, LLC
Berlin, LLC
Bow, LLC
Canaan, LLC
Claremont, LLC
Conway, LLC
Deering, LLC
Derry, LLC
Dunbarton, LLC
Durham, LLC

Exhibit H

Effingham, LLC
Epping, LLC
Farmington, LLC
Franconia, LLC
Gilford, LLC
Goffstown, LLC
Goshen, LLC
Hampstead, LLC
Henniker, LLC
Hooksett, LLC
Hopkinton, LLC
Jaffrey, LLC
Laconia, LLC
Littleton, LLC
Londonderry, LLC
Loudon, LLC
Madbury, LLC
Meredith, LLC
Merrimack, LLC
Nashua, LLC
New Ipswich, LLC
Plaistow, LLC
Raymond, LLC
Rindge, LLC
Rumney, LLC
Sandown, LLC
Somersworth, LLC
Stoddard, LLC
Stratham, LLC
Swanzey, LLC
Weare, LLC
Wolfeboro, LLC
Anaconda, LLC
Athens, LLC
Augusta, LLC

Berkeley Lake, LLC
Cobra, LLC
Columbus, LLC
Macon, LLC
Shirt, LLC
Tornado, LLC
Valdosta, LLC
Ahoskie, LLC
Asheboro, LLC
Casar, LLC
Clayton, LLC
Cowper, LLC
Creston, LLC
Faison, LLC
Fayetteville, LLC
Greenville, LLC
Holt, LLC
Iredell, LLC
Jacksonville, LLC
Kenly, LLC
Louisburg, LLC
Morresville, LLC
Norlina, LLC
Whitaker Mill, LLC
Williamson, LLC
AAH Loan-Backed Funding, LLC
BCC Junior Loan-Backed Funding, LLC
BCC Senior Loan-Backed Funding, LLC
BKT Loan-Backed Funding, LLC
CLTC Junior Loan-Backed Funding, LLC
CLTC Senior Loan-Backed Funding, LLC
CMC Loan-Backed Funding, LLC
SFM Loan-Backed Funding, LLC
TCC Junior Loan-Backed Funding, LLC
TCC Senior Loan-Backed Funding, LLC

REVOLVING CREDIT AGREEMENT

THIS REVOLVING CREDIT AGREEMENT (this "Agreement") is entered into as of June 27, 2019 to be effective as of June 6, 2019 (the "Effective Date") by and between Academy Financial Assets, LLC, a North Carolina limited liability company (the "Borrower" or "Company"), and Colorado Bankers Life Insurance Company, a North Carolina insurance company (the "Lender").

WHEREAS, the Borrower desires to obtain from the Lender, and the Lender desires to provide to the Borrower, an unsecured revolving loan facility permitting the Borrower to obtain credit extensions periodically from the Lender upon request, subject to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants contained in this Agreement, the Borrower and the Lender agree as follows:

1. TERMS OF BORROWING.

a. Credit Facility. Subject to the following terms and conditions, the Lender agrees to make a credit facility available to the Borrower (the "Credit Facility") in the maximum amount of forty million and 00/100 Dollars (\$40,000,000) (the "Maximum Credit Balance") pursuant to which the Lender will make loans to the Borrower (each, an "Advance") in such amounts as the Borrower may request from time to time. The aggregate outstanding principal balance of all Advances made hereunder may not exceed the Maximum Credit Balance. Amounts borrowed under the Credit Facility may be repaid prior to the Termination Date (defined below) without penalty and may be re-borrowed subject to the terms hereof. The Lender shall maintain a record of all Advances made hereunder, all interest accrued hereunder, and all payments and prepayments made by the Borrower, and shall provide such record to the Borrower promptly upon request. Absent demonstrated error, such record shall be binding on the Borrower. It is agreed that (x) the \$5 million advance made by the Lender to the Borrower in April 2019 and (y) the \$6 million advance made by the Lender to the Borrower on June 6, 2019 are deemed, and shall be, amounts outstanding hereunder as of the Effective Date.

i. the Lender's commitment to lend hereunder terminates on June 30th, 2020 (the "Termination Date"), if not sooner terminated under Section 7 below.

ii. the Lender shall not be obligated to make any Advance which would cause the outstanding principal balance of the Credit Facility (the "Credit Balance") to exceed the Maximum Credit Balance.

iii. the Lender shall not be obligated to make any Advance if an Event of Default, as defined below, or an event which, with the giving of notice or lapse of time, or both, would become an Event of Default (a "Potential Default") has occurred and has not been waived by the Lender or cured by the Borrower.

b. Interest. The Borrower agrees to pay interest on the Credit Balance from time to time as provided herein. Interest will accrue on the daily outstanding Credit Balance at the rate of five percent (5%) per annum (the "Applicable Interest Rate"). All interest owing hereunder shall be computed on the basis of a year of 365 days and calculated in each case for the actual number of days elapsed. All accrued interest hereunder shall be due on each monthly anniversary of the Effective Date (each, an "Interest Payment Date"); provided, however, that on the first two Interest Payment Dates hereunder, all interest accrued hereunder shall not be payable in cash but shall be added to the Credit Balance as an additional Advance and shall subsequently bear interest at the Applicable Interest Rate (or the interest rate per annum as provided under clause (c) immediately below, if applicable).

c. Default Interest. After the occurrence and during the continuance of an Event of Default, at the Lender's option, the interest rate applicable to the then-outstanding Credit Balance may be increased to the lesser of the maximum rate chargeable under applicable law and twelve percent (12%) per annum ("Default Interest").

d. Repayment of Principal and Interest. The Borrower agrees to repay all Advances made hereunder. The Credit Balance and all accrued, unpaid interest thereon, if any, will be due and payable on June 30th, 2020 (the "Maturity Date"), subject to acceleration upon the occurrence of an Event of Default as provided herein. The Borrower may prepay accrued interest and/or the principal of the Credit Balance in whole or in part at any time without penalty.

e. Method of Borrowing. Requests for Advances may be submitted by the Borrower in writing utilizing the Advance Request Certificate in the form of Exhibit A hereto. The Lender shall be required to honor any such request it reasonably believes to be genuine. Advances shall be disbursed directly to the Borrower or as determined by the Lender with the written consent of the Borrower.

f. Optional Reduction. Upon at least two (2) business days' prior written notice (or telephonic notice promptly confirmed in writing) to the Lender (which notice shall be irrevocable), the Borrower may reduce the Maximum Credit Balance in part or terminate the Credit Facility in whole; provided, that no such reduction shall be permitted which would reduce the Maximum Credit Balance (after giving effect thereto) to an amount less than the Credit Balance then outstanding.

g. Late Charge. In the event that any payment due under this Section 1 is not received by the Lender within fifteen (15) days of the date such payment is due (inclusive of the date when due), the Borrower shall pay to the Lender a late charge equal to five percent (5%) of such payment. Such fee shall be payable on the earlier of (i) the date of demand by the Lender and (ii) the date that the Borrower makes the late payment.

2. REPRESENTATIONS AND WARRANTIES.

To induce the Lender to enter into this Agreement, the Borrower represents and warrants as follows:

- a. Formation. The Borrower is a limited liability company duly organized, validly existing, and in good standing under the laws of its state of formation, has all requisite power and authority to carry on its business as now conducted, and, except as would not be expected to result in a Material Adverse Effect, is duly qualified or licensed and in good standing to do business as a foreign entity in all jurisdictions in which the Borrower does business. As used herein, "Material Adverse Effect" means any of the following: (i) a material adverse change in, or material adverse effect upon, the business, condition (financial or otherwise), operations, performance or properties of the Borrower; (ii) a material impairment of the ability of the Borrower to perform its obligations under this Agreement; or (iii) a material adverse effect upon the legality, validity, binding effect or enforceability of the Agreement or the rights and remedies of the Lender under the Agreement.
- b. Borrower's Authorization. The execution, delivery and performance by the Borrower of this Agreement and any and all other instruments, agreements, documents and writings executed in connection with this agreement (the "Loan Documents") (i) are within the Borrower's powers, (ii) have been authorized by all necessary limited liability company action, and (iii) do not and will not contravene the Borrower's articles of organization or operating agreement, violate any provision of law or result in a breach of or default under any other material agreement to which the Borrower is a party.
- c. Litigation. There is no pending action, claim, lawsuit, investigation or proceeding against the Borrower before any court, governmental agency, arbitrator or arbitration panel, which if decided adversely to the Borrower would have a Material Adverse Effect or would draw into question the validity or enforceability of this Agreement or any other Loan Document ("Material Litigation").
- d. Valid Obligations. This Agreement and all Loan Documents constitute legal, valid and binding obligations of the Borrower, enforceable against the Borrower in accordance with their terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to principles of equity, regardless of whether considered in a proceeding in equity or at law.
- e. Taxes. The Borrower (i) has filed all tax reports and returns, if any, required to be filed, including but not limited to reports and returns concerning income, franchise, employment, sales and use, and property taxes; and (ii) has paid all of its tax liabilities, if any, which were due on or prior to the date hereof.
- f. No Default in Other Agreements. The Borrower is not in default under any material contract or other material binding obligation. The execution, delivery and performance by the Borrower of this Agreement and each of the other Loan Documents (i) will not violate or result in a default under any indenture, material agreement or other material instrument binding on the Borrower or any of its affiliates or any of its assets or give rise to a right thereunder to require any payment to be made by the Borrower or any of its affiliates and (ii) will not result in the creation or imposition of any lien on any asset of the Borrower or any of its affiliates, except liens (if any) created under the Loan Documents.

g. Governmental Approvals. The execution, delivery and performance by the Borrower of this Agreement and each of the other Loan Documents (i) do not require any consent or approval of, registration or filing with, or any action by, any governmental authority, except those as have been obtained or made and are in full force and effect or where the failure to do so, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect, and (ii) will not violate any order of any Governmental Authority.

h. Compliance with Laws and Agreements. The Borrower and each of its affiliates is in compliance with (i) all applicable laws, rules, regulations and orders of any governmental authority, and (ii) all indentures, agreements or other instruments binding upon it or its properties, except where non-compliance, either singly or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

i. Investment Company Act, Etc. The Borrower is not an "investment company," as defined in, or subject to regulation under, the Investment Company Act of 1940, as amended, or is otherwise subject to any other regulatory scheme limiting its ability to incur debt.

j. Disclosure. The Borrower has disclosed to the Lender all agreements, instruments, and corporate or other restrictions to which the Borrower or any of its affiliates is subject, and all other matters known to any of them, that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect. None of the reports (including without limitation all reports that the Borrower is required to file with the Securities and Exchange Commission, if any), financial statements, certificates or other information furnished by or on behalf of the Borrower to the Lender in connection with the negotiation of this Agreement or any other Loan Document or delivered hereunder or thereunder (as modified or supplemented by any other information so furnished) contains any material misstatement of fact or omits to state any material fact necessary to make the statements therein, taken as a whole, in light of the circumstances under which they were made, not misleading.

k. Solvency. After giving effect to the execution and delivery of the Loan Documents and the making of the Advances under this Agreement, the Borrower is solvent.

l. Anti-Corruption Laws and Sanctions. The Borrower has implemented and maintains in effect policies and procedures designed to ensure compliance in all material respects by the Borrower and its directors, officers, employees and agents with all laws, rules, and regulations of any jurisdiction applicable to the Borrower from time to time concerning or relating to bribery or corruption ("Anti-Corruption Laws") and applicable economic or financial sanctions or trade embargoes administered or enforced from time to time by (a) the U.S. government, including those administered by OFAC or the U.S. Department of State or (b) the United Nations Security Council, the European Union or Her Majesty's Treasury of the United Kingdom ("Sanctions"), and the Borrower and its directors, officers and employees and to the knowledge of the Borrower its agents, are in compliance with Anti-Corruption Laws and applicable Sanctions. None of (i) the Borrower, any affiliate of Borrower or any of its or their respective directors, officers or employees, or (ii) to the knowledge of the Borrower, any agent of the Borrower or any affiliate of Borrower that will act in any capacity in connection with or benefit from the Credit Facility, is a Sanctioned Person. The term "Sanctioned Person" means (x) a

person listed in any Sanctions-related list of designated persons maintained by OFAC, the U.S. Department of State, the United Nations Security Council, the European Union or any EU member state, (y) a person located, organized or resident in a country, region or territory that is, or whose government is, the subject or target of any Sanctions ("Sanctioned Country") or (z) a person controlled by any such person. No Credit Facility, Advance, use of proceeds or other transactions will violate Anti-Corruption Laws or applicable Sanctions.

3. CONDITIONS PRECEDENT.

a. Conditions Precedent to All Advances. The obligation of the Lender to make each Advance, including the initial Advance (unless expressly provided otherwise), shall be subject to satisfaction of the following conditions precedent, unless unambiguously waived by Lender in writing:

i. the Borrower shall have duly executed and delivered to the Lender this Agreement;

ii. the Borrower shall have duly executed and delivered to the Lender a promissory note evidencing the Credit Facility;

iii. the Borrower shall have delivered to the Lender a certificate of the Secretary or Assistant Secretary of the Borrower, attaching and certifying copies of its limited liability company operating agreement and of the resolutions of its managers or members or other appropriate officers, authorizing the execution, delivery and performance of this Agreement and all Loan Documents and certifying the name, title and true signature of each officer of the Borrower executing the Loan Documents;

iv. the Borrower shall have delivered to the Lender certified copies of the articles of organization of the Borrower, together with certificates of good standing or existence, as may be available from the Secretary of State of the jurisdiction of organization of the Borrower and each other jurisdiction where Borrower is required to be qualified to do business as a foreign limited liability company;

v. except with respect to the initial Advance, the Borrower shall have executed and delivered to the Lender an Advance Request Certificate in the form of Exhibit A attached hereto;

vi. the Borrower shall have duly executed and delivered to the Lender a funds disbursement agreement;

vii. the Borrower shall have delivered to the Lender all documentation and other information with respect to the Borrower that the Lender reasonably believes is required by regulatory authorities under applicable "know-your-customer" and anti-money laundering rules and regulations, including without limitation the Patriot Act;

viii. the representations and warranties contained in Section 2 above and all Loan Documents shall be true and correct in all respects on and as of the date of such Advance as though made on and as of such date;

ix. no event has occurred and is continuing, or would result from such Advance immediately after giving effect thereto, which constitutes an Event of Default or Potential Default;

x. no proceeding in bankruptcy shall have been commenced against or involving the Borrower or its affiliates, and the Borrower and all of its affiliates shall not be insolvent or have made an assignment for the benefit of its creditors; and no event or series of events shall have occurred which in the opinion of the Lender has had or could reasonably be expected to have a Material Adverse Effect;

xi. the Borrower shall have delivered to the Lender a certificate signed by an authorized representative of Borrower confirming compliance with the conditions set forth in items (viii)-(x); and

xii. the Borrower shall have delivered to the Lender such other documents, certificates, information or legal opinions as the Lender may reasonably request, all in form and substance satisfactory to the Lender.

The making of each Advance shall be deemed to constitute a representation and warranty by the Borrower on the date thereof as to the matter specified in items (viii)-(x) above.

4. AFFIRMATIVE COVENANTS.

So long as any Credit Balance or any Debt (as hereinafter defined) of the Borrower to the Lender remains unpaid or the Lender has any commitment to lend hereunder, the Borrower will:

a. Corporate Existence. Preserve and maintain its existence, rights, licenses, permits, privileges, material intellectual property and franchises in its state of formation and which are material to the conduct of its business and, except as would not reasonably be expected to result in a Material Adverse Effect, qualify and remain qualified and in good standing as a foreign entity in each jurisdiction in which such qualification is necessary in view of its operation or ownership of its properties;

b. Payment of Obligations. Pay or discharge when due all obligations including but not limited to wages, trade accounts, and taxes of all kinds, except those which the Borrower is in good faith contesting by appropriate proceedings;

c. Notice of Default, Change in Entity, Litigation and Material Events. Promptly notify the Lender in writing, which such writing shall include a written statement of an officer of Borrower setting forth the details of the event or development requiring such notice and any action taken or proposed to be taken with respect thereto, of (i) the occurrence of any Event of Default or Potential Default; (ii) any change in its name, address, form of entity or organizational or capital

structure; (iii) the threat of or commencement of any Material Litigation; and (iv) any other development that results in, or could reasonably be expected to result in, a Material Adverse Effect;

d. Compliance with Laws. Comply with all applicable laws, rules, regulations and orders except where failure to do so would not reasonably be expected to result in a Material Adverse Effect;

e. Conduct of Business. Maintain and conduct the business of the Borrower in the ordinary course without any material change in the nature of the Borrower's business.

f. Books and Records. Keep proper books of record and account in which full, true and correct entries shall be made of all dealings and transactions in relation to its business and activities to the extent necessary to prepare financial statements in conformity with generally accepted accounting principles in the United States consistently applied ("GAAP").

g. Taxes, Charges and Liens. Pay and discharge when due all of its indebtedness, liabilities and obligations, including without limitation all assessments, taxes, governmental charges, levies and liens of every kind and nature, imposed upon them or their properties, income, or profits, prior to the date on which penalties would attach, and all lawful claims that, if unpaid, might become a lien or charge upon any of their properties, income, or profits except that which the Borrower is in good faith contesting by appropriate proceedings;

h. Performance. Perform and comply in all material respects, in a timely manner, with all terms, conditions, and provisions set forth in this Agreement, the Loan Documents and all other instruments and agreements between the Borrower and the Lender;

i. Compliance with Governmental Requirements. Comply with all laws, ordinances, and regulations, now or hereafter in effect, of all governmental authorities applicable to the conduct of its properties, business and operations; and

j. Use of Proceeds. Use the proceeds of each Advance only for working capital needs and for other general corporate purposes of the Borrower and any of its subsidiaries; provided, there shall be no restriction on use of proceeds to pay down insurance-related obligations and pay insurance-related interest, and all such uses are deemed approved; provided, further, that: (i) use of proceeds of any Advance must be approved by the Lender prior to distribution of the Advance; (ii) no part of the proceeds of any Advance will be used, whether directly or indirectly, for any purpose that would violate any rule or regulation of the Board of Governors of the Federal Reserve System, including Regulations T, U or X, or in any manner which would cause the representations contained in Section 2.1 of this Agreement to be false; (iii) the Borrower will not request any Advance, and the Borrower will not use, and procure that its affiliates and its and their respective directors, officers, employees and agents will not use, the proceeds of any Advance (x) in the furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any person in violation of any Anti-Corruption Laws, (y) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country, to the extent such activities, businesses or transaction would be prohibited by Sanctions if conducted by a corporation incorporated in the

United States or in an European Union member state or (z) in any manner that would result in the violation of any Sanctions applicable to any party hereto; and (iv) for the avoidance of doubt, no proceeds of any Advance may be used for payments on homes, airplanes or yachts.

5. NEGATIVE COVENANTS.

So long as any Credit Balance or any Debt (as hereinafter defined) of the Borrower to the Lender remains unpaid or the Lender has any commitment to lend hereunder, without the prior written consent of the Lender, the Borrower will not:

a. Guaranty. Guarantee or become liable in any way as surety for, or pledge or hypothecate any assets as security for, any liability or obligation of any other person or entity;

b. Merger or Sale. Merge into or consolidate with any corporation or other entity, or sell, lease, assign or otherwise transfer or dispose of any material portion of its assets;

c. Debt. Create, incur, assume or permit to exist, any Debt (as defined below) which is senior to or pari passu with the Debt incurred pursuant to this Agreement, except (i) Debt to the lenders identified under that certain Loan and Security Agreement dated as of March 31, 2017 in which Lender serves as administrative agent for the lenders thereto or (ii) Debt incurred by the Borrower in the ordinary course of business for the acquisition of goods or services. "Debt" means all (i) obligations of Borrower for borrowed money or for the deferred purchase price of goods or services; (ii) obligations of Borrower as lessee under leases which shall have been or should be, in accordance with GAAP, recorded as capital leases on a balance sheet of the Borrower under GAAP, and the amount of such obligations shall be the capitalized amount thereof determined in accordance with GAAP (provided, however, notwithstanding anything to the contrary herein, for purposes of determining the amount of any outstanding Debt, no effect shall be given to (a) any election by the Borrower to measure an item of Debt using fair value (as permitted by Financial Accounting Standards Board Accounting Standards Codification 825-10-25 (formerly known as FASB 159) or any similar accounting standard) or (b) any accounting treatment pursuant to GAAP resulting from the implementation of Financial Accounting Standards Board ASU No. 2016-02, Leases (Topic 842), to the extent such adoption would require recognition of a lease liability where such lease (or similar arrangement) would not have required a lease liability under GAAP as in effect on December 31, 2018); (iii) obligations of Borrower under direct or indirect guaranties in respect of, and obligations (contingent or otherwise) to purchase or otherwise acquire, or otherwise assure a creditor against loss in respect of, indebtedness or obligations of the kinds referred to in clause (i) or (ii) above; (iv) obligations of Borrower evidenced by bonds, debentures, notes or other similar instruments; (v) obligations of Borrower under any conditional sale or other title retention agreement(s) relating to property acquired by the Borrower; (vi) obligations, contingent or otherwise, of Borrower in respect of letters of credit, acceptances or similar extensions of credit; and (vii) indebtedness of a third party secured by any lien on property owned by Borrower, whether or not such indebtedness has been assumed by such person; and (viii) all obligations of Borrower, contingent or otherwise, to purchase, redeem, retire, or otherwise acquire for value any capital stock of borrower.

d. Change of Control. Allow a Change of Control of the Borrower. For the purposes of this Agreement, "Change of Control" means any transaction of the Borrower involving (i) the merger or consolidation of the Borrower into or with another entity where the Borrower's membership interest holders receive less than fifty percent (50%) of the voting securities of the new or continuing entity, (ii) the sale or all or substantially all of the Borrower's assets or properties, (iii) any person not already a membership interest holder (other than the estate of such interest holder, his/her family and/or a trust maintained for the benefit of any of the foregoing) of the Borrower becoming a beneficial owner, directly or indirectly, of the securities of the Borrower representing fifty percent (50%) or more of the combined voting power of the Borrower's then outstanding securities, (iv) a change in the manager(s) of the Borrower, or (v) the Borrower terminating its business or liquidating its assets. For purposes of clarity, any Change of Control anticipated by the MOU (defined below) and approved by the Lender shall be permitted hereunder;

e. Charter Documents. Amend, repeal or change, directly or indirectly, any of the provisions of the articles of organization, or operating agreement, of the Borrower without the written consent of the Lender;

f. Liquidations or Recapitalization. Authorize or effect any transaction that results, directly or indirectly, in the liquidation or dissolution of the Borrower or effect a recapitalization or reorganization of the Borrower in any form of transaction;

g. Negative Pledge. Create, incur, assume or suffer to exist, or permit any of its subsidiaries to create, incur, assume or suffer to exist, any lien on any of its assets or property now owned or hereafter acquired, except for (i) liens created in favor of Lender pursuant to the Loan Documents; (ii) liens imposed by law for taxes not yet due or which are being contested in good faith by appropriate proceedings and with respect to which adequate reserves are being maintained in accordance with GAAP; (iii) statutory liens of landlords and liens of carriers, warehousemen, mechanics, materialmen and other liens imposed by law created in the ordinary course of business for amounts not yet due or which are being contested in good faith by appropriate proceedings and with respect to which adequate reserves are being maintained in accordance with GAAP; (iv) pledges and deposits made in the ordinary course of business in compliance with workers' compensation, unemployment insurance and other social security laws or regulations; (v) deposits to secure the performance of bids, trade contracts, leases, statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature, in each case in the ordinary course of business; (vi) judgment and attachment liens not giving rise to an Event of Default or liens created by or existing from any litigation or legal proceeding that are currently being contested in good faith by appropriate proceedings and with respect to which adequate reserves are being maintained in accordance with GAAP; and (vii) easements, zoning restrictions, rights-of-way and similar encumbrances on real property imposed by law or arising in the ordinary course of business that do not secure any monetary obligations and do not materially detract from the value of the affected property or materially interfere with the ordinary conduct of business of the Borrower taken as a whole (provided, that nothing described in items (ii) through (vii) shall include any lien securing indebtedness).

h. Investments, Loans, Etc. Purchase, hold or acquire (including pursuant to any merger with any entity that was not a wholly-owned subsidiary prior to such merger), any stock,

evidence of indebtedness or other securities (including any option, warrant, or other right to acquire any of the foregoing) of, make or permit to exist any loans or advances to, guarantee any obligations of, or make or permit to exist any investment or any other interest in, any other entity (all of the foregoing being collectively called "Investments"), or purchase or otherwise acquire (in one transaction or a series of transactions) any assets of any other entity that constitute a business unit, except: (i) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States (or by any agency thereof to the extent such obligations are backed by the full faith and credit of the United States), in each case maturing within one year from the date of acquisition thereof; (ii) commercial paper having the highest rating, at the time of acquisition thereof, of S&P or Moody's and in either case maturing within six (6) months from the date of acquisition thereof; (iii) certificates of deposit, bankers' acceptances and time deposits maturing within one hundred eighty (180) days of the date of acquisition thereof issued or guaranteed by or placed with, and money market deposit accounts issued or offered by, any domestic office of any commercial bank organized under the laws of the United States or any state thereof which has a combined capital and surplus and undivided profits of not less than \$500,000,000.00; (iv) fully collateralized repurchase agreements with a term of not more than thirty (30) days for securities described in item (i) above and entered into with a financial institution satisfying the criteria described in item (iii) above; (v) mutual funds investing solely in any one or more of the Investments described in clauses (i) through (iv) above; (vi) Investments existing on the date hereof and disclosed to Lender prior to the execution hereof; and (vii) extensions of credit in the nature of accounts receivable or notes receivable arising from the grant of trade credit in the ordinary course of business, Investments received in satisfaction thereof from financially troubled account debtors if reasonably necessary to limit loss, and Investments received in connection with the bankruptcy or reorganization of suppliers and customers.

i. Restricted Payments. Without the prior written consent of the Lender, the Borrower will not declare or make, or agree to pay or make, directly or indirectly, any distributions on any class of its capital stock or make any payment on account of, or set apart assets for a sinking or other analogous fund for, the purchase, redemption, retirement, defeasance or other acquisition of, any shares of capital stock, except for a tax distribution, provided, that no Potential Default or Event of Default has occurred and is continuing at the time such tax distribution is made.

j. Transactions with Affiliates. The Borrower will not, and will not permit any of its subsidiaries to, sell, lease or otherwise transfer any property or assets to, or purchase, lease or otherwise acquire any property or assets from, or otherwise engage in any other transactions with, any of its affiliates, except (a) in the ordinary course of business at prices and on terms and conditions not less favorable to the Borrower or such subsidiary than could be obtained on an arm's-length basis from unrelated third parties, (b) transactions between or among the Borrower and its subsidiaries not involving any other affiliates, and (c) as permitted by the MOU (as defined below).

k. Amendment to Material Documents. The Borrower will not, and will not permit any subsidiary to, amend, modify or waive any of its rights in a manner materially adverse to the Lender under its articles of organization, operating agreement or other organizational documents.

l. Accounting Changes. The Borrower will not, and will not permit any subsidiary to, make any significant change in accounting treatment or reporting practices, except as required by GAAP, or change the fiscal year of the Borrower or of any subsidiary, except to change the fiscal year of a subsidiary to conform its fiscal year to that of the Borrower.

6. DEFAULT.

If any of the following events shall occur and be continuing, it shall be an event of default ("Event of Default"):

a. Non-Payment. The Borrower fails to pay any principal of the Credit Balance payable by the Borrower to the Lender pursuant to this Agreement when due, or the Borrower fails to pay any interest or any other sums payable by the Borrower to the Lender pursuant to the Agreement to the Lender within ten (10) days after any such interest or other sum payable is due;

b. Representations. Any representation or warranty made by the Borrower herein or in connection herewith proves to have been incorrect in any material respect when made;

c. Breach of Negative Covenants. The Borrower fails to observe or comply with any of the covenants in Section 5 of this Agreement;

d. Breach of Covenants. The Borrower fails to perform or observe any other term, covenant or agreement contained in this Agreement, and such failure has not been cured within thirty (30) days after the Lender has notified the Borrower of such failure;

e. Insolvency. The Borrower generally fails to pay its debts as such debts become due, or shall admit in writing its inability to pay its debts generally, or shall make a general assignment for the benefit of creditors; or any proceeding shall be instituted by or against the Borrower seeking to adjudicate it a bankrupt or insolvent, or seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee, or other similar official for it or for any substantial part of its property; or the Borrower shall take any corporate action to authorize any of the actions set forth above in this subsection;

f. Judgments. Any judgment or order for the payment of money shall be rendered against the Borrower and either (i) enforcement proceedings shall have been commenced by any creditor upon such judgment or order, or (ii) there shall be any period of thirty (30) consecutive days during which a stay of enforcement of such judgment or order, by reason of a pending appeal or otherwise, shall not be in effect;

g. Non-Monetary Judgments. Any non-monetary judgment or order shall be rendered against the Borrower that could reasonably be expected to have a Material Adverse Effect, and there shall be a period of thirty (30) consecutive days during which a stay of enforcement of such judgment or order, by reason of a pending appeal or otherwise, shall not be in effect;

- h. Change of Control. A Change of Control shall occur or exist;
- i. Material Adverse Effect. Any event or circumstance occurs that has a Material Adverse Effect; or
- j. Restructuring Plan. The restructuring plan set forth in the agreed Memorandum of Understanding by and among Lender, certain affiliates of Borrower, and the other parties named therein (the "MOU") terminates or is not effective as of March 31, 2020.

7. REMEDIES.

Upon the occurrence of any Event of Default, the Lender shall have the right:

- a. Further Advances. To declare the Credit Facility and its commitment to make Advances terminated, whereupon such commitment and obligation shall be terminated;
- b. Acceleration. To declare the Credit Balance and all interest accrued thereon and all other amounts payable under this Agreement to be immediately due and payable whereupon all such indebtedness of the Borrower to the Lender shall become and be immediately due and payable without presentment, demand, protest, or further notice of any kind, all of which are hereby expressly waived by the Borrower;
- c. Default Interest. Declare that Borrower shall pay Default Interest on the Credit Balance; and
- d. Other Rights. To exercise any other rights or remedies available to it whether under this Agreement or at law or in equity.

provided, however, that upon the occurrence of an actual or deemed entry of an order for relief with respect to Borrower under the Bankruptcy Code of the United States, the obligation of Lender to make Advances shall automatically terminate and the Credit Balance and all interest and other amounts shall automatically become due and payable, in each case without further act of Lender.

8. MISCELLANEOUS.

- a. Waiver. No waiver by the Lender of any of its rights and privileges under this Agreement nor any consent of the Lender to any failure to comply with the terms hereof by the Borrower shall be effective unless made in writing and signed by the Lender. No waiver by the Lender of any default or of any right to enforce this Agreement shall operate as a waiver of any other default, or of the same default on a future occasion, or of the right to enforce this Agreement on any future occasion. No delay in or discontinuance of the enforcement of this Agreement, nor the acceptance by the Lender of installments of principal or interest after the occurrence of any Event of Default, shall operate as a waiver of any defaults.

b. Rights Cumulative. The rights and remedies herein provided are cumulative and not exclusive of any rights or remedies afforded by any promissory note or other agreement executed in connection herewith, or provided by law. The Lender's remedies may be exercised concurrently or separately, in any order, and the election of one remedy shall not be deemed a waiver of any other remedy.

c. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Borrower, the Lender and their respective successors and assigns. However, the Borrower shall not be permitted to assign or otherwise transfer any rights under this Agreement without the Lender's prior written consent (and any attempted assignment or transfer by the Borrower without such consent shall be null and void). The Lender may at any time assign to one or more assignees all or a portion of its rights and obligations under this Agreement and the other Loan Documents; provided, that the Borrower must give its prior written consent (which consent shall not be unreasonably withheld or delayed) to any assignment, except an assignment to an affiliate of the Lender or during the occurrence and continuation of an Event of Default.

d. Governing Law. This Agreement shall be construed in accordance with, governed by and enforced under the laws of the State of North Carolina.

e. Notices. All notices, requests and demands given to or made upon either party must be in writing and shall be deemed to have been given or made when personally delivered or two (2) days after having been deposited in the United States Mail, first class postage prepaid, addressed as follows:

If to the Borrower:
Academy Financial Assets, LLC
c/o Eli Global, LLC
2222 Sedwick Rd.
Durham, NC 27713
Attn: Greg Lindberg, Christa Miller, Peter Nordberg
Via email: gelindberg@gmail.com

If to the Lender:
Colorado Bankers Life Insurance Company
2327 Englert Rd.
Durham, NC 27713
Attn: Lou Hensley
Via email: lou.hensley@globalbankers.com

f. Expenses. The Borrower shall pay (i) all reasonable, out-of-pocket costs and expenses of the Lender (including, without limitation, the reasonable fees, charges and disbursements of outside counsel and the allocated cost of inside counsel) in connection with the preparation and administration of the Loan Documents and any amendments, modifications or waivers thereof (whether or not the transactions contemplated in this Agreement or any other Loan Document shall be consummated), and (ii) all out-of-pocket costs and expenses (including, without limitation, the reasonable fees, charges and disbursements of outside counsel and the allocated cost

of inside counsel) incurred by the Lender in connection with the enforcement or protection of its rights in connection with this Agreement, including its rights under this Section, or in connection with the Advances made, including all such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Advances.

g. Indemnification. The Borrower shall indemnify the Lender and its directors, managers, officers, employees, agents, and advisors (each, an "Indemnitee") against, and hold each of them harmless from, any and all costs, losses, liabilities, claims, damages and related expenses, including the fees, charges and disbursements of any counsel for any Indemnitee, which may be incurred by or asserted against any Indemnitee arising out of, in connection with or as a result of (i) the execution or delivery of any this Agreement or any other agreement or instrument contemplated hereby, the performance by the parties hereto of their respective obligations hereunder or the consummation of any of the transactions contemplated hereby, (ii) any Advance or any actual or proposed use of the proceeds therefrom, and (iii) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort, or any other theory and regardless of whether any Indemnitee is a party thereto; provided, that the Borrower shall not be obligated to indemnify any Indemnitee for any of the foregoing arising out of such Indemnitee's gross negligence or willful misconduct as determined by a court of competent jurisdiction in a final and nonappealable judgment. The Borrower shall pay, and hold the Lender harmless from and against, any and all present and future stamp, documentary, and other similar taxes with respect to this Agreement and any other Loan Documents, any collateral described therein, or any payments due thereunder, and save the Lender harmless from and against any and all liabilities with respect to or resulting from any delay or omission to pay such taxes. To the extent permitted by applicable law, the Borrower shall not assert, and hereby waives, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to actual or direct damages) arising out of, in connection with or as a result of, this Agreement or any agreement or instrument contemplated hereby, the transactions contemplated therein, any Advance or the use of proceeds thereof. All amounts due under this Section shall be payable promptly after written demand therefor.

h. Counterparts; Integration. This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts (including by telecopy), and all of said counterparts taken together shall be deemed to constitute one and the same instrument. This Agreement, the other Loan Documents, and any separate letter agreement(s) relating to any fees payable to the Lender constitute the entire agreement among the parties hereto and thereto regarding the subject matters hereof and thereof and supersede all prior agreements and understandings, oral or written, regarding such subject matters.

i. Survival. All covenants, agreements, representations and warranties made by the Borrower herein and in the certificates or other instruments delivered in connection with or pursuant to this Agreement shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of this Agreement and the making of any Advances, regardless of any investigation made by any such other party or on its behalf and notwithstanding that the Lender may have had notice or knowledge of any Event of Default or incorrect representation or warranty at the time any credit is extended hereunder, and shall continue in full force and effect as long as the principal of or any accrued interest on any Advance or any fee or

any other amount payable under this Agreement is outstanding and unpaid and so long as the Credit Facility has not expired or terminated. All representations and warranties made herein, in the certificates, reports, notices, and other documents delivered pursuant to this Agreement shall survive the execution and delivery of this Agreement and the other Loan Documents, and the making of the Advances.

j. Severability. Any provision of this Agreement or any other Loan Document held to be illegal, invalid or unenforceable in any jurisdiction, shall, as to such jurisdiction, be ineffective to the extent of such illegality, invalidity or unenforceability without affecting the legality, validity or enforceability of the remaining provisions hereof or thereof; and the illegality, invalidity or unenforceability of a particular provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

k. Interest Rate Limitation. Notwithstanding anything herein to the contrary, if at any time the interest rate applicable to any Advance, together with all fees, charges and other amounts which may be treated as interest on such Advance under applicable law (collectively, the "Charges"), shall exceed the maximum lawful rate of interest (the "Maximum Rate") which may be contracted for, charged, taken, received or reserved by the Lender in accordance with applicable law, the rate of interest payable in respect of such Advance hereunder, together with all Charges payable in respect thereof, shall be limited to the Maximum Rate and, to the extent lawful, the interest and Charges that would have been payable in respect of such Advance but were not payable as a result of the operation of this Section shall be cumulated and the interest and Charges payable to such Lender in respect of other Advances or periods shall be increased (but not above the Maximum Rate therefor) until such cumulated amount, together with interest thereon at the Federal Funds Rate to the date of repayment, shall have been received by the Lender.

l. Patriot Act. The Lender hereby notifies the Borrower that, pursuant to the requirements of the Patriot Act, it is required to obtain, verify and record information that identifies each obligor, which information includes the name and address of such obligor(s) and other information that will allow the Lender to identify such obligor(s) in accordance with the Patriot Act.

m. Entire Agreement. This Agreement and any Advance Request Certificates constitute the sole agreement between the parties with respect to the subject matter hereof. Any representation, understanding or promise concerning the subject matter hereof, which is not expressly set forth in any of such documents, shall not be enforceable by any party hereto or its successors or assigns.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective as of the Effective Date.

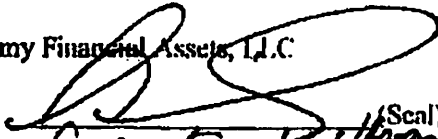
BORROWER:

Academy Financial Assets, LLC

By:

Name:

Its:


(Seal)
Greg E. Pankhary
Chairman

[Signature Page to Revolving Credit Agreement]

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective as of the Effective Date.

LENDER:

Colorado Bankers Life Insurance Company

By: *LC* (Seal)
Name: Lou Hensley
Its: Chief Executive Officer

[Signature Page to Revolving Credit Agreement]

EXHIBIT A

ADVANCE REQUEST CERTIFICATE

Pursuant to Section 1(e) of that certain Revolving Credit Agreement, dated as of June 27, 2019, by and between Academy Financial Assets, LLC, a North Carolina limited liability company (the "Borrower") and Colorado Bankers Life Insurance Company (the "Lender"), the Borrower hereby requests an Advance from the Lender under the Agreement for an amount equal to [] (\$) (the "Agreement"). All capitalized but undefined terms used herein shall have the meaning attributed to them in the Agreement.

In connection with this Advance Request, the Borrower certifies to the Lender as follows:

- (1) All representations and warranties contained in Section 2 of the Agreement are true and correct with the same force and effect as though such representations and warranties had been made on and as of the date hereof;
- (2) No Default or potential Event of Default exists as of the date hereof; and
- (3) No Material Adverse Event has occurred.

ACADEMY FINANCIAL ASSETS, LLC

Name: _____

Title: _____

Dated _____, 20__



June 26, 2019

Southland National Insurance Corporation
2327 Englert Drive
Durham, NC 27713

Southland National Reinsurance Corporation
2327 Englert Drive
Durham, NC 27713

Bankers Life Insurance Company
2327 Englert Drive
Durham, NC 27713

Colorado Bankers Life Insurance Company
2327 Englert Drive
Durham, NC 27713

Greg E. Lindberg
2327 Englert Drive
Durham, NC 27713

RE: Memorandum of Understanding between Southland National Insurance Corporation ("SNIC"), Southland National Reinsurance Corporation ("SNRC"), Bankers Life Insurance Company ("BLIC"), Colorado Bankers Life Insurance Company ("CBL") (collectively, the "North Carolina Insurance Companies"); Academy Association Inc. ("AAI"); Specified Affiliated Companies¹; Trustee of the Affiliated Trusts; Edwards Mill Asset Management, LLC; Agents; and, Greg E. Lindberg, as attorney-in-fact for each of the Specified Affiliated Companies and Agents

To Whom It May Concern:

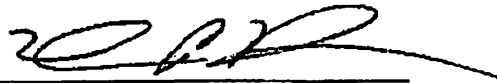
On October 18, 2018, a Consent Order for Administrative Supervision was entered into between Mike Causey, the Commissioner of Insurance of the State of North Carolina ("the Commissioner") and the North Carolina Insurance Companies, in which the North Carolina Insurance Companies consented to administrative supervision, pursuant to the provisions of N.C. Gen. Stat. § 58-30-60 *et seq.* Pursuant to N.C. Gen. Stat. § 58-30-60 (c), the Commissioner appointed Noble Consulting

¹ Capitalized terms used but not defined herein shall have the meanings ascribed to them in the MOU.

Services, Inc. ("Noble") as the Appointed Supervisor on behalf of the Commissioner, during the period of Administrative Supervision of the North Carolina Companies.

Pursuant to the Administrative Supervision, a Memorandum of Understanding was negotiated between the North Carolina Insurance Companies, AAI, the Specified Affiliated Companies, the Trustee of the Affiliated Trusts, Edwards Mill Asset Management, LLC, the Agents, and Greg E. Lindberg, as attorney-in-fact for each of the Specified Affiliated Companies and Agents.

Pursuant to N.C. Gen. Stat. § 58-30-60(c) and N.C. Gen. Stat. § 58-30-62(g), Noble, as Appointed Supervisor of the North Carolina Insurance Companies, has reviewed the Memorandum of Understanding ("MOU") negotiated and entered into on June 26, 2019, between the North Carolina Insurance Companies, AAI, the Specified Affiliated Companies, the Trustee of the Affiliated Trusts, Edwards Mill Asset Management, LLC, the Agents, and, Greg E. Lindberg, as attorney-in-fact for each of the Specified Affiliated Companies and Agents. The Appointed Supervisor has determined, after thorough review of the surrounding facts and circumstances, that signing and performance of the MOU is in the best interests of the North Carolina Insurance Companies and their respective policyholders ("Policyholders"), and hereby approves the North Carolina Insurance Companies entering into and performing such MOU with the intention of protecting the best interests of the Policyholders. In so doing, the Appointed Supervisor intends to increase the long-term equity value of the Specified Affiliated Companies, so long as it is consistent with the protection of the best interests of the Policyholders and in accordance with North Carolina law.



Mike Dinius, CEO
Noble Consulting Services, Inc.
Appointed Supervisor of the North Carolina
Companies (SNIC, SRNC, BLIC, CBL)

Recapture Trust Term Sheet

August 19, 2019

Trust Owner	Universal Life Insurance Company (ULICO)														
Summary	The Recapture Trust will be created as a result of the recapture transaction of the ULICO/PBLA Reinsurance Trust. The Recapture Trust will lend directly to individual operating companies without cross-collateral or cross-default. Each operating company borrower will be an entirely stand-alone company. An independent third party review is taking place to validate the financial strength and repayment capacity of each operating company. Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Coinsurance Reinsurance Agreement (the "Agreement"), dated June 30, 2017, by and between Universal Life Insurance Company ("ULICO") and Private Bankers Life and Annuity Co., Ltd. ("PBLA").														
Trust Target Date	September 30, 2019														
Trust Target Rating	Investment Grade (BBB-) or above to be maintained at all times.														
Recapture Amount	Statutory Reserve as of 9/30/2019; estimated at \$650,000,000.														
Recapture Trust Assets	\$700,000,000 composed of approximately \$500,000,000 in Senior and Junior Loans, \$150,000,000 in Cash and \$50,000,000 in Collateral held within the Recapture Trust. Junior loan balances will not exceed 50% of the Recapture Trust Assets. No preferred or equity participation permitted within the trust.														
Recapture Trust Collateral	\$50,000,000 in additional loans will serve as collateral within the trust; to be returned to PBLA upon full repayment of Trust Loans. \$100,000,000 in additional collateral will be pledged outside of the trust known as the ULICO Recapture Trust Guarantee. Trust Asset and Collateral Summary: <table> <tr> <td>Total Trust Reserves Required</td><td>650,000,000</td></tr> <tr> <td>Trust Loan Assets</td><td>500,000,000</td></tr> <tr> <td>Trust Cash</td><td>150,000,000</td></tr> <tr> <td>Additional Trust Loan Collateral</td><td>50,000,000</td></tr> <tr> <td>\$100MM ULICO Recapture Guarantee Assets</td><td>100,000,000</td></tr> <tr> <td>Total Trust Collateral</td><td>800,000,000</td></tr> <tr> <td>Collateral as a percentage of required reserves</td><td>123%</td></tr> </table>	Total Trust Reserves Required	650,000,000	Trust Loan Assets	500,000,000	Trust Cash	150,000,000	Additional Trust Loan Collateral	50,000,000	\$100MM ULICO Recapture Guarantee Assets	100,000,000	Total Trust Collateral	800,000,000	Collateral as a percentage of required reserves	123%
Total Trust Reserves Required	650,000,000														
Trust Loan Assets	500,000,000														
Trust Cash	150,000,000														
Additional Trust Loan Collateral	50,000,000														
\$100MM ULICO Recapture Guarantee Assets	100,000,000														
Total Trust Collateral	800,000,000														
Collateral as a percentage of required reserves	123%														
Underlying Loan Structure	All debt within the Recapture Trust will be modified into traditional loan agreements, requiring monthly principal and interest payments. There will be no prepayment penalties.														



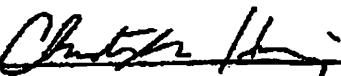
ULICO Recapture Trust Term Sheet
August 19, 2019

Loan Debtors (See detail below)	Individual Technology and Service Operating Companies; Combined data is \$95 million in EBITDA forecast for 2020, with \$1.1 billion in enterprise value (based on 11.5x EBITDA valuation).
Required Principal Reduction	Reduction of 33.33% by 12/31/2020; of 33.33% by 12/31/2021; all remaining balances due 12/31/2022.
Maximum Recapture Term	On or before December 31, 2022. Failure to satisfy the terms of the recapture agreement in full by December 31, 2022 shall result in a default which shall permit the Recapture Trust to exercise its rights under the pledge of stock of the Loan Debtors to the Recapture Trust. One 180-day extension may be granted with the payment to the Recapture Trust by the Loan Debtors of a fee of 1% of the then outstanding principal balance.
Substitution Pool	A substitution pool of operating companies will be made available during the due diligence portion with the option to move from the substitution pool into the Recapture Trust.
Cash Flow Leverage	Maximum Cash flow leverage of the proposed portfolio to be determined on a Senior Funded Debt/EBITDA and Total Funded Debt/EBITDA at Inception. These limits will include an annual step-down provision.
Loan Rates	Interest rate (coupon) will be at market level. The rate and terms shall be 3-year fixed rates, with the senior debt amortized for a term not exceeding 144 months weighted average. Rate will be set after due diligence and the amortization period and schedule will be determined after each loan is reviewed to determine the underlying operating company's ability to service the debt.
Additional Protections and Guarantees	<ul style="list-style-type: none"> (a) \$100M of PBLA assets will be pledged and will serve as additional collateral and guarantee, hereinafter the "ULICO Recapture Trust Guarantee"; (b) \$50M in additional loans will serve as collateral within the trust; to be returned to PBLA upon full repayment of Trust Loans. (c) Counter party default swap insurance from an investment grade rated insurer (if available); (d) Stock Pledge Agreement will secure all debt issued in case of default; (e) Personal Guarantee of Greg Lindberg.
Stock Pledge	All debt will be secured with an executed stock pledge agreement of the stock of each corresponding Holding Company. The Holding Company stocks will be pledged to the Recapture Trust.
Limitation on Financial Transactions	Financial transactions that involve capital expenditures, sale of company(s), establishment of or assignment of new debt instruments, acquisition of company(s) within the group of Holding Companies in the Recapture Trust will not exceed \$1MM without prior lender approval; standard allowance for third party working capital lines of credit shall be

ULICO Recapture Trust Term Sheet
August 19, 2019

	permitted of up 10% of senior debt on each Loan Debtor. In addition, no dividends or distributions may occur without lender approval. Lender approval must be submitted no less than 90 days prior to a required approval.
Due on Sale	All loans are due in full on sale or transfer of any ownership interest of the recapture pool and the PBLA Recapture Guarantee assets pledged.
Covenants	Standard and customary default language and covenants will be incorporated into the loan structure
Independent Valuation	Full valuations on all potential Recapture Trust assets and collateral to be prepared by a nationally recognized valuation firm.
Escrow Account	On or before August 30, 2019, an escrow account shall be established and funded with up to a maximum of \$5MM to cover the costs of all expenses related to the establishment of the Recapture Trust.
Board Structure of Loan Debtors	Independent board with 5 Directors total, which will include independent Chairman of the Board George A. Vandeman and two additional independent Board Members.
Rating Issuer	TBD, currently in discussions with Egan-Jones, HR Ratings, S&P and Fitch
Trustee	TBD, currently in discussions with Bank of New York and ABN AMRO
Loan Servicer	TBD, currently in discussions with Midland Loan Services and Wells Fargo
Asset Manager	To be defined and determined after due diligence period is completed.
Construction	The parties agree that this Recapture Trust Term Sheet is subject to all the terms and conditions of the Agreement, and such terms and conditions are incorporated herein and continue to be in full force and effect. The parties also understand that the provisions of this Recapture Trust Term Sheet are intended to supplement the terms and conditions of the Agreement in areas not contemplated in the Agreement and are intended to be in compliance with the terms and conditions of the Agreement.

PBLA:
PRIVATE BANKERS
LIFE & ANNUITY CO., LTD.

By: 
Name: CHRISTOPHER HERWIG
Title: DIRECTOR
Date: 8-19-2019

ULICO:
UNIVERSAL LIFE INSURANCE
COMPANY

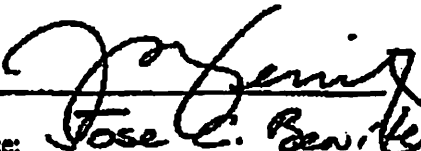
By: 
Name: JOSE C. BENITEZ
Title: PRESIDENT
Date: 8-19-2019

EXHIBIT B

Page 43 of the Presentation

Ares Capital Corporation

Investor Day 2019

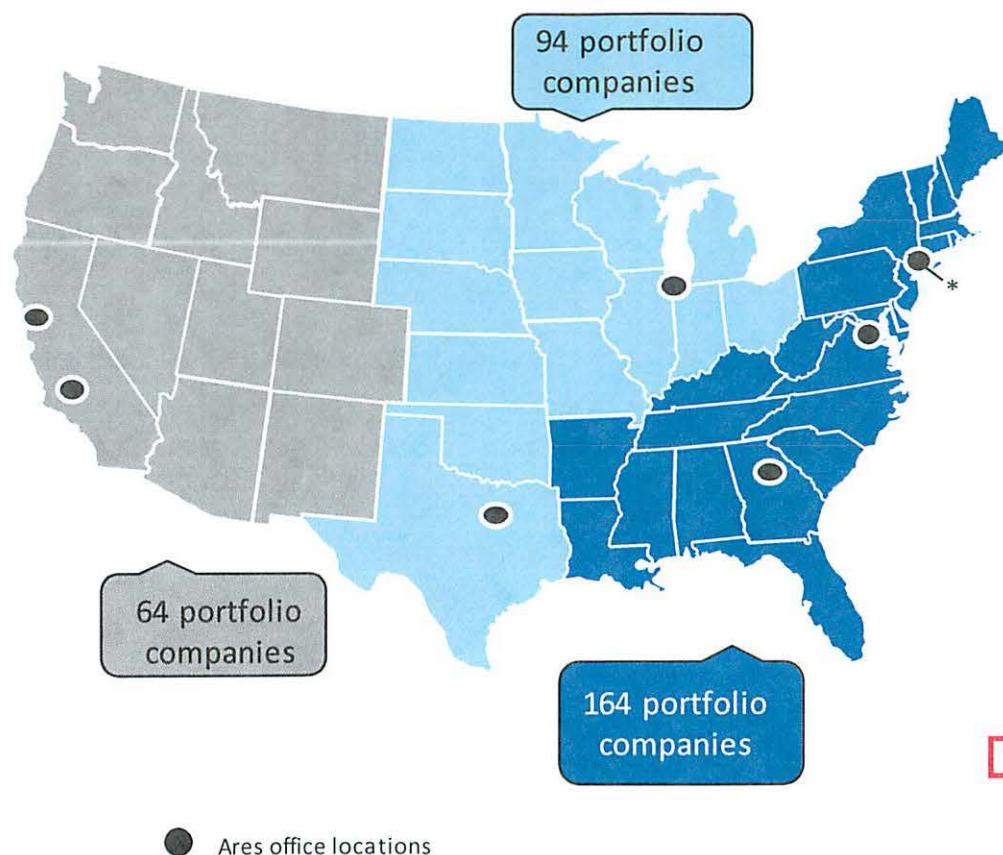
May 21, 2019

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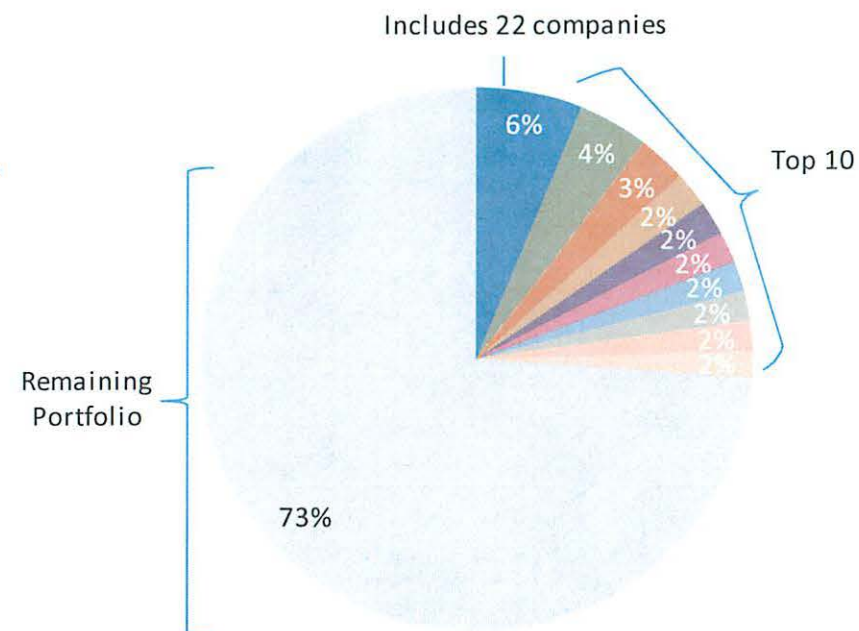
Significant Portfolio Diversification

Attractively positioned portfolio that is highly diverse by geography and issuer

Geographic Concentration



Portfolio – Issuer Diversification (1)



Top Ten Investments

- Senior Direct Lending Program, LLC - 6%
- Athenahealth, Inc. - 3%
- American Academy Holdings, LLC - 2%
- Singer Sewing Company - 2%
- Ministry Brands, LLC - 2%
- Remaining Investments - 73%
- Ivy Hill Asset Management, L.P. - 4%
- Mac Lean-Fogg Company - 2%
- Pathway Vet Alliance LLC - 2%
- OTG Management, LLC - 2%
- IRI Holdings, Inc. - 2%

Diversification does not assure profit or protect against market loss.

Note: portfolio company locations excludes 23 portfolio companies outside of the United States. As of March 31, 2019, unless otherwise stated.

* Office locations in New York, NY and Tarrytown, NY.

Please see the notes at the end of this presentation for additional important information.

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