801.10

[redacted]

December 26, 1991

VIA FAX

Mr. John Sipple
Mr. Richard Smith
Premerger Notification Office
Bureau of Competition
Federal Trade Commission
Washington, D.C. 20580

Re: Premerger Notification Filing

Gentlemen:

I am writing to you at the suggestion of [redacted] of the Department of Justice. On December 23, 1991 I spoke with Mr. Patrick Sharp of your office concerning whether a particular transactional scenario would require the filing of a premerger notification. This transactional scenario is set forth as scenario A below. In my discussions with Mr. Sharp, he indicated that a premerger notification would need to be filed if, under scenario A below, the purchase price or the fair market value of 100% of the assets of the partnership, whichever is greater, exceeded the $15,000,000 threshold set forth in Section 7A(a)(3)(B) of the Act. After further consideration of my discussions with Mr. Sharp I attempted to talk with him again but was unable to do so on December 24. I then spoke with Mr. Jack Sidorov at the Department of Justice on December 24 and he suggested that I contact you directly. In addition to scenario A set forth below, I have set forth two alternative transactional scenarios.

[redacted]

The factual background on this particular issue is that in 1988 Person A and Person B formed a general partnership under the laws of [redacted] Person A contributed the assets of an ongoing business valued at approximately $6,000,000 to the new Partnership C and Person B contributed $3,000,000 in cash to the Partnership C. Person A received a two-third percentage interest in Partnership C and Person B received a one-third percentage interest in Partnership C. At that time, the fair market value of the assets of Partnership C was estimated to be in the neighborhood of $10,000,000. The following three transactional scenarios are proposed at this time:

Scenario A

Person B proposes to purchase Person A's partnership interest in Partnership C for approximately $14,000,000. It is estimated that the fair market value of the assets of Partnership C is now approximately $20,000,000. My initial view before talking to Mr. Sharp was that a filing would not be required for this transaction in that the purchase price for the partnership interest acquired from Person A by Person B did not exceed $15,000,000 and, in addition, the two-third interest of Person A in the fair market value of the assets of Partnership C did not exceed $15,000,000. However, in my telephone conversation with Mr. Sharp he indicated that the test imposed by the FTC was the greater of the acquisition price (in this case $14,000,000) or 100% of the fair market value of the assets of the Partnership.

Scenario B

Partnership C is liquidated with the assets distributed in kind to the respective partners. Accordingly, Person A becomes a two-third tenant in common with Person B in the assets formerly held by Partnership C. Person B then acquires from Person A the two-third interest in the assets owned by Person A for $14,000,000. The fair market value of the assets acquired is approximately $13,333,333 (2/3 of $20,000,000). Accordingly, because neither the purchase price of the assets purchased from Person A nor the fair market value of such assets exceeds $15,000,000, no premerger notification filing is required.

Scenario C

Person B either loans $14,000,000 to Partnership C or makes an additional contribution to the capital of Partnership C in

[redacted]

the amount of $14,000,000. Partnership C then redeems the partnership interest of Person A for $14,000,000. It is also my understanding that this particular transaction would not require the filing of a premerger notification.

The difficulty I have with Mr. Sharp's position under scenario A is that in substance the three alternative transactions reach the same result. I believe the flaw in Mr. Sharp's position is that he views the fair market value test under scenario A to be a 100% test rather than a two-thirds test. In other words, the test under scenario A should be rather the greater of the acquisition price for the partnership interest or two-thirds of the fair market of the assets of the partnership exceeds $15,000,000. This test would logically flow from the fact that Person B is already a one-third partner in Partnership C and therefore already owns a one-third interest in the assets of Partnership C. I believe this result is also supported by Reg. §801.13(b). Assume that instead of forming a general partnership in 1988 Person A conveyed a one-third interest in the subject assets to Person B for $3,000,000. This transaction would not have required the filing of a premerger notification. Also assume that today Person A conveyed to Person B the remaining two-thirds interest in the subject assets for $14,000,000 and the fair market value of such interest is approximately $13,333,333. Under Reg. §801.13(b), the 1988 and 1991 transactions would not be aggregated. Accordingly, a premerger notification filing would not be required with respect to the 1991 transaction.

As always with matters of this nature, we are under a very tight time frame in terms of structuring this transaction. I would appreciate if someone from your office could contact me with respect to the above sometime today. If I am unavailable, please ask for David Fannin of our office. Your assistance on this matter is greatly appreciated.

Sincerely yours,

[redacted]

[redacted]

12/26/91 - called [redacted]. Advised that Scenario A is reportable. (Do not have partnership interest will thus assets (partnership) B is not reportable. C is reportable if, after redemption of A's partnership interest, B is the only partner of C and thus holds C's assets, valued at $20MM. He advised that all necessary size-of-person tests were met. RBSmith

[redacted]

ARTICLE 2.

General Provisions.

Sec. 2-101. Qualifications for elective and appointive officers.[3]

A person must be a citizen of the United States, a resident of Detroit, and at least 18 years of age at the time of filing for, and while holding, any elective city office.

A person must be a citizen of the United States, a resident of Detroit, and at least 18 years of age at the time of assuming the duties of, and while holding, any appointive city office. However, this requirement does not preclude an appointive officer who is assigned to a work location outside the city from using a residence outside of the city.

Sec. 2-102. Term of office.

The term of every elective city officer is 4 years and commences at noon on the 1st day of January after the regular city general election.

Sec. 2-103. Oath of office.[4]

Every elective officer and every appointee before entering on official duties shall take and subscribe the following oath: "I do solemnly swear (or affirm) that I will support the Constitutions of the United States and of this state and the Charter of the City of Detroit and that I will faithfully discharge the duties of office to the best of my ability;" and shall file that oath, duly certified by the officer before whom it was taken, in the office of the city clerk.

Sec. 2-104. Severability.

If any provision of this Charter or the application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of the Charter.

Sec. 2-105. Definitions.

As used in this Charter:

1. *Agency* means any department, office, multi-member body, or other organization of city government and includes any elective officer, appointee, employee, or person acting or purporting to act in the exercise of official duties.

2. *Appoint and hire.* A person is "appointed" to a position in the exempt service and is "hired" for a position in the classified service as defined by section 6-517.

The exempt service comprises both compensated and uncompensated positions. The term "appointee" refers to persons holding either compensated or uncompensated positions. The terms "appointive office" and "appointive officer," however, refer only to compensated positions and appointees holding compensated positions.

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3 City Code. — For ordinance provisions as to residency requirements for city officers, see §§ 2-1-1.2, 2-1-1.3 of City Code.

4 City Code. — For ordinance provisions as to requirement that city officers file statement of residency before taking oath of office, see § 2-1-1.1 of City Code. As to ordinance provisions requiring loyalty oath of employees, see § 16-1-6.

ARTICLE 11.

Retirement Plans.[9]

Sec. 11-101. City's duties.

1. The city shall provide, by ordinance, for the establishment and maintenance of retirement plan coverage for city employees.

2. Financial benefits arising on account of service rendered in each fiscal year shall be funded during that year and that funding shall not be used for financing unfunded accrued liabilities.

3. The accrued financial benefits of active and retired city employees, being contractual obligations of the city, shall in no event be diminished or impaired.

Sec. 11-102. Continuation of existing plans.

The retirement plans of the city existing when this Charter takes effect, including the existing governing bodies for administering those plans, the benefit schedules for those plans and the terms for accruing rights to and receiving benefits under those plans shall, in all respects, continue in existence exactly as before until changed by ordinance in accordance with this article.

However, with respect to the General Retirement System, the retiree member of the board of trustees (under title 9, chapter 6, article 2, section 2 of the 1918 Charter) shall be elected by the retired city employees under procedures established by ordinance.

Sec. 11-103. Principles applicable in administering plans.

Not more than 2 governing bodies for administering the city's retirement plans may be established.

The number or manner of selection of the members of either body may not be changed unless, as a result of any such change for so long as the body invests or administers city contributions, it contains a number of city representatives equal to the number of representatives selected by active and retired employees.

Staff services required by a governing body shall be provided as determined by the finance director.

Sec. 11-104. Information required before benefit increase.

Before final action on any proposed change in future retirement benefits is taken, the city council shall obtain a report as to the immediate and long-term costs of the change from an independent actuary of its choosing and may not take final action until at least 3 months after the report of the actuary is made public at a meeting of the city council.

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9 City Code. — For ordinance provisions as to retirement systems, see ch. 54 of City Code.

assured of salary and benefits at least as favorable as would have been earned by service in the position from which transferred until mandatory retirement age is reached; or

3. A mutually agreeable settlement is made by the city with the person discharging all rights against the city which the person may assert.

Sec. 13-104. Effective date.

Except as otherwise provided in this article, this Charter shall become effective on the 1st day of the new fiscal year after its adoption.

The initial executive organization plan under section 7-102 shall be effective within 12 months after the effective date of this Charter.

Notwithstanding the provision of this Charter that the board of assessors be made up of 3 members, if there are 4 incumbent members of the board of assessors on the effective date of this Charter, it shall continue to consist of 4 members until an incumbent member leaves the board for any reason or is not re-appointed to the board by the mayor.

A treasurer may not be appointed under section 6-305 until the expiration of the 4-year term of the treasurer elected by the voters at the November 6, 1973, general city election.

Sec. 13-105. Employees benefit plan.

The City of Detroit employees benefit plan existing when this Charter takes effect shall in all respects continue in existence exactly as before until changed by ordinance.

However, the governing board under title 9, chapter 8, section 4 of the 1918 Charter shall include the retiree member of the board of trustees of the General Retirement System as provided by section 11-102.

Sec. 13-106. Condemnation.

The procedures for the exercise of the city's power of eminent domain existing when this Charter takes effect shall remain in effect until changed by ordinance.

Sec. 13-107. Fire and police pension committees.

The provisions of the 1918 Charter relating to the fire department pension committee and the police department pension committee, existing when this Charter takes effect, shall in all respects continue in existence exactly as before until changed by ordinance.

Sec. 13-108. Police fund.

The police commissioner's power under title 4, chapter 21, section 18 of the 1918 Charter shall in all respects continue in existence exactly as before until changed by ordinance.

Sec. 13-109. Initial appointments.

Notwithstanding any provision of this Charter, the first appointments after the effective date of this Charter to the vacant positions on any multi-member

Sec. 7. Repeal.

All acts or parts of acts inconsistent with this act are hereby repealed. (As adopted April 2, 1923. In effect April 14, 1923. Further amended September 14, 1965. In effect September 24, 1965.)

CHAPTER VI.

General Retirement System.[8]

ARTICLE I.

Name and Date of Establishment.

A retirement system for the employees of the City of Detroit is hereby established for the purpose of providing retirement allowances and death benefits for employees of the city under the provisions of this chapter. The effective date of the retirement system shall be the first day of July, 1938. (As amended September 1, 1964. In effect September 15, 1964.)

ARTICLE II.

Administration.

Sec. 1. Board of trustees created.

There is hereby created a board of trustees of the retirement system, in whom is vested the general administration, management and responsibility for the proper operation of the retirement system and for making effective the provisions of this chapter. (As amended September 1, 1964. In effect September 15, 1964.)

Sec. 2. Membership and appointment of members of board.

The board of trustees shall consist of ten trustees, as follows:

(1) The mayor, ex-officio.

(2) The president of the common council, ex-officio.

(3) The city treasurer, ex-officio.

(4) Five members of the retirement system, to be elected by the members of the retirement system, under such rules and regulations as may be from time to time adopted by the board of trustees; except, that no more than one such trustee shall be from any one department.

(5) The mayor shall appoint, subject to the approval of the board of trustees, a citizen of the city who is neither an employee of the city nor is eligible to receive benefits under the retirement system.

(6) The mayor shall appoint, subject to the approval of the board of trustees, a retirant who is receiving benefits under the retirement system. (As amended September 1, 1964. In effect September 15, 1964.)

Sec. 2.1. Term of members of board.

The regular term of office for the elected member trustees and appointed citizen trustee shall be for a period of six years, one such trustee to be elected or appointed, as the case may be, each year. The regular term of

[8] City Code.—For ordinance provisions as to city employee's retirement system, see § 54-1-1 et seq. of City Code.

Library References

Forms.
Action against municipal corporations, generally, see M.C.R.P. Dean, § 49.181.
Immunity granted by law, see M.C.R.P. Dean, § 62.80.
Jurisdictional allegation, action against the state of Michigan, money damages, see M.C.R.P. Dean, § 2.29.
Motion to dismiss, failure to state a claim, immunity, see M.C.R.P. Dean, § 63.106.
Motion to dismiss, immunity, see M.C.R.P. Dean, § 63.79.
Statutes of limitation, see M.C.R.P. Dean, § 18.91.

United States Supreme Court

Sovereign immunity defense in suit outside sovereign state, see Nevada v. Hall, 1979, 99 S.Ct. 1182, 440 U.S. 410, 59 L.Ed.2d 416.

P.A.1964, No. 170, Eff. July 1, 1965.

AN ACT to make uniform the liability of municipal corporations, political subdivisions, and the state, its agencies and departments, officers, employees, and volunteers thereof, and members of certain boards, councils, and task forces when engaged in the exercise or discharge of a governmental function, for injuries to property and persons; to define and limit this liability; to define and limit the liability of the state when engaged in a proprietary function; to authorize the purchase of liability insurance to protect against loss arising out of this liability; to provide for defending certain claims made against public officers and paying damages sought or awarded against them; to provide for the legal defense of public officers and employees; to provide for reimbursement of public officers and employees for certain legal expenses; and to repeal certain acts and parts of acts. Amended by P.A.1970, No. 155, § 1, Imd. Eff. Aug. 1; P.A.1978, No. 141, § 1, Imd. Eff. May 11; P.A.1986, No. 175, § 1, Imd. Eff. July 7.

The People of the State of Michigan enact:

691.1401. Definitions

Sec. 1. As used in this act:

(a) "Municipal corporation" means any city, village, township or charter township, or any combination thereof, when acting jointly.

(b) "Political subdivision" means any municipal corporation, county, county road commission, township, charter township, school district, community college district, port district, or metropolitan district, transportation authority, or any combination thereof, when acting jointly, and any district or authority authorized by law or formed by 1 or more political subdivisions, and any agency, department, court, board, or council of a political subdivision.

(c) "State" means the state of Michigan and its agencies, departments, commissions, courts, boards, councils, statutorily created task forces, and shall include every public university and college of the state, whether established as a constitutional corporation or otherwise.

Law Review Commentaries

Civil Procedure. Edward H. Cooper, 13 Wayne L.Rev. 71 (1966).

Comparative negligence in automobile accidents, ideas of community. 63 Mich.L. Rev. 282 (1964).

Constitutional law: Annual survey of Michigan law 1965. John E. Glavin, 12 Wayne L.Rev. 99 (1965).

Equal protection: Annual survey of Michigan law 1975. Peter M. Alter & Ellen J. Alter, 22 Wayne L.Rev. 345 (1976).

Governmental immunity. 17 Wayne L.Rev. 607 (1971).

Governmental immunity from tort liability in Michigan. Detroit Coll.L.Rev. 703 (1977).

Governmental immunity from tort liability in Michigan: Analysis of doctrine and related statutory and judicial exceptions. 28 Wayne L.Rev. 1761 (1982).

Governmental liability and immunity: Annual survey of Michigan law 1972. Marcus L. Plant, 19 Wayne L.Rev. 713 (1973).

Governmental tort liability. Luke K. Cooperrider, 72 Mich.L.Rev. 187 (1973).

Judicial legislation and the doctrine of governmental immunity. Allan G. Hertler, 39 U.Detroit L.J. 570 (1962).

Just compensation for the condemnation of going concern value. Alan T. Ackerman, 64 Mich.B.J. 1214 (1985).

Local government: Tort liability. Solomon Bienenfeld, 13 Wayne L.Rev. 236 (1966).

Municipal liability,
- Personal injuries caused by nuisance. 58 Mich.L.Rev. 598 (1960).
- Torts. Allan F. Smith, 48 Mich.L.Rev. 41 (1949).

Need for state immunity from suit. Frank J. Kelley, Detroit Coll.L.Rev. 1321 (1983).

Tort immunity: Annual survey of Michigan law 1975. Stephen M. Atkinson, 22 Wayne L.Rev. 636 (1976).

Torts,
- Annual survey of Michigan law 1979. Howard Silver and Richard D. Toth, 26 Wayne L.Rev. 833 (1980).
- Harold S. Marchant, 13 Wayne L.Rev. 273 (1966).

Library References

Statutes ⇐179, 199.
C.J.S. Statutes §§ 315, 338.
M.L.P. Municipal Corporations § 302.
M.L.P. Townships § 44.

United States Supreme Court

Parole board liability for subsequent crimes of parolee, see Martinez v. State of California, 1980, 100 S.Ct. 553, 444 U.S. 277, 62 L.Ed.2d 481.

Notes of Decisions

Highways 1
State and its agencies 2

1. Highways

Where, at time plaintiff was injured in fall on an allegedly defective sidewalk south of certain street, the street apparently had been closed for some time and was being removed to make way for an urban renewal project, the street, even if it could still be considered a public highway, road, or street, was not "open for public travel" as required by this section's definition of a "highway", and, therefore, the sidewalk in question was not "on any highway" and was not within terms of the defective highway statute, this section and § 691.1402, and their attendant two-year statute of limitations, § 691.1411. Campbell v. City of Detroit (1973) 214 N.W.2d 337, 51 Mich.App. 34.

2. State and its agencies

In spite of its independence, the Board of Regents of the University of Michigan remains a part of the government of the state of Michigan. Branum v. State (1966) 145 N.W.2d 860, 5 Mich.App. 134.

FYI

691.1402. Defective highways; liability for injuries; limitations

Sec. 2. Each governmental agency having jurisdiction over any highway shall maintain the highway in reasonable repair so that it is

STOCK PURCHASE AGREEMENT

THIS STOCK PURCHASE AGREEMENT ("Agreement"), is dated and entered into this 9th day of September, 1991, by and between [redacted] which is a wholly-owned indirect subsidiary of [redacted]), a federal savings association in receivership under the laws of the United States for which the Resolution Trust Corporation is receiver (hereinafter, in its capacity as receiver for CenTrust, "Receiver");

WITNESSETH:

WHEREAS, [redacted] is a life insurance company incorporated and existing under the laws of the State of Missouri with three classes of stock of which, exclusive of treasury shares, 303,685 Voting Common Shares, 172,346 Class A Preferred Shares, and 299,437 Non-Voting Class B Common Shares (collectively the "Shares") are issued and outstanding; and

WHEREAS, Seller owns all of the Shares and desires to sell such Shares to Buyer for the consideration and upon the terms and subject to the conditions set forth in this Agreement; and

WHEREAS, Buyer desires to purchase all the Shares from Seller for the consideration and upon the terms and subject to the conditions set forth in this Agreement;

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

ARTICLE 1. Purchase and Sale of Shares.

1.1 Sale and Purchase of Shares. Seller agrees to sell, transfer and deliver the Shares to Buyer, and Buyer agrees to purchase, acquire and accept the Shares from Seller, all upon the terms and subject to the conditions set forth in this Agreement.

1.2 Consideration. The purchase price for the Shares ("Purchase Price") shall be Seventy Million, Five Hundred Thousand Dollars ($70,500,000.00), increased or decreased as set forth in Section 1.3.

1.3 Adjustments to Purchase Price. The Purchase Price shall be (i) increased by the amount by which the aggregate value of any securities identified in Buyer's Letter of Intent to Seller dated July 24, 1991 and accepted by Seller on July 30, 1991 (the "Letter of Intent Securities"), as of the close of business on the trading date next preceding the Closing Date (as defined in Section 1.4) which are owned by the Company on the Closing Date, plus the amount realized by the Company from the sale of any Letter of Intent Securities prior to the Closing Date, exceeds $16,839,514.50, or (ii) decreased by the amount by which $16,839,514.50 exceeds the value of any Letter of Intent Securities as of the close of business on the trading date next preceding the Closing Date which are owned by the Company on the Closing Date, plus the amount realized by the Company from the sale of any Letter of Intent Securities prior to the Closing Date, (iii) decreased by the amount by which all external expenditures of the Company and of its Subsidiaries (as defined in Section 2.8) made or committed to without Buyer's prior written consent and in connection with or with respect to the present computer/data processing conversion after the date hereof (including any expenditures whenever made or committed to in connection with that certain central processor listed on page 2.14-3 of the Disclosure Schedule net of any amounts realized or to be realized from the sublease or disposition thereof) and prior to the Closing Date exceed $210,000.00, and (iv) decreased by the amount determined under Section 1.8 should either party exercise its option therein. For purposes of this Section 1.3, the Letter of Intent Securities shall be valued as of the Closing Date on the basis of bid price quotes obtained by Salomon Brothers and Fountain Capital Management.

1.4 Closing. The closing ("Closing") of the sale and purchase of the Shares will take place at the main office of the Escrow Agent (as defined in Section 1.5) in Kansas City, Missouri, at 10:00 a.m., local time, on the fifth business day following the date on which the last of the conditions set forth in Section 5.3 shall have been satisfied, provided that the parties may mutually agree in a written supplement or amendment hereto to a different time, place or date for closing. The date designated for Closing herein or otherwise agreed to by the parties is referred to herein as the "Closing Date."

1.5 Deposits with Escrow Agent. Buyer has heretofore deposited with Commerce Bank of Kansas City, N.A. ("Escrow Agent"), in escrow, under an Escrow Agreement which has been amended contemporaneously herewith and is in the form of Exhibit A attached to this Agreement, the sum of One Million Dollars ($1,000,000.00) ("Initial Payment"), in immediately available funds. As soon as practicable and in any event within five (5) business days after the execution of this Agreement, Seller shall deliver to the Escrow Agent the certificates

representing the Shares, duly endorsed in blank or with stock powers duly executed in blank attached, with signatures guaranteed by a national bank and, in either case, by an individual having the requisite authority to do so, for delivery to Buyer at the Closing against payment of the Purchase Price. At the Closing, Buyer shall deposit with the Escrow Agent the balance of the Purchase Price, being that sum by which the Purchase Price exceeds the amount of the Initial Payment, in immediately available funds. The Escrow Agent shall on the Closing Date effect the Closing in the manner set forth in Section 1.6. If, (i) notwithstanding satisfaction or waiver of the conditions set forth in Sections 5.1 and 5.3, Buyer at the Closing fails to deposit with the Escrow Agent the full amount of the balance of the Purchase Price or to satisfy or cause to be satisfied any of the other conditions set forth in Section 5.2 hereof which shall not have been waived by Seller at or prior to the Closing, or (ii) as of the Outside Date (as defined in Section 1.8) Buyer shall be in material breach of any of its representations, warranties or covenants herein, then, in either such event, and by written notice thereof by Seller to Buyer and the Escrow Agent, the Escrow Agent shall contemporaneously, and without further notice to or demand upon it, pay to Seller the Initial Payment, together with any interest earned on the Initial Deposit (as defined in the Escrow Agreement) and on the Initial Payment after deducting therefrom compensation to itself as Escrow Agent and expenses incurred by it in such capacity as set forth in the Escrow Agreement, as liquidated damages for Buyer's breach of this Agreement (the parties hereby agreeing that the damages actually sustained by Seller from and as a result of any Buyer's breach are difficult to ascertain and that the sum so designated by them as liquidated damages is a fair and reasonable estimate thereof), and return to Seller all certificates representing the Shares together with any stock powers attached thereto. If, (i) Seller fails to deposit with Escrow Agent the certificates representing the Shares within five (5) business days after execution hereof, or (ii) notwithstanding satisfaction or waiver of the conditions set forth in Sections 5.2 and 5.3 hereof, Seller at the Closing fails to satisfy or cause to be satisfied any of the conditions set forth in Section 5.1 hereof which shall not have been waived by Buyer at or prior to the Closing or otherwise resolved pursuant to the provisions of Section 5.1 hereof, or (iii) as of the Outside Date Seller shall be in material breach of any of its representations, warranties or covenants herein, or (iv) as of the Outside Date any of the conditions set forth in Section 5.3 hereof shall not have been satisfied notwithstanding Buyer's best efforts to obtain the approval in Section 5.3(b) hereof if the condition set forth in that Section shall not yet have been obtained, then, in any such event, and upon written notice thereof by Buyer to Seller and the Escrow Agent, the Escrow Agent shall contemporaneously and

without further notice to or demand upon it pay to Buyer the Initial Payment, together with any interest earned on the Initial Deposit (as defined in the Escrow Agreement) and on the Initial Payment after deducting therefrom compensation to itself as Escrow Agent and expenses incurred by it in such capacity as set forth in the Escrow Agreement, and shall return to Seller all certificates representing the Shares together with any stock powers attached thereto.

1.6 Manner of Closing. At the Closing, the Escrow Agent shall, contemporaneously upon its receipt of the balance of the Purchase Price for the Shares from Buyer, (i) deliver to Buyer the certificates representing the Shares together with any stock powers attached thereto, (ii) retain the sum equal to five (5%) percent of the Purchase Price (the "Resolution Retention") for subsequent distribution as set forth in the Escrow Agreement, (iii) pay to Seller, in accordance with Seller's instructions to the Escrow Agent and in immediately available funds, the sum equal to ninety-five (95%) percent of the Purchase Price less all amounts due the Company or its Subsidiaries pursuant to agreements or arrangements set forth in Section 2.28 of the Disclosure Schedule and the commission to be paid by Seller to Stephens Inc., (iv) remit to the Company or its Subsidiaries all amounts due pursuant to agreements or arrangements set forth in Section 2.28 of the Disclosure Schedule, (v) remit to Stephens Inc. the commission to be paid by Seller, and (vi) remit to the Buyer the balance remaining, if any, of interest earned on the Initial Deposit (as defined in the Escrow Agreement) and the Initial Payment after deducting therefrom compensation to itself as Escrow Agent and expenses incurred by it in such capacity as set forth in the Escrow Agreement.

1.7 Effect of Closing. The Closing shall operate to extinguish and thereafter to bar all claims, actions, demands, charges and liabilities of every kind or nature which the Company, its Insurance Subsidiary (as defined in Section 2.8), its Service Subsidiary (as defined in Section 2.8), or Buyer, and all persons claiming or purporting to claim under any of them may have or seek to assert against Seller, [redacted] the Receiver, the Resolution Trust Corporation in its corporate capacity ("RTC"), or any entity owned or controlled, directly or indirectly, by any of them, upon, under or in respect of this Agreement, except only such claims as Buyer may have against: (i) Seller for indemnification for Loss under Section 6.2(a); (ii) the Receiver under that certain Indemnification Agreement with Buyer ("Indemnification Agreement") which has been executed contemporaneously herewith; (iii) the RTC under that certain Guarantee Agreement with Buyer ("Guarantee") which has been executed contemporaneously herewith; or (iv) the Receiver under that certain letter agreement, dated June 3, 1991, relating to reimbursement for net costs in connection with the Company's

provision of certain COBRA coverage, as described in Section 2.28 of the Disclosure Schedule. Seller's maximum aggregate liability for all such claims by Buyer for indemnification for Loss under Section 6.2(a) shall be limited to and in no event shall exceed the amount of the Resolution Retention and any interest earned thereon during the period it is held under the Escrow Agreement, and all such claims for indemnification for Loss (as described in Section 6.2(a)) as to which notice thereof is given by Buyer to Seller within one (1) year after the Closing and all such claims based solely on Section 2.20 or Section 2.22 as to which notice thereof is given by Buyer to Seller within three (3) years after the Closing shall, unless otherwise resolved by Seller and Buyer, be determined by binding arbitration pursuant to and as set forth in the Escrow Agreement.

1.8 Outside Date. If Seller has not theretofore become entitled to receive payment of liquidated damages as provided in Section 1.5, and if, notwithstanding each party's compliance with its respective covenants set forth in Article 4, the Closing does not occur before or on November 4, 1991, or such subsequent date agreed to by Buyer and Seller in the manner set forth in Section 1.4 or resulting from an exercise by either party of its option set forth below ("Outside Date"), the respective obligations of Seller to sell and of Buyer to purchase the Shares under this Agreement shall then be terminated without further action and, except as set forth in Section 1.9, without further liability of either party to the other, and thereupon the Escrow Agent shall contemporaneously (i) return to Buyer all sums then held in the escrow after deducting therefrom compensation to itself as Escrow Agent and expenses incurred by it in such capacity as set forth in the Escrow Agreement, and (ii) return to Seller all certificates representing the Shares together with any stock powers attached thereto. In the event that the Buyer and Seller shall not have agreed to a date subsequent to November 4, 1991 in the manner set forth in Section 1.4, Buyer and Seller shall each have an option, exercisable in its sole discretion and by giving written notice thereof to the other on or before November 4, 1991, to extend the period during which this Agreement shall remain in effect to any date through and including December 31, 1991, provided that, if such an option is exercised, the Purchase Price shall be reduced by an amount of $20,000.00 for each business day after November 4, 1991 to, but not including, the Closing Date, unless the inability to close the purchase of the Shares during such extended period is attributable to the failure to satisfy the conditions set forth in Sections 5.3(b) and (c) and Seller shall have complied with Section 4.5.

1.9 Continuing Obligation. Notwithstanding any failure to close the transactions contemplated by this Agreement, Buyer shall remain bound to keep, perform and observe all obligations

of Buyer under that certain Confidentiality Agreement dated April 16, 1991, between it and the RTC. It is expressly agreed that in addition to the RTC and Buyer, Seller and the Company shall each be entitled to enforce such Confidentiality Agreement.

ARTICLE 2. Representations and Warranties of Seller.

To induce Buyer to enter into and perform its obligations under this Agreement, Seller represents and warrants to Buyer as set forth in this Article 2. No representation, warranty or statement made by Seller in this Agreement, the Disclosure Schedule or in any exhibit, written statement or certificate furnished by Seller to Buyer in connection with the transactions contemplated herein knowingly contains or will knowingly contain any untrue statement of a material fact or knowingly omit or will knowingly omit to state a material fact necessary to make the statements contained herein or therein not misleading. The Seller's representations and warranties set forth in this Article 2 are true and correct as of the date hereof and, except for changes permitted or contemplated by this Agreement, shall be true and correct as of the Closing Date.

2.1 Organization. Seller is a corporation duly organized, validly existing, and in good standing under the laws of the State of Florida.

2.2 Authority and Capacity. Seller has all requisite corporate power, authority and capacity to enter into this Agreement, to perform its obligations hereunder and to consummate the transactions contemplated hereby.

2.3 Seller Non-Contravention. The execution, delivery and performance of this Agreement by Seller does not and the consummation of the transactions contemplated hereby will not (i) conflict with any provision of Seller's Charter or By-laws, or (ii) result in a breach of or default under any other agreement to which Seller is a party or by which it is bound, or (iii) assuming satisfaction of the requirements set forth in Section 2.6, violate any law applicable to Seller or any judgment, order, injunction, decree or award of any court, arbitrator, administrative agency or governmental body applicable to or binding upon Seller.

2.4 Binding Agreement. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by Seller. This Agreement has been duly and validly executed and delivered by Seller and constitutes its valid and binding agreement, enforceable against Seller in accordance with and subject to its terms, except as enforcement thereof may be limited by applicable bankruptcy, insolvency or other laws

affecting the enforcement of creditors' rights generally, and by general principles of equity including the exercise of judicial discretion in connection therewith.

2.5 Title to Shares. Seller is the record and beneficial owner of all of the Shares, free and clear of any liens, claims, charges, security interests and encumbrances whatsoever.

2.6 Approvals. Except for (i) such filings and approvals as are required with the Missouri Department of Insurance pursuant to the laws of the State of Missouri and observance of procedures relating thereto, and (ii) such filings, if any, as may be required under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (the "HSR Act") and the expiration or early termination of applicable waiting periods thereunder, Seller is not aware of any governmental body or agency having any authority relevant to the performance or enforceability of this Agreement with respect to Seller or the consummation by Seller of the transactions contemplated hereby.

2.7 Company, Subsidiaries' Non-Contravention. Neither the execution and delivery of this Agreement, nor the consummation of the transactions contemplated hereby, will (i) constitute or result in a breach of or default under any agreement to which the Company, the Insurance Subsidiary or the Service Subsidiary is a party or by which any of them is bound, or (ii) violate any law applicable to the Company or its Subsidiaries or any judgment, order, injunction, decree or award of any court, arbitrator, administrative agency or governmental body applicable to or binding upon any of them.

2.8 Organization of the Company and its Subsidiaries. The Company is a legal reserve life insurance company duly organized, validly existing, and in good standing under the laws of the State of Missouri. The only corporations or other entities in which the Company owns more than a ten (10%) percent equity interest are [redacted] (the [redacted]) and [redacted] (the [redacted] and collectively with the [redacted]). The [redacted] is a stipulated premium life insurance company duly organized, validly existing, and in good standing under the laws of the State of Missouri, and the [redacted] is a corporation duly organized, validly existing, and in good standing under the laws of the State of Missouri. The Company is qualified as a foreign corporation and licensed as a life insurance company in the jurisdictions listed in Section 2.8 of the Disclosure Schedule. The Company is duly authorized to carry on the business now being conducted by it in each of those jurisdictions. The [redacted] is licensed as a life insurance company only in the State of

Missouri and is duly authorized to carry on the business now being conducted by it in Missouri. The Company and the [redacted] each solicits renewals by sending mail into jurisdictions listed on Section 2.8 of the Disclosure Schedule in which it has not been licensed, however, the Company and its [redacted] are each qualified or licensed in each jurisdiction in which they are required to be so qualified or licensed for the conduct of their respective businesses. Except as set forth in Section 2.8 of the Disclosure Schedule, there is no pending application for any such qualification or license, nor is there any proceeding pending or to the knowledge of Seller, the Company or either of the [redacted] threatened for revocation or suspension of any such authority. Except as set forth in Section 2.8 of the Disclosure Schedule, there are no restrictions, other than those imposed generally under applicable laws and regulations, on the authority of the Company or of its [redacted] to conduct business in the jurisdictions in which each is qualified or licensed.

2.9 Capitalization of the Company and its Subsidiaries. The Company's authorized capital consists solely of (a) 303,685 shares of Voting Common Stock, par value $5.00 each, of which 303,685 shares are issued and outstanding, (b) 192,630 shares of Class A Preferred Stock, par value $5.00 each, of which 172,346 shares are issued and outstanding and 20,284 shares are held in the treasury, and (c) 303,685 shares of Non-Voting Class B Common Stock, par value $5.00 each, of which 299,437 shares are issued and outstanding and 4,248 shares are held in the treasury. All of the Shares have been duly authorized, validly issued, and are fully paid and nonassessable. There is no outstanding right, subscription, warrant, call, option or other agreement or commitment of any kind or nature obligating the Company to issue additional capital stock of any class or to transfer any shares from the treasury of the Company, nor is there outstanding any security or obligation of any kind convertible into its capital stock of any class. The Company owns all of the issued and outstanding capital stock of the [redacted] consisting of 500 shares of Common Stock, par value $100 each, and of the [redacted] consisting of 100 shares of Common Stock, par value $1.00 each. All such shares have been duly authorized, validly issued, and are fully paid and nonassessable, and the Company owns all such shares free and clear of any liens, claims, charges, security interests and encumbrances whatsoever. There is no outstanding right, subscription, warrant, call, option or other agreement or commitment of any kind or nature obligating either the [redacted] or the [redacted] to issue additional capital stock of any class, nor is there outstanding any security or obligation of any kind convertible into either's capital stock of any class.

2.10 Financial Statements; Reserves.

(a) Seller has delivered to Buyer true copies of the consolidated balance sheets of the Company and its [redacted] as of September 30, 1989 and 1990, and the related consolidated statements of income, changes in shareholder's equity and cash flows for each of the years then ended, audited by Price Waterhouse, independent certified public accountants (collectively, the "Audited GAAP Statements"). The Audited GAAP Statements present fairly in all material respects the consolidated financial position of the Company and its Subsidiaries at such dates and the results of their operations for the periods then ended in conformity with generally accepted accounting principles ("GAAP") applied on a consistent basis except as disclosed therein. Set forth in Section 2.10 of the Disclosure Schedule, and which has also been delivered to Buyer, is the internal consolidated balance sheet of the Company and its [redacted] as of June 30, 1991, and the related consolidated statement of income for the nine-month period then ended, prepared on a GAAP basis, and certified by the chief financial officer of the Company (the "Interim GAAP Statements" and, collectively with the Audited GAAP Statements, the "GAAP Statements"). Except as otherwise set forth in Section 2.10 of the Disclosure Schedule and except for normal year-end closing and audit adjustments, the Interim GAAP Statements are in accordance with the books and records of the Company and of its [redacted], have been prepared in accordance with generally accepted accounting principles applied throughout the period covered by such statements on a basis consistent with that used in the preparation of the Audited GAAP Statements, and present fairly in all material respects the consolidated financial position of the Company and its Subsidiaries at such date and the consolidated results of their operations for such period.

(b) Seller has delivered to Buyer true copies of (i) the statements of admitted assets, liabilities, capital and surplus (statutory basis) of the Company as of December 31, 1989 and 1990 and the related statements of operations, of changes in capital and surplus, and of cash flows (statutory basis) of the Company for each of the years then ended, audited by Price Waterhouse (collectively, the "Audited Statutory Statements"), (ii) the Annual Statements of the Company and of its [redacted] for the years ended December 31, 1989 and 1990 filed with the Missouri Division of Insurance (collectively the "Annual Statutory Statements"), and (iii) quarterly statements of the Company and of its [redacted], as filed with the Missouri Department of Insurance, for the period ended June 30, 1991, prepared on a statutory basis, and certified by the chief financial officer of the Company (collectively the "Quarterly Statutory Statements"). Except as otherwise set forth in

Section 2.10 of the Disclosure Schedule, and with respect to the Quarterly Statutory Statements normal year-end closing and audit adjustments, the respective Audited Statutory Statements, the Annual Statutory Statements, and the Quarterly Statutory Statements present fairly the statutory financial position of the Company or of its [redacted] at the dates thereof, and the statutory results of operations and changes in surplus of each for the periods then ended, and were prepared in accordance with the required or permitted statutory insurance accounting requirements or practices applied on a consistent basis under the insurance laws of the State of Missouri.

(c) The insurance reserve items reflected in the Quarterly Statutory Statements were computed in accordance with commonly accepted actuarial standards consistently applied, were fairly stated in accordance with sound actuarial principles, were based on actuarial assumptions which are in accordance with policy provisions, meet the requirements of the laws and regulations of the State of Missouri, and were computed on the basis of assumptions consistent with those used in computing the corresponding items in the Annual Statutory Statements.

2.11 No Material Adverse Change. Since June 30, 1991, the Company and its [redacted] have conducted their businesses in the ordinary course and consistent with their practices prior to such date and, except as set forth in Section 2.11 of the Disclosure Schedule, there has been no change in the assets or liabilities of the Company or either of its Subsidiaries of which the Company, its [redacted] or Seller is aware, which has had or is reasonably expected to have a material and adverse effect on such businesses.

2.12 Investment Assets. The Company and the [redacted] each has good and marketable title to all of its respective investment assets (including without limitation, cash, stocks, notes, bonds, commercial paper, certificates of deposit and other securities, and collectively "Investment Assets") reflected on the balance sheet of June 30, 1991 included in the Interim GAAP Statements or acquired subsequent to such date, other than Investment Assets sold or otherwise disposed of subsequent to such date in the ordinary course of business, free and clear of all liens, claims, charges, security interests and encumbrances whatsoever, except for (i) deposits or joint custody arrangements with state regulatory agencies and (ii) limitations and restrictions set forth in Section 2.12 of the Disclosure Schedule, the existence of which do not, individually or in the aggregate, have a material and adverse effect on the financial condition of the Company or of the [redacted] Except as set forth in Section 2.12 of the Disclosure Schedule, all Investment Assets of the Company and its [redacted] are

currently admissible assets under Missouri insurance laws and regulations.

2.13 Banks, Brokers and Proxies. Set forth in Section 2.13 of the Disclosure Schedule are (i) the name of each bank or other financial institution, and of each securities or other broker with which the Company or either of its [redacted] has an account, credit line or safe deposit box or vault, or otherwise maintains relations; (ii) the name of each person authorized by the Company or its [redacted] to draw thereon or to have access to any such safe deposit box or vault; (iii) the purpose of each such account, safe deposit box or vault; and (iv) the names of all persons authorized by proxies, powers of attorney or other instruments to act on behalf of the Company or its [redacted] in matters concerning its business or affairs. All such accounts, credit lines, safe deposit boxes and vaults are maintained by the Company or its [redacted] for normal business purposes, and no such proxies, powers of attorney or other like instruments are irrevocable.

2.14 Equipment and Other Tangible Personal Property. The Company and each of its [redacted] has good and marketable title to all of its respective equipment, machinery, vehicles, furniture, fixtures and other tangible personal property reflected as assets on the balance sheet of June 30, 1991 included in the Interim GAAP Statements or acquired by purchase subsequent to such date, free and clear of all liens, mortgages, claims, charges, security interests and encumbrances whatsoever, except for (i) any such tangible personal property sold or otherwise disposed of subsequent to such date in the ordinary course of business and (ii) limitations and restrictions set forth in Section 2.14 of the Disclosure Schedule. Set forth in Section 2.14 of the Disclosure Schedule is a list of all leases of and conditional sale contracts for tangible personal property used by or in the possession of the Company or its [redacted] Such leases and conditional sale contracts are valid and in good standing, except for minor defaults which can be cured after notice and prior to termination without significant additional expense.

2.15 Real Estate.

(a) Set forth in Section 2.15 of the Disclosure Schedule is a list of (i) all real property owned by the Company and its [redacted], (ii) all leases, subleases or other agreements under which the Company or either of its [redacted] is lessor or lessee of any real property, (iii) all contractual obligations of and options held by the Company or its [redacted] to purchase or acquire any interest in real property, and (iv) all contractual obligations of and options granted by the Company or

its [redacted] to sell or dispose of any interest in real property. Such leases, subleases and other agreements are valid and in good standing, and neither Company nor either of its [redacted] has received any notice of any default thereunder.

(b) The Company and each of its [redacted] has good and marketable title in fee simple to all real property owned by it. Such property is subject to zoning laws and to the liens of current taxes and assessments thereon which are not yet delinquent and is otherwise free and clear of all liens, encumbrances and defects or exceptions other than those as are set forth in relevant policies insuring the title thereto which do not materially and adversely affect the value or interfere with the use thereof in the business conducted by the Company or its [redacted] Copies of all such title insurance policies have been furnished to Buyer.

(c) Except as set forth in Section 2.15 of the Disclosure Schedule, to the knowledge of Seller, the Company or either of the [redacted] (i) with respect to all real property owned by the Company or by either of its [redacted] and with respect to the Company's home office building located at 4900 Oak Street, Kansas City, Missouri, the existing and prior uses thereof by the Company, its [redacted] or any other person or entity, have not violated and comply with all laws, rules, regulations, orders or permits of all governmental authorities relating to environmental matters and conditions, nor to its knowledge, have any hazardous or toxic waste, substance or constituent been or is now being unlawfully released at or disposed of or deposited on such real property by the Company, its [redacted] or any other person or entity and no notices of any violation or non-compliance with any environmental laws, rules, regulations, order or permits have been received by the Company or either of its [redacted] nor is Seller, the Company or either of the Subsidiaries aware of any investigations pending or threatened with respect to any such violations, and (ii) with respect to all other real property occupied by the Company or by either of its [redacted], or as to which the Company is a mortgagee, the existing and prior uses thereof by the Company, its [redacted] or any other person or entity, have not violated any laws, rules, regulations, orders or permits of any governmental authorities relating to environmental matters and conditions, nor to its knowledge, have any hazardous or toxic waste, substance or constituent been or is now being unlawfully released at or disposed of or deposited on such real property by the Company, its [redacted] or any other person or entity and no notices of any violation or non-compliance with any environmental laws, rules, regulations, order or permits have been received by the Company or either of its [redacted] nor is Seller, the Company or either of the [redacted] aware of any investigations pending or threatened with respect to any such violations.

2.16 Absence of Defaults. Neither the Company nor either of its [redacted] is in breach of or in default under its respective articles of incorporation or bylaws. Except for minor defaults which can be cured after notice and prior to termination without significant additional expense, neither the Company nor its [redacted] is in default under any agreement or other instrument to which any of them is a party or by which any of them is bound.

2.17 Intangible Property and Computer Software. The Company and each of its [redacted] owns, has registered or has valid rights or licenses to use such trademarks, trade names, service marks, copyrights and third-party-developed application computer software as are necessary for the conduct of its business as now being conducted, all of which are set forth in Section 2.17 of the Disclosure Schedule, and neither the Company nor either of its [redacted] is currently in receipt of any notice of infringement by others of, or conflict by others with, the rights of the Company and its [redacted] in any such trademarks, trade names, copyrights and computer software. Neither the Company nor either of its [redacted] has received notice that the Company or its [redacted] is infringing any trademark, trade name registration, copyright or any application pending therefor.

2.18 Compliance with Laws. Neither the Company nor either of its [redacted] is in violation of any applicable judgment, order, injunction, award or decree, and except as set forth in Section 2.18 of the Disclosure Schedule, each is in compliance with all federal, state and local laws and insurance regulations applicable to it, and none has received notice of nor is aware of any claimed violation of any federal, state or local law or insurance regulation applicable to it.

2.19 Outstanding Commitments. Set forth in Section 2.19 of the Disclosure Schedule is a list of (i) all existing written contracts, understandings and commitments of the Company or of its [redacted] which involve anticipated annual expenditures of more than $5,000 (other than insurance policies entered into in the ordinary course of business, employee benefit plans and agreements referred to in Section 2.20, contracts which may be canceled without penalty or additional expense on no more than sixty (60) days' notice, agency agreements of the type referred to in Section 2.27(d), and leases, insurance policies, and reinsurance contracts set forth, respectively, in Sections 2.15, 2.21 and 2.26 of the Disclosure Schedule), (ii) any union or other collective bargaining agreements in effect between the Company or its [redacted] and the employees of any of them, and (iii) all executory contracts or options relating to the acquisition by the Company or its [redacted] of any operating

business. With respect to the so-called "Management Incentive Plans" of the Company for its fiscal years ended September 30, 1988, 1989, 1990 and 1991, respectively, neither the Company nor either of its [redacted] has any binding commitment to make any contributions or any payments to any person.

2.20 Employee Benefit Plans and Agreements.

(a) Set forth in Section 2.20 of the Disclosure Schedule is a list of all Benefit Plans.

(b) Seller has delivered or made available to Buyer accurate and complete copies of all plan texts and other agreements adopted in connection with each Benefit Plan, all summary plan descriptions and other employee communications relating thereto, the most recent annual reports therefor, and, with respect to each such plan which is a Pension Plan, the most recent actuarial valuation therefor, if any.

(c) No event has occurred which is a transaction that is prohibited under Section 4975 of the Code or Section 406 of ERISA (which is not exempt under Section 4975 of the Code or Section 408 of ERISA), and there exists no condition or set of circumstances in connection with which the Company, its [redacted] or any Benefit Plan, directly or indirectly, could be subject to any material liability under Section 409, 502 or 4069 of ERISA, or Section 4971 or 4975 of the Code.

(d) With respect to each Benefit Plan which is a Pension Plan, (i) full payment of all amounts which the Company or its [redacted] is or has been required under the terms of each such plan to have paid as contributions to such plan has been made; (ii) no accumulated funding deficiency, as defined in Section 302 of ERISA and Section 412 of the Code, whether or not waived, exists with respect to any such plan subject to either of those sections; (iii) each such plan conforms to, and its administration is in compliance with, all applicable laws and regulations, including but not limited to ERISA; (iv) each such plan which is intended to qualify under Section 401(a) of the Code has previously been determined by the Internal Revenue Service so to qualify and nothing has occurred since the date of the most recent determination letter which has adversely affected such qualification; and each such plan intended to qualify under Section 401(a) of the Code has been amended to comply with the Tax Reform Act of 1986 and all subsequent applicable legislation.

(e) No actual unpaid or contingent liability to the PBGC has been or is expected to be incurred, directly or indirectly, by the Company or its [redacted] (other than for payment of PBGC premiums in the ordinary course) in consequence of anything done or omitted by the Company or its [redacted] prior to the

date hereof. Except as set forth in Schedule 2.20 of the Disclosure Schedule, no event has occurred, and there exists no condition or set of circumstances which presents a material risk of the termination or partial termination of any Pension Plan, which could result, directly or indirectly, in any liability on the part of the Company or its [redacted] to the PBGC or any other person.

(f) There is no plan or arrangement which provides medical or life insurance or death benefits to retired or terminated Company or [redacted] employees beyond their retirement or other termination of service (other than coverages mandated by Section 601 of ERISA and Sections 376.428 et seq. of the Revised Statutes of Missouri as amended), except as set forth in Section 2.20 of the Disclosure Schedule.

(g) With respect to each Benefit Plan which is a Pension Plan, as of the Closing Date, the liabilities of each such plan shall not exceed the net assets of such plan allocable to such liabilities, determined in the manner and subject to the assumptions specified in the William M. Mercer, Inc. Report on the Actuarial Valuation for the Plan Year and Taxable Year Beginning January 1, 1991, a copy of which has been furnished to Buyer.

(h) Except as set forth in Section 4.8 and in the Employment Agreements set forth in Section 2.20 of the Disclosure Schedule, the consummation of the transactions contemplated by this Agreement will not (i) entitle any employee of the Company or of its [redacted] to severance pay, unemployment compensation or any similar payment, (ii) accelerate the time or vesting of, or increase the amount of compensation due, or (iii) obligate the Company or its [redacted] to make payments described in Code Section 280G(b)(2).

(i) Neither the Company nor its [redacted] has had any obligation to contribute to a Multiemployer Plan at any time.

(j) Whenever any of the terms set forth below is used in this Section 2.20, it shall have the following meaning:

(i) "Benefit Plan" shall mean any plan, agreement, arrangement or commitment which is an employment or consulting agreement, executive compensation plan, bonus plan, deferred compensation agreement, employee pension plan or retirement plan, employee stock option or stock purchase plan, group life, health and accident insurance and other employee benefit plan, agreement, arrangement or commitment, including, without limitation, holiday, vacation, Christmas and other bonus practices (including but not limited to employee benefit plans, as defined in

Section 3(3) of ERISA), maintained, or with respect to which contributions or costs are, have been or will be made or incurred after September 1, 1974 and which relate to current or former employees of the Company or its [redacted]

(ii) "Code" shall mean the Internal Revenue Code of 1986, as amended;

(iii) "ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended;

(iv) "Multiemployer Plan" means a multiemployer plan as defined in Section 4001(a)(3) of ERISA;

(v) "PBGC" shall mean the Pension Benefit Guaranty Corporation;

(vi) "Pension Plan" shall mean an employee pension benefit plan, as defined in Section 3(2) of ERISA.

2.21 Insurance. Set forth in Section 2.21 of the Disclosure Schedule are (i) a list and brief description (specifying the insurer, the amount and nature of coverage, and the policy number or covering note number with respect to binders) of all policies or binders of fire, liability, workers compensation, vehicular, fidelity, errors and omissions, officers and directors liability, and other insurance now in full force and effect held by or on behalf of the Company or its [redacted] and (ii) a list of pending claims made under any such policies.

2.22 Taxes.

(a) Except as set forth in Section 2.22 of the Disclosure Schedule, (i) the Company and its [redacted] have timely filed with the appropriate taxing authorities all returns, reports and other information in respect of all federal, state, foreign and other taxes, assessments and other governmental charges, including, without limitation, income, premium, excise, sales, use, gross receipts, franchise, ad valorem, severance, capital levy, transfer, employment, payroll-related, property and estimated taxes, penalties, interest and additions to tax (collectively "Taxes"), required to be filed by the Company or its Subsidiaries through the date hereof, and the information contained in each such report or return and such other information is complete and accurate; (ii) the Company and its [redacted] have paid, or have established adequate reserves for the payment of, all Taxes required to be paid by the Company or its [redacted] or with respect to which the Company or its [redacted] may have liability, in respect of the periods

covered by such returns and for all subsequent periods that began prior to the date hereof; (iii) no extension of a statute of limitations relating to any Taxes is in effect with respect to the Company or its [redacted], and neither the Company nor its [redacted] has requested any extension of time within which to file returns for any Taxes that have not since been filed, and no deficiencies for any Taxes have been claimed, proposed or assessed with respect to the Company or its [redacted] which have not been paid, settled or disposed of in connection with a settlement; (iv) there are no pending or threatened audits, investigations or claims against the Company or its [redacted] for or relating to any liability in respect of any Taxes and no matters are under discussion with any governmental authorities with respect to Taxes that are likely to result in an additional amount of liability for Taxes being imposed against the Company or its [redacted] (v) the Company is not subject to any Taxes imposed on net income in any jurisdiction or by any taxing authority other than the United States, Illinois, Florida, Nebraska, Minnesota, Mississippi and Tennessee, and the [redacted] are not subject to any Taxes imposed on net income in any jurisdiction or by any taxing authority other than the United States and Missouri; (vi) neither Seller, the Company nor either of its [redacted] has engaged in any activity, including without limitation any distribution or deemed distribution to shareholders, that would result in the imposition of any Taxes pursuant to Section 815 of the Code or any successor provision.

(b) Neither the Company nor either of its [redacted] has filed a consent or entered into an agreement or made an election with regard to any of its assets, pursuant to Section 341(f) of the Code. Neither the Company nor either of its [redacted] has agreed to or is required to make any adjustment under Section 481(a) of the Code.

(c) The results of the operations of the Company and its [redacted] have never been included in a consolidated or combined or other similar return for Taxes that includes the results of the operations of the Company or either of the [redacted] and any other corporation or person.

(d) Neither the Company nor either of its [redacted] is a party to any tax sharing or tax allocation agreement with any other person.

(e) With respect to the Company, examination of its federal income tax returns has been completed or the period of limitation for the assessment of any federal income taxes has expired for all taxable periods to and including the period ended December 31, 1988, and, with respect to the [redacted] examination of its federal income tax returns has been completed or the period of limitation for the assessment of any federal

income taxes has expired for all taxable periods to and including the period ended December 31, 1984.

(f) The Company and the [redacted] are each a "life insurance company" within the meaning of Section 816 of the Code and, for purposes of Section 815 of the Code, as of December 31, 1990 the amount of the policyholders surplus account of the Company was $13,654,594 and of the [redacted] was $21,432.

(g) Neither Seller, the Company, nor either of its [redacted] has engaged in any activity that would, without regard to whether a protective carryover basis election is filed, result in a deemed election under Section 338 of the Code by Buyer.

2.23 Litigation; Labor Disputes. There is no action, suit, claim or legal, administrative or arbitration proceeding (other than claims with respect to policies of insurance issued by the Company or the [redacted] and asserted against either in the ordinary course of business and for amounts which do not exceed the alleged policy benefits), pending against the Company or against either of its [redacted] except as set forth in Section 2.23 of the Disclosure Schedule, nor to the knowledge of Seller, the Company, or either of its [redacted], is any threatened. None of the matters described in Section 2.23 of the Disclosure Schedule could result in any material and adverse effect on the Company's business or financial condition and none seeks the recovery of punitive damages except as described therein. There is no present, nor to the knowledge of Seller, the Company, or either of its [redacted] threatened walkout, strike or other similar occurrence which affects the business or financial condition of the Company or of its [redacted], nor is there any pending attempt or effort to organize or represent the labor force of the Company or of its [redacted]

2.24 Absence of Certain Changes. Except as set forth in Section 2.24 of the Disclosure Schedule, since June 30, 1991 neither the Company nor either of its [redacted] has: (i) entered into any agreement or made any commitment to provide funds in respect of or to purchase, guarantee or assume any debt or obligation of any other person or entity; (ii) increased the rate of compensation of any officer, director, employee, consultant, representative, salesman, or agent of the Company or of its [redacted] other than in the ordinary course of business consistent with past practice; (iii) increased the fringe benefits of, or made any severance or other similar agreement with, any officer, director, employee, consultant, representative, or salesman or agent of the Company or of its [redacted] or reduced, modified or eliminated any existing employee benefit program; (iv) incurred any indebtedness,

liability or obligation other than in the ordinary course of business or as disclosed in this Agreement or the Disclosure Schedule; (v) made or continued in effect any loan or advance to any director, officer, employee, consultant, representative, or salesman or agent of the Company or of its [redacted] other than loans and advances made and drawings allowed in the ordinary course of business; (vi) paid or committed to pay any commission to any director or officer of the Company or of its [redacted] other than in the ordinary course of business consistent with past practice; (vii) issued or sold or purchased, or issued options or rights to subscribe to, or entered into any contracts or commitments to issue or sell or purchase any shares of its capital stock; (viii) declared or paid any dividends or declared or made any other distributions of any kind to its shareholders; (ix) except for investments acquired in the ordinary course of business, made any acquisition of all or any part of the assets, properties, capital stock or business of any other person.

2.25 No Broker. Except for [redacted] the fees and expenses of which are the sole responsibility of Seller, there is no broker or finder who would have any valid claim against Seller or the Company for a commission or brokerage fee in connection with this Agreement or the transactions contemplated hereby as a result of any agreement or understanding of or action taken by Seller.

2.26 Insurance Business.

(a) Reinsurance. Section 2.26 of the Disclosure Schedule contains a true and complete list of all contracts, arrangements, treaties, understandings and agreements between the Company or the [redacted] and any party with respect to reinsurance currently in effect or under which the Company or the [redacted] has or may have any rights, privileges, liabilities or obligations whatsoever. All such agreements are valid, binding and in full force and effect in accordance with their terms, neither the Company nor the [redacted] is in default thereunder, nor to the knowledge of Seller, the Company or the [redacted] is any other party in default thereunder, and no such agreement contains a provision which would entitle the other party thereto to terminate the same by reason of the transactions contemplated by this Agreement.

(b) Claims. The Company has made available to Buyer the Company's and the [redacted] records of all individual policyholder and individual group certificate holder claims (as distinguished from notices of claim) against the Company or the [redacted] that were unpaid, pending because not fully supported or processed, or in dispute as of June 30, 1991.

(c) Continuity of Policies. The transactions contemplated by this Agreement will not affect the validity and binding character of any policy of insurance issued by the Company or the [redacted]

(d) Contracts and Agents. The Company sells insurance by direct mail and through sales personnel. The [redacted] no longer sells insurance in any manner. Sales personnel generally consist of persons classified as general agents, district agents, special agents, part-time agents and brokers. The Company enters into contracts with persons in each such classification. All such contracts are valid, binding and in full force and effect in accordance with their terms, and Seller has furnished to Buyer samples of the forms of contract now typically used by the Company in engaging each category of sales personnel. Except as set forth in Section 2.26 of the Disclosure Schedule, (i) there are no defaults under such contracts that may, individually or in the aggregate, have a material and adverse effect on the business of the Company or of the [redacted] and (ii) no such contract contains a provision entitling the other party thereto to terminate the same by reason of the transactions contemplated by this Agreement.

2.27 Examination Reports. Seller has delivered to Buyer the Missouri Division of Insurance Reports of Examination as of December 31, 1987 of the Company and the [redacted] and the Missouri Division of Insurance Market Conduct Examination Report of January, 1991 of the Company. There are no more recent such reports with respect to the Company or the [redacted] nor, except as set forth in Section 2.27 of the Disclosure Schedule, are there any examinations in progress or investigations pending or, to Seller's knowledge, threatened with respect to either.

2.28 Related Party Agreements. Except as set forth in Section 2.28 of the Disclosure Schedule, neither the Company nor either of its [redacted] has any indebtedness to or from nor any agreements or other arrangements with Seller, [redacted], or any other entities owned or controlled, directly or indirectly, by Seller or [redacted]

2.29 Independent Operation. Except for the ownership of the Shares by Seller and the rights and privileges accorded to Seller thereby, the Company and its [redacted] collectively have such assets, contract rights and other rights as are necessary to the operation of their businesses (i) independently of and from Seller, [redacted] or any other entities owned or controlled, directly or indirectly, by Seller or [redacted] and (ii) as now and as historically conducted.

ARTICLE 3. Representations and Warranties of Buyer.

To induce Seller to enter into and perform its obligations under this Agreement, Buyer represents and warrants to Seller as set forth in this Article 3. The representations and warranties set forth in this Article 3 are true and correct as of the date hereof and, except for changes permitted or contemplated by this Agreement, shall be true and correct as of the Closing Date.

3.1 Organization. Buyer is a corporation duly organized, validly existing and in good standing under the laws of the State of Missouri.

3.2 Authority and Capacity. Buyer has all requisite corporate power, authority and capacity to enter into this Agreement, to perform its obligations hereunder and to consummate the transactions contemplated hereby.

3.3 Buyer Non-Contravention. The execution, delivery and performance of this Agreement by Buyer and the consummation of the transactions contemplated hereby will not (i) conflict with any provision of Buyer's articles of incorporation or bylaws, (ii) result in a breach or default under any other agreement to which Buyer is a party or by which it is bound, or (iii) assuming satisfaction of the requirements set forth in Section 2.6, violate any law applicable to Buyer or any judgment, order, injunction, decree or award of any court, arbitrator, administrative agency or governmental body applicable to or binding upon Buyer.

3.4 Binding Agreement. The execution, delivery and performance of this Agreement have been duly authorized by Buyer. This Agreement has been duly and validly executed and delivered by Buyer and constitutes its valid and binding agreement, enforceable against Buyer in accordance with its terms, except as enforcement thereof may be limited by applicable bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally, and by general principles of equity including the exercise of judicial discretion in connection therewith.

3.5 Purchase for Investment. Buyer is acquiring the Shares for investment for its own account and not with any view to or for sale in connection with any public distribution thereof.

3.6 Proceedings. There are no claims, actions, suits or proceedings pending, nor to the knowledge of Buyer, threatened against or involving Buyer which could affect, prohibit, delay or restrict Buyer's ability to perform its obligations under this Agreement or to consummate the transactions contemplated hereby.

3.7 Approvals. Except as set forth in Section 2.6, Buyer is not aware of any filings required for compliance with any law nor of any governmental body or agency having any authority relevant to the performance or enforceability of this Agreement with respect to Buyer or the consummation by Buyer of the transactions contemplated hereby. No governmental body or agency has ever revoked any license held by Buyer, or by any affiliated entity of Buyer, to conduct insurance operations within any State, nor does Buyer know of any reason why Buyer's petition or, as the case may be, application on Form A for approval to purchase the Shares would not be approved by the Missouri Division of Insurance.

3.8 Brokers. Except for [redacted] the fees and expenses of which are the sole responsibility of Seller, there is no broker or finder who would have any valid claim against Buyer for a commission or brokerage fee in connection with this Agreement or the transactions contemplated hereby as a result of any agreement or understanding of or action taken by Buyer.

3.9 Financing. Buyer has sufficient available funds to enable it to consummate the transactions contemplated by this Agreement or has obtained bank commitments for financing which assure Buyer of such funds.

ARTICLE 4. Covenants and Assurances.

4.1 Access to Information Concerning Properties and Records. From and after the date hereof and until the Closing or termination of this Agreement, Buyer shall be entitled, through its employees and other representatives, including its counsel and independent public accountants, to make such investigation of the business, affairs and financial condition of the Company and its Subsidiaries as Buyer desires. No investigation by Buyer prior to the Closing shall diminish or obviate in any way any of the representations, warranties, covenants or agreements of Seller under this Agreement, provided, however, that if Buyer shall believe, as a result of any such investigation, that there is any inaccuracy or defect in or that a representation or warranty has been breached by any circumstances encountered or ascertained by Buyer during such investigation, it shall promptly notify Seller thereof and otherwise shall be deemed to have waived the same. In order that Buyer may have full opportunity and access to make such investigation as it desires of the business, affairs and financial condition of the Company and its Subsidiaries, Seller shall cause the Company and its Subsidiaries to furnish Buyer's representatives, at reasonable times during normal business hours, with all such information concerning the Company and its Subsidiaries as Buyer's representatives may reasonably request, and shall cause the Company's and

[redacted] officers, employees and agents to cooperate fully with Buyer's representatives in connection with such review and examination. Buyer shall use such information only in accordance with the Confidentiality Agreement referred to in Section 1.9.

4.2 Conduct of the Business Pending Closing. Between the date hereof and until the Closing or termination of this Agreement, except as otherwise expressly contemplated by the provisions of this Agreement or as previously agreed to in writing by Buyer upon consultation with the Company, Seller will use all reasonable efforts to cause the Company and each of its [redacted] respectively,

(a) (i) to continue to operate its business in the ordinary course, (ii) to preserve intact its present business organization, including its current sales force and agents, except for terminations in the ordinary course of business, and (iii) to keep available the services of its present officers and key employees and personnel;

(b) to maintain its corporate existence and to use all reasonable efforts to keep all its present permits and licenses in good standing;

(c) to refrain from disposing of or encumbering any of its properties or assets, except for the sale of the Letter of Intent Securities or the disposition of obsolete assets in the ordinary course of business;

(d) (i) to file all returns and reports for taxes, which it will be required to file during said period, (ii) to make timely remittance of the taxes computed thereon other than disputed Taxes, and (iii) to deliver to Buyer a copy of each such return or report and evidence of such payment within five (5) days after transmitting the same to the appropriate authority;

(e) to maintain its books, accounts and records in the usual, regular and ordinary manner and consistent with past practice;

(f) to invest current cash, proceeds from the sale or maturity of short-term investments (i.e., those having a remaining maturity of one year or less as of the date hereof), and net cash flow generated after the date hereof and available for investment, only in U. S. Treasury securities having an original or remaining maturity of no more than ninety (90) days from the date of investment;

(g) to maintain any insurance coverage in effect as of the date hereof;

(h) not to amend its articles of incorporation or bylaws, or to take any action with respect to any such amendment;

(i) not to create, incur, assume, guarantee or otherwise become liable with respect to any indebtedness, except in the ordinary course of business;

(j) not to (i) grant salary increases to its officers or employees, except in the ordinary course of business consistent with past practice or as required by contracts or programs in effect on the date hereof and disclosed hereunder, or (ii) enter into, amend or alter any retirement, pension, group insurance, death benefit or other fringe benefit plan, trust, agreement or arrangement, except as may be required by law, or (iii) enter into, amend or alter any employment, agency, brokerage or consulting agreement, except in the ordinary course of business;

(k) not to merge or consolidate with any other corporation or to acquire or agree to acquire any controlling interest in, or substantially all of the assets of, any other person, firm, association, corporation or other business organization;

(l) not to authorize, issue or transfer any shares of its capital stock or to grant any option, warrant or right with respect to any such shares;

(m) not to declare or pay any dividends, make any distributions on any shares of its capital stock or repurchase any shares of its capital stock;

(n) not to incur costs or make expenditures, both internal and external, in connection with or with respect to the present computer/data processing conversion which would increase the Company's carrying value, calculated on a statutory accounting basis and in a manner consistent with past practices, for its investment in the [redacted] as of June 30, 1991 by more than the multiple of $225,000.00 times the number of months (and fractions thereof) elapsed after June 30, 1991 and before the Closing Date;

(o) not to make loans to any person, other than policy loans required under outstanding life insurance policies or loans to agents in customary amounts in the ordinary course of the Company's business; and

(p) not to enter into any agreement or arrangement to do any of the things which it has agreed not to do in clauses (c) and (h) through (o) of this Section 4.2.

4.3 HSR Act Filings. As soon as practicable after the date hereof, but in no event later than fifteen (15) days after the date hereof, Seller and Buyer each shall file all of the documents required of it, if any, with the Federal Trade Commission and the United States Department of Justice as are required of it to comply with the HSR Act, and each shall promptly furnish all additional materials requested of it in connection therewith.

4.4 State Filings. As soon as practicable after the date hereof, but in no event later than fifteen (15) days after the date hereof, Buyer shall file with the Missouri Department of Insurance a petition for approval to consummate the purchase of the Shares contemplated under this Agreement or a complete Form A, together with all supporting and other information required thereby, with the Missouri Department of Insurance, and shall also make all such other state regulatory filings or submissions as are necessary to permit Buyer lawfully to acquire the Shares, and shall timely take all such further actions required and promptly furnish all additional materials requested in connection therewith.

4.5 Cooperation. Each party will cooperate in good faith to supply all information requested of such party by the other to expedite preparation of any filings described in Sections 4.3 and 4.4 and, where appropriate, will join in the execution thereof, in order that all requisite documentation shall be completed and filed at the earliest date practicable.

4.6 Continuing Obligation to Inform. From the date hereof and until the Closing, Seller will deliver or cause to be delivered to Buyer such supplemental information, if any, concerning events subsequent to the date hereof as may render any representation or warranty in this Agreement or Disclosure Schedule inaccurate or incomplete in any material respect.

4.7 Other Negotiations. For as long between the date hereof and the Closing or termination of this Agreement as the Missouri Department of Insurance shall not have disapproved Buyer's acquisition of control of the Company without opportunity for cure or reconsideration, neither Seller nor the Company or either its [redacted] nor any officer, director, employee, representative or agent acting with the permission of Seller, shall directly or indirectly negotiate with, or knowingly provide information or assistance to, any corporation, partnership, individual, person, or other entity or group (other than Buyer) concerning any acquisition of a substantial equity interest in, or a merger, consolidation, liquidation, dissolution, or disposition of assets (other than in the ordinary course of business) of, the Company or either its [redacted] or any disposition of any of the Shares (other than pursuant to the

transactions contemplated by this Agreement), or assist or participate in, facilitate or encourage any effort or attempt by any other person to do or seek to do any of the foregoing.

4.8 Continuing Employee Benefits. As soon as practicable after the Closing and consistent with existing contractual obligations of the Company and its [redacted], Buyer will cause the Company and each of its [redacted] to provide current employees who remain employees of the Company or either of its [redacted] with the following: (i) employee retirement, health, hospitalization and disability benefits which are no less favorable than those plans which Buyer, as of the Closing Date, provides to its other employees, as such may be revised from time to time; or (ii) in the event that Buyer does not, as of the Closing Date, provide its employees with any one or more of these benefits, with such comparable benefits as are now provided under the Company's plans, except for changes required by applicable law. In addition, Buyer agrees that in the event the employment of any employee of the Company is terminated by the Company during the one year period following the Closing for any reason other than dishonesty or other employee misconduct, Buyer shall cause the Company to pay such terminated employee severance compensation in an amount equal to that determined under the Company's current corporate administrative procedures relating to job eliminations, or if the terminated employee is a senior executive officer listed in Section 4.8 of the Disclosure Schedule, severance compensation in an amount as set forth in Section 4.8 of the Disclosure Schedule or determined under the Company's current corporate administrative procedures relating to job elimination, whichever is greater.

ARTICLE 5. Conditions to Seller's and Buyer's Obligations.

5.1 Conditions to Buyer's Obligations. The obligation of Buyer to consummate the purchase of the Shares hereunder is subject to the satisfaction on or prior to the Closing Date of each of the conditions set forth below and in Section 5.3. Any such condition may be waived by Buyer in writing or by proceeding with the Closing.

(a) Accuracy of Representations and Warranties. Except for changes permitted or contemplated by this Agreement, all representations and warranties of Seller contained in this Agreement shall be true and correct in all material respects at and as of the Closing Date as if made on and as of such date. For purposes of this Section 5.1(a), all inaccuracies or defects in such representations and warranties which do not, in the aggregate, exceed $500,000 shall not be deemed to be "material" (provided, however, that after this $500,000 aggregate threshold limitation has been exceeded, it shall not be applicable to any

further inaccuracies or defects); and, further, no inaccuracy or defect in any such representation or warranty as to the value of the [redacted] shall be taken into account for any purpose, it being understood and agreed by Buyer and Seller that the [redacted] which had a statutory carrying value of approximately $3,530,000 as of June 30, 1991, is considered valueless for all purposes of this Agreement.

(b) Performance of Covenants. Seller shall have performed and complied in all material respects with all covenants and agreements required by this Agreement to be performed or complied with by it on or prior to the Closing Date.

(c) Delivery of Shares. Seller shall have deposited the certificates representing the Shares with the Escrow Agent, for delivery to Buyer against payment by the Escrow Agent of the Purchase Price therefor in the manner provided in Section 1.4, duly endorsed or with duly executed stock powers attached and in proper form for transfer to Buyer.

(d) Legal Opinions. Buyer shall have received an opinion of RTC counsel to the effect that all actions necessary to authorize this Agreement, and the Indemnification Agreement and the Guarantee Agreement described in Section 1.7, by the Receiver or the RTC, as appropriate, have been taken, and that the Indemnification Agreement has been duly executed and delivered by the Receiver, and that the Guarantee Agreement has been duly executed and delivered by the RTC, and an opinion of [redacted] for Seller, dated the date of Closing, addressed to Buyer, in substantially the form set forth in Exhibit B. In rendering such opinion, such counsel may rely on the opinions of counsel of other states, which shall also be addressed to Buyer, as to matters of law of such states, on the position of an official of any state as to the application or effect of laws pertaining to his office or department, and, as to factual matters, on certificates of Seller or any officers of the Company or of its Subsidiaries and on certificates of governmental officials.

(e) Resignation of Directors. Buyer shall have been tendered the resignations, dated the Closing Date, of such directors of the Company or of its Subsidiaries as Buyer shall designate at least ten (10) days prior to the Closing Date.

If Buyer shall believe that any condition set forth in this Section 5.1 has not been satisfied as of the Closing Date, it shall promptly give Seller and the Escrow Agent notice of its claim to that effect and otherwise shall be deemed to have acknowledged that all the conditions to Buyer's obligations have been either satisfied by Seller or waived by Buyer. In any such

notice Buyer shall specify therein the particular condition which it deems not to have been satisfied and all particulars in which it claims such condition to be unsatisfied ("asserted deficiency"). Any such notice shall operate to postpone and extend the Closing Date for fifteen (15) business days during which period Seller may (i) dispute Buyer's claim by notifying the Escrow Agent of its position in regard thereto in which event no part of the Initial Deposit shall be distributed or returned to anyone pending a determination of the dispute by binding arbitration as set forth in the Escrow Agreement and of Seller's right to liquidated damages should Buyer fail to close because of the asserted deficiency, or (ii) rectify the asserted deficiency whether or not Seller agrees to the merits thereof in which event all conditions set forth in this Section 5.1 shall be deemed fully satisfied, or (iii) declare this Agreement of no further force or effect in which event the respective obligations of Seller to sell, and of Buyer to buy, the Shares under this Agreement shall then be terminated without further action and without further liability of either party to the other, except as set forth in Section 1.9 of this Agreement, and thereupon the Escrow Agent shall contemporaneously return to Buyer all sums then held in said escrow after deducting therefrom compensation to itself as Escrow Agent and expenses incurred by it in such capacity, and return to Seller the certificates evidencing the Shares together with any stock powers attached thereto.

5.2 Conditions to Seller's Obligations. The obligation of Seller to consummate the sale of the Shares hereunder is subject to the satisfaction on or prior to the Closing Date of each of the conditions set forth below and in Section 5.3. Any such condition may be waived by Seller in writing or by proceeding with the Closing.

(a) Accuracy of Representations and Warranties. Except for changes permitted or contemplated by this Agreement, all representations and warranties of Buyer contained in this Agreement shall be true and correct in all material respects at and as of the Closing Date as if made on and as of such date.

(b) Performance of Covenants. Buyer shall have performed and complied in all material respects with all agreements and covenants required by this Agreement to be performed by it on or prior to the Closing Date.

(c) Payment of Purchase Price. Buyer shall have deposited with the Escrow Agent, in accordance with Section 1.4 hereof, the balance of the Purchase Price for the Shares.

(d) Opinion of Counsel. Sellers shall have received the opinion of counsel for Buyer, dated the date of Closing, addressed to Seller, in substantially the form set forth in

Exhibit C. In rendering such opinion, such counsel may rely on the opinions of Missouri counsel as to matters of Missouri law and, as to factual matters, on certificates of any officers of Buyer and on certificates of governmental officials.

5.3 Conditions to Obligations of Each Party. The obligations of Buyer and Seller to consummate the purchase and sale of the Shares contemplated hereunder on or prior to the Closing Date shall be subject to the satisfaction of each of the conditions set forth below.

(a) No Action or Proceeding. There shall not be any litigation or proceeding against Buyer or Seller which, in the reasonable opinion of the other, seeks to impose material damages in connection with, to restrain, materially modify or invalidate the transactions contemplated by, this Agreement, or to preclude the consummation of such transactions, and no preliminary or permanent injunction or other restraining order prohibiting or materially modifying such transactions shall be in effect.

(b) Missouri Department of Insurance Action. The Missouri Department of Insurance shall have approved Buyer's acquisition of the Shares.

(c) HSR Act. The waiting period, if any, required under the HSR Act, including any extension thereof, shall have expired or have been terminated.

ARTICLE 6. Survival; Indemnification.

6.1 Survival of Representations and Warranties.

(a) Except for those representations and warranties of Seller set forth in Sections 2.4, 2.5, 2.8, 2.9 and 2.25, which shall each survive the Closing without limitation, and for the representations and warranties of Seller set forth in Sections 2.20 and 2.22, which shall each survive the Closing until the later of the third anniversary of the Closing or the expiration of any extended period for the assessment of Taxes granted to the IRS prior to such third anniversary and thereafter shall (except for pending claims for Loss under Section 6.2(a) as to which Buyer shall have given Seller written notice as provided therein) be of no further force or effect, the representations and warranties of Seller in this Agreement shall survive the Closing for a period of only one (1) year and thereafter shall (except for pending claims for Loss under Section 6.2(a) as to which Buyer shall have given Seller written notice as provided therein) be of no further force or effect. No recourse shall be had against Seller, [redacted] the Receiver, the RTC, or any entity owned or controlled, directly or indirectly, by any of

them, or against any director or officer of the Company or its [redacted] either directly or through the Company or its [redacted] for or in respect of or resulting from any inaccuracy or defect in or breach of any representation or warranty of Seller in this Agreement, except as set forth in Section 6.2(a), or under the Indemnification Agreement and the Guarantee.

(b) The representations and warranties of Buyer set forth in this Agreement shall survive the Closing without limitation.

6.2 Indemnification. The parties agree that from and after the Closing:

(a) Seller shall indemnify and hold harmless Buyer from and against all losses, liabilities, charges, damages, fines, filing or other similar fees, deficiencies, costs and expenses (including interest, penalties, reasonable attorneys' fees, necessary accountant's and actuaries' fees, and other costs and expenses incident to any suit, action or proceeding other than against Seller under or with respect to any claim made by Buyer pursuant to this Agreement) (collectively "Loss"), sustained or incurred directly or indirectly by Buyer, up to, but in no event in excess of the amount of the Resolution Retention and any interest earned thereon during the period it is held under the Escrow Agreement, based upon or arising out of any material inaccuracy or defect in or material breach of any representation or warranty of Seller set forth in Article 2 of this Agreement, but only if and to the extent that such Loss shall have been sustained or incurred directly or indirectly by Buyer and Buyer shall have given written notice to Seller of Buyer's claim for indemnification for such Loss prior to the expiration of survival of the representation or warranty upon which such Loss is based or arises out of. For purposes of this Section 6.2(a), all inaccuracies or defects in and breaches of Seller's representations and warranties which do not, in the aggregate, exceed $500,000 shall not be deemed to be "material" (provided, however, that after this $500,000 aggregate threshold limitation has been exceeded, it shall not be applicable to any further inaccuracies or defects); and, further, no inaccuracy or defect in any such representation or warranty as to the value of the [redacted] shall be taken into account for any purpose, it being understood and agreed by Buyer and Seller that the [redacted] is considered valueless for all purposes of this Agreement. All of Buyer's claims for indemnification for Loss as to which notice thereof is given by Buyer to Seller within one (1) year after the Closing and all such claims based solely on Section 2.20 or Section 2.22 as to which notice thereof is given by Buyer to Seller within three (3) years after the Closing shall, unless otherwise resolved by Seller and Buyer, be determined by binding arbitration pursuant to and as set forth in the Escrow Agreement.

(b) Buyer shall indemnify and hold harmless Seller from and against all Loss sustained or incurred by Seller and based upon or arising out of (i) any act or omission of Buyer, the Company or its Subsidiaries following the Closing Date; (ii) any material inaccuracy or defect in or material breach by Buyer of any representation or warranty of Buyer in this Agreement; or (iii) any failure by Buyer to perform or observe any term or covenant of this Agreement required to be performed or observed by Buyer after the Closing.

(c) Promptly after the receipt by Buyer or Seller of notice of any claim, action, suit or proceeding by any person who is not a party to this Agreement (collectively, "Action"), which could result in a claim by either for indemnification for Loss (other than any such claim by Buyer against Seller on account of Taxes) under this Agreement, the party receiving such notice shall give notice to the other of such Action, and shall supply the other with copies of any written information possessed or received by it with respect to such Action which may be requested by the other. Within thirty (30) days after the giving of such notice, the indemnifying party shall: (i) admit, without equivocation, in writing to the indemnified party, the indemnifying party's liability to the indemnified party for indemnification for Loss with respect to such Action under the terms of this Section 6, (ii) notify the indemnified party in writing of the indemnifying party's intention to assume the defense thereof, or (iii) retain legal counsel reasonably satisfactory to the indemnified party to provide a defense of such Action. Buyer and Seller shall cooperate with the party assuming or providing the defense of any Action, in defending, compromising or settling any such Action in such manner as the indemnifying party may reasonably request. If the indemnifying party assumes or provides the defense of any such Action, the indemnified party shall have the right to employ separate counsel and to participate in (but not control) the defense, compromise, or settlement thereof, but the indemnified party shall be responsible for the fees and expenses of such counsel unless (i) the indemnifying party agrees to pay such fees and expenses, or (ii) any relief other than the payment of money damages is sought in such Action against the indemnified party, the Company or either of its Subsidiaries, in which event the fees and expenses of such separate counsel shall be borne by the indemnifying party. The indemnified party shall not settle or compromise any Action for which it is entitled to indemnification for Loss hereunder without the prior written consent of the indemnifying party, unless the indemnifying party shall have failed to assume or provide a defense of such Action in the manner set forth above.

Buyer will notify Seller promptly of the commencement of any action, suit, proceeding, audit, examination, or other proposed change or adjustment by any taxing authority concerning

any Taxes (collectively, "Tax Claim"), which could result in a claim by Buyer against Seller for indemnification for Loss under this Agreement. Buyer will furnish Seller promptly with copies of all correspondence received from any taxing authority in connection with any Tax Claim, and Seller will have the right to approve in advance any correspondence with respect to any Tax Claim sent to any taxing authority by or on behalf of the Company or particular [redacted] to the extent such correspondence could adversely affect Seller's obligations under Section 6.2(a) hereof; provided, however, that Seller will be deemed to have approved any such correspondence to the extent notice of its disapproval thereof is not delivered or mailed to Buyer in accordance with Section 7.9 hereof with reasonable promptness, but in any event at least 14 calendar days before the date on which payment of any Taxes is due or the liability therefor becomes final, or, if earlier, at least 14 calendar days before the date on which the ability of the Company or such [redacted] or of Buyer to defend against the Tax Claim would be irrevocably prejudiced. At its option (following reasonable notice to and consultations with Buyer), Seller may, for or on behalf of the Company or particular [redacted] contest any Tax Claim in any legally permissible manner until such time as payment of Taxes with respect to such Tax Claim is due and, upon Seller's payment of or provision of funds to the Company or particular [redacted] for the payment of such Taxes, may cause the Company or particular [redacted] to sue for a refund thereof where permitted by applicable law. Except as provided in the last sentence of this subsection, Seller may control all proceedings taken in connection with any such contest or refund suit, and may pursue or forego any and all administrative appeals, proceedings, hearings, and conferences with the taxing authority in respect of such Tax Claim. The Company or particular [redacted] or Buyer, as appropriate, will take such lawful action in connection with the contest or refund suit as Seller may reasonably request in writing from time to time, including without limitation, the prosecution of the contest or refund suit to a final determination, provided that (i) Seller requests such action with reasonable promptness, but in any event at least 14 calendar days before the date on which payment of any Taxes is due or the liability therefor becomes final, or if earlier, at least 14 calendar days before the date on which Seller's ability to defend against the Tax Claim would be irrevocably prejudiced, (ii) a reasonable basis exists for such contest or refund suit, and (iii) Seller admits, without equivocation, in writing to Buyer, Seller's liability to Buyer for indemnification for Loss with respect to such Tax Claim under the terms of this Section 6. Notwithstanding the foregoing, if any such contest or refund suit has or may reasonably be expected to have a material and adverse effect on the liability of the Company or particular Subsidiary, or of Buyer for Taxes with respect to any period ending after the Closing Date, then Seller and Buyer will jointly control such contest or refund suit.

ARTICLE 7. Miscellaneous.

7.1 Scope of Knowledge. Whenever reference is made in this Agreement to matters within the knowledge or awareness of Seller, the Company or its [redacted] such references are intended to include only matters of which Seller, elected officers, directors, employees of the Company who are managers of office level organizational components, or elected officers and directors of the [redacted] have actual knowledge.

7.2 Entire Agreement. This Agreement (including the exhibits hereto and the Disclosure Schedule which are hereby incorporated by reference) constitutes the entire understanding and agreement of the parties relating to the subject matter hereof and supersedes any and all prior understandings and agreements, whether written or oral, relating thereto.

7.3 Amendments; No Third-Party Beneficiaries. No changes in, modifications of or amendments to this Agreement shall be valid unless the same shall be in writing and signed by the parties hereto. Except as expressly provided herein, nothing in this Agreement shall be construed to confer any rights or remedies on any person or entity other than Seller, Buyer and the Company.

7.4 Assignment. This Agreement shall not be assignable by Seller. This Agreement may be assigned by Buyer to a direct or indirect wholly-owned subsidiary of Buyer, but no such assignment shall relieve Buyer of any obligation or liability to Seller under or arising out of this Agreement.

7.5 Governing Law. This Agreement and the Escrow Agreement shall be construed and enforced in accordance with, and shall be governed by, the laws of the State of Missouri without reference to and regardless of any applicable choice of law principles.

7.6 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

7.7 Severability. If any provision of this Agreement, or the application of any such provision to any person or circumstance, shall be held invalid by any court of competent jurisdiction, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

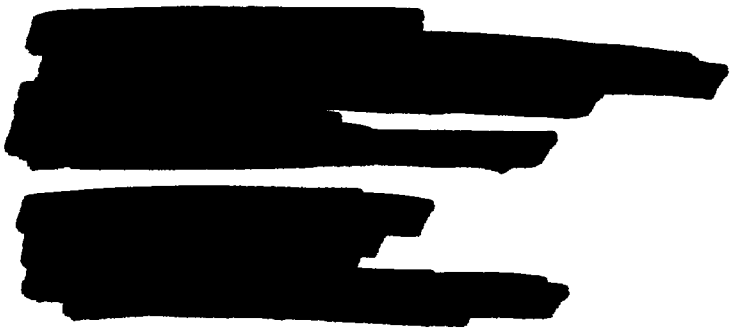
7.8 Headings. The headings contained in this Agreement are for reference only and shall not in any way affect the meaning or construction of this Agreement.

7.9 Notices. All notices or other communications required by or given under this Agreement shall be in writing and shall be personally delivered, sent by nationally recognized overnight delivery service, charges prepaid, or mailed by registered or certified mail, return receipt requested, first class postage prepaid, addressed as follows:

If to Seller:

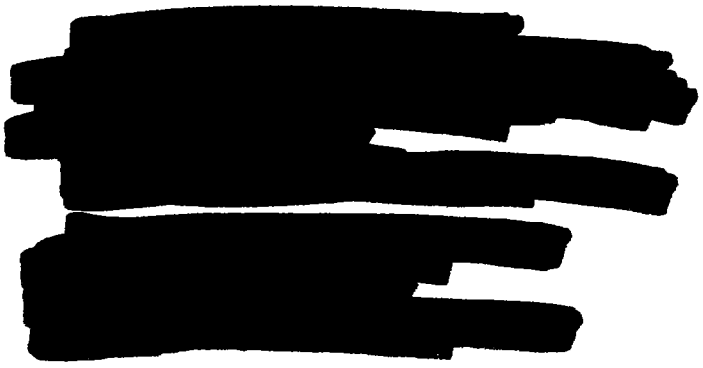
Mr. Paul S. Kirchner
Asset Marketing Specialist
Resolution Trust Corporation
4200 W. Cypress Street
P. O. Box 20587
Tampa, Florida 33622-0587

with copies to:



If to Buyer:

with copies to:



or to such other address as hereafter shall be furnished as provided in this Section 7.9 by any of the parties hereto to the other parties hereto.

7.10 Expenses. Each party shall bear all expenses incurred by it or on its behalf in connection with the authorization and preparation of and consummation of the transactions contemplated by this Agreement, including, without limitation, all fees and expenses of agents, accountants and counsel employed by such party.

IN WITNESS WHEREOF, this Agreement has been executed and delivered in Kansas City, Missouri all as of the day and year first above written.

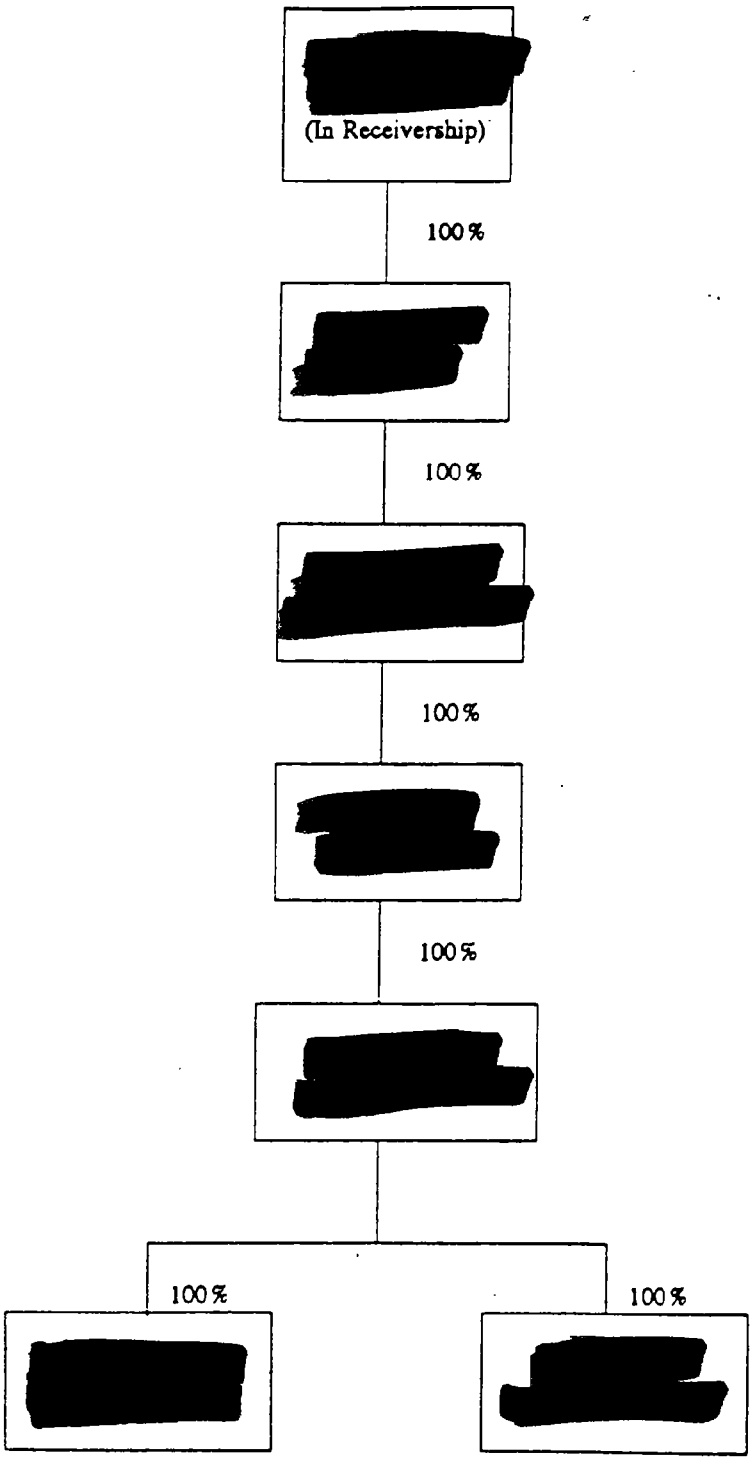
THIS CONTRACT CONTAINS A BINDING ARBITRATION PROVISION WHICH MAY BE ENFORCED BY THE PARTIES.

BUYER:

SELLER:

[redacted]

Organizational Chart



GUARANTEE AGREEMENT

This GUARANTEE AGREEMENT is made and entered into this 19th day of September, 1991, by and between RESOLUTION TRUST CORPORATION, in its corporate capacity ("RTC"), and [redacted] a Missouri corporation ("Buyer").

WHEREAS, Buyer has, contemporaneously with the execution of this Agreement by RTC and Buyer, entered into a Stock Purchase Agreement of even date herewith (the "Purchase Agreement"), with [redacted] a Florida corporation ("Seller"), in which Seller has agreed to sell and Buyer has agreed to purchase all of the outstanding shares of capital stock of all classes (collectively the "Shares") of [redacted] a Missouri life insurance company ([redacted] and

WHEREAS, Seller is a wholly-owned indirect subsidiary of [redacted], a federal savings association in receivership under the laws of the United States for which Resolution Trust Corporation is receiver (hereinafter, in such capacity, "Receiver"); and

WHEREAS, Buyer, [redacted] and its [redacted] (as defined in the Purchase Agreement) may have potential liabilities for any unfunded current liabilities of, or upon termination, any unfunded benefit liabilities under any defined benefit plans of [redacted] or their affiliates other than [redacted] and its [redacted] and

WHEREAS, Buyer may have potential losses or liabilities because of the loss of the initial certificates issued to Seller by

[redacted] and representing the Shares (the "Lost Certificates"), if such Lost Certificates are acquired by a purchaser who asserts that they have been purchased for value, in good faith and without notice of any adverse claim; and

WHEREAS, to induce Buyer to enter into the Purchase Agreement, Receiver has, contemporaneously with the execution by Buyer of the Purchase Agreement and with the execution by RTC and Buyer of this Agreement, entered into an Indemnification Agreement of even date herewith (the "Indemnification Agreement") with Buyer pursuant to which Receiver has indemnified Buyer against and held it harmless from any such losses and liabilities sustained or incurred by Buyer or its "affiliates" (as defined in the Indemnification Agreement); and

WHEREAS, to further induce Buyer to enter into the Purchase Agreement, RTC is willing to guarantee the performance of and payment of the Receiver's obligations under the Indemnification Agreement;

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

Section 1. Guarantee. RTC hereby absolutely and, except only as otherwise provided herein, unconditionally guarantees the performance of and payment of Receiver's obligations under the Indemnification Agreement, without reference to and regardless of

the enforceability of the Indemnification Agreement. Claims of "Loss" (as defined in the Indemnification Agreement) made by Buyer against Receiver in accordance with the provisions of the Indemnification Agreement shall be deemed to have been made against RTC as guarantor; provided, however, that, as a condition to RTC's obligations hereunder, Buyer shall comply in all material respects with the provisions of the Indemnification Agreement. RTC shall be liable under this Agreement only for the performance of such obligations and for the payment of such amounts as Receiver shall have been required under the Indemnification Agreement to perform or make, but shall have failed to perform or make, and RTC shall perform or commence the performance of such obligations and make such payments as soon as practicable after the expiration of any period in which Receiver shall have been obligated to do so under the Indemnification Agreement.

Section 2. Assignment of Claims. If and to the extent RTC makes any payment to Buyer pursuant to or in connection with this Agreement, RTC shall, to the extent of such payment, be subrogated to the rights of Buyer with respect to the claimed Loss to which such payment relates, and Buyer hereby assigns to RTC any and all claims and rights it may have against others (other than Buyer's affiliates) and for which Buyer receives payment from RTC under this Agreement. Upon the request of RTC, Buyer shall execute such further written assignments of claims and rights as may be necessary or appropriate to convey to RTC Buyer's interests therein.

Section 3. RTC's Authority. RTC hereby represents and warrants that it has full power and authority to enter into this Agreement and to perform its obligations hereunder; that the person executing this Agreement has been duly authorized to do so by RTC; and that this Agreement constitutes a legal, valid and binding obligation of RTC and is enforceable against RTC in accordance with its terms (except as the enforcement thereof may be limited by the application of general equitable principles, regardless of whether such enforceability is considered in a proceeding in equity or at law).

Section 4. Amendment. This Agreement may not be amended except by an instrument in writing signed on behalf of each of the parties hereto or their permitted assigns.

Section 5. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which shall be considered one and the same instrument.

Section 6. Entire Agreement. This Agreement contains the entire agreement between the parties and supersedes all prior agreements, arrangements and understandings relating to the subject matter thereof. There are no written or oral agreements understandings, representations or warranties between the parties other than those set forth herein.

Section 7. Rights Cumulative; Waivers. The rights of each of the parties under this Agreement are cumulative and may be

exercised as often as either party considers appropriate. The rights of each of the parties hereunder shall not be capable of being waived or varied otherwise than by an express waiver or variation in writing. Any failure to exercise or any delay in exercising any of such rights shall not operate as a waiver or variation of that or any other such right. Any defective or partial exercise of any of such rights shall not preclude any other or further exercise of that or any other such right. No act or course of conduct or negotiation on the part of any party shall in any way preclude such party from exercising any such right or constitute a suspension or any variation of any such right.

Section 8. Section Headings. The section and paragraph headings contained in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation of this Agreement.

Section 9. Notices. All notices and other communications hereunder shall be in writing (including a writing delivered by facsimile transmission) and shall be deemed to have been duly given (a) when delivered, if sent by registered or certified mail (return receipt requested), (b) when delivered, if delivered personally or by facsimile during regular business hours (and, with respect to facsimile delivery, with corresponding hard copy mailed within 24 hours thereafter with first class postage prepaid), or (c) on the second following business day, if sent by overnight mail or overnight courier, in each case to the parties at the following addresses (or at such other addresses as shall be specified by like notice):

If to RTC, to:

Resolution Trust Corporation
801 Seventeenth Street, N.W., Room 921
Washington, D. C. 20434-0001
Attention: Robert E. Burton, Jr., Esq.
Facsimile No. _____

with a copy to:

Resolution Trust Corporation
4200 W. Cypress Street, Suite 100
Tampa, Florida 33607
Attention: Robert W. Johnson, Esq.
Facsimile No. (813) 870-7376

If to the Buyer, to:

[redacted]

with a copy to:

[redacted]

Section 10. Governing Law. This Agreement shall be construed, and the rights and obligations of Buyer and RTC hereunder determined, in accordance with federal statutory or common law ("Federal Law"). Insofar as there may be no applicable rule or precedent under Federal Law and insofar as to do so would not frustrate the purposes of the Financial Institution Reform, Recovery and Enforcement Act of 1989 or any provision of this

Agreement, the laws of the State of Missouri shall be deemed reflective of Federal Law.

Section 11. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto, but may not be assigned by either without the prior written consent of the other.

Section 12. Cooperation. The parties agree that they shall in good faith cooperate with one another to carry out to the fullest extent possible the purposes of this Agreement.

Section 13. Sole Benefit. This Agreement and all of its provisions are for the sole benefit of the parties hereto and their respective permitted assigns.

IN WITNESS WHEREOF, this Agreement has been executed on behalf of each of the parties hereto by an authorized representative, all as of the day and year first above written.

RESOLUTION TRUST CORPORATION
in its corporate capacity

By: _____
William M. Dudley
Regional Director

[redacted]

[redacted]

INDEMNIFICATION AGREEMENT

This INDEMNIFICATION AGREEMENT is made and entered into this 19th day of September, 1991, by and between the RESOLUTION TRUST CORPORATION, in its capacity as receiver ("Receiver") for [redacted], a federal savings association in receivership under the laws of the United States, and [redacted], a Missouri corporation ("Buyer").

WHEREAS, Buyer has, contemporaneously with the execution of this Agreement by Receiver and Buyer, entered into a Stock Purchase Agreement of even date herewith (the "Purchase Agreement") with [redacted] a Florida corporation ("Seller"), in which Seller has agreed to sell and the Buyer has agreed to purchase all of the outstanding shares of capital stock of all classes (collectively the "Shares") of [redacted] a Missouri life insurance company [redacted]; and

WHEREAS, Seller is a wholly-owned indirect subsidiary of [redacted] and

WHEREAS, Buyer, [redacted] and its [redacted] (as defined in the Purchase Agreement) may have potential liabilities for any unfunded current liabilities of, or upon termination, any unfunded benefit liabilities under any defined benefit plans of [redacted] or their affiliates other than [redacted] and its [redacted] and

WHEREAS, Buyer may have potential losses or liabilities because of the loss of the initial certificates issued to Seller by [redacted] and representing the Shares (the "Lost Certificates"), if such Lost Certificates are acquired by a purchaser who asserts that they have been purchased for value, in good faith and without notice of any adverse claim; and

WHEREAS, to induce Buyer to enter into the Purchase Agreement, Receiver is willing to indemnify Buyer against and hold it harmless from such losses and liabilities;

NOW, THEREFORE, for and in consideration of the premises, the mutual covenants hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

Section 1. Indemnification. Receiver shall, from and after the consummation of Buyer's purchase of the Shares pursuant to the Purchase Agreement, indemnify and hold Buyer harmless from and against all losses, liabilities, charges, damages, fines, deficiencies, costs and expenses (including interest, penalties and reasonable attorneys' fees and disbursements) (collectively "Loss") sustained or incurred by Buyer or any "affiliate" of Buyer (which for purposes hereof shall mean any entity owned by or controlled by Buyer, directly or indirectly, [redacted] or either of its [redacted], based upon or arising out of (i) any unfunded current liabilities of, or upon any termination whenever occurring any unfunded benefit liabilities under, any defined benefit plan (including any applicable share of any multiemployer pension plan) maintained or contributed to by [redacted]

[redacted] or (other than [redacted] and its Subsidiaries) any entity owning, controlling, owned by or controlled by, directly or indirectly, any of them, including without limitation, all such Loss, whether to the Internal Revenue Service, the Pension Benefit Guaranty Corporation, the United States Department of Labor or any other party, arising under the Internal Revenue Code of 1986, as amended, or the Employee Retirement Income Security Act of 1974, as amended, and (ii) the loss of the Lost Certificates, including, without limitation, any claim made by any person having possession thereof.

Section 2. Procedures for Indemnification. If Buyer believes that it has sustained or incurred any Loss, it shall promptly notify Receiver, describing such Loss, the amount thereof, and the method of computation of such Loss, all with reasonable particularity. Receiver shall pay such Loss to Buyer within thirty days after receipt of Buyer's notice, or shall, within such period, give Buyer notice of any particulars in which it disputes the Loss claimed by Buyer and pay to Buyer only that amount of such Loss which Receiver does not dispute. Should Buyer disagree with any amount of Loss claimed by Buyer and disputed by Receiver, Buyer shall have all rights and remedies available at law with respect to Receiver's obligations hereunder.

If any claim, action, suit or administrative proceeding is instituted by a third party with respect to which Buyer intends to claim any Loss under this Agreement, Buyer shall promptly notify Receiver. Receiver shall have the right to assume the defense of and to conduct and control, through counsel of its own

choosing, any such third party claim, action, suit or proceeding, but Buyer may, at its election, participate in the defense of any such claim, action, suit or proceeding at its sole cost and expense; provided, however, that if Receiver shall fail to defend any such claim, action, suit or proceeding, then Buyer may defend, through counsel of its own choosing, such claim, action, suit or proceeding and may settle such claim, action, suit or proceeding, and recover from Receiver the amount of any such settlement or judgment rendered therein which constitutes Loss indemnified against hereunder, as well as the reasonable costs and expenses of Buyer's defense allocable to such indemnified Loss.

Section 3. Assignment of Claims. If and to the extent Receiver makes any payment to Buyer pursuant to or in connection with this Agreement, Receiver shall, to the extent of such payment, be subrogated to the rights of Buyer with respect to the claimed Loss to which such payment relates, and Buyer hereby assigns to Receiver any and all claims and rights it may have against others (other than Buyer's affiliates) and for which Buyer receives payment from Receiver under this Agreement. Upon the request of Receiver, Buyer shall execute such further written assignments of claims and rights as may be necessary or appropriate to convey to Receiver Buyer's interests therein.

Section 4. Receiver's Authority. Receiver hereby represents and warrants that it has full power and authority to enter into this Agreement and to perform its obligations hereunder; that the person executing this Agreement has been duly

authorized to do so by Receiver; and that this Agreement constitutes a legal, valid and binding obligation of Receiver and is enforceable against Receiver in accordance with its terms (except as the enforcement thereof may be limited by the application of general equitable principles, regardless of whether such enforceability is considered in a proceeding in equity or at law).

Section 5. Amendment. This Agreement may not be amended except by an instrument in writing signed on behalf of each of the parties hereto or their permitted assigns.

Section 6. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which shall be considered one and the same instrument.

Section 7. Entire Agreement. This Agreement contains the entire agreement between the parties and supersedes all prior agreements, arrangements and understandings relating to the subject matter thereof. There are no written or oral agreements understandings, representations or warranties between the parties other than those set forth herein.

Section 8. Rights Cumulative; Waivers. The rights of each of the parties under this Agreement are cumulative and may be exercised as often as either party considers appropriate. The rights of each of the parties hereunder shall not be capable of being waived or varied otherwise than by an express waiver or variation in writing. Any failure to exercise or any delay in exercising any of such rights shall not operate as a waiver or

variation of that or any other such right. Any defective or partial exercise of any of such rights shall not preclude any other or further exercise of that or any other such right. No act or course of conduct or negotiation on the part of any party shall in any way preclude such party from exercising any such right or constitute a suspension or any variation of any such right.

Section 9. Section Headings. The section and paragraph headings contained in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation of this Agreement.

Section 10. Notices. All notices and other communications hereunder shall be in writing (including a writing delivered by facsimile transmission) and shall be deemed to have been duly given (a) when delivered, if sent by registered or certified mail (return receipt requested), (b) when delivered, if delivered personally or by facsimile during regular business hours (and, with respect to facsimile delivery, with corresponding hard copy mailed within 24 hours thereafter with first class postage prepaid), or (c) on the second following business day, if sent by overnight mail or overnight courier, in each case to the parties at the following addresses (or at such other addresses as shall be specified by like notice):

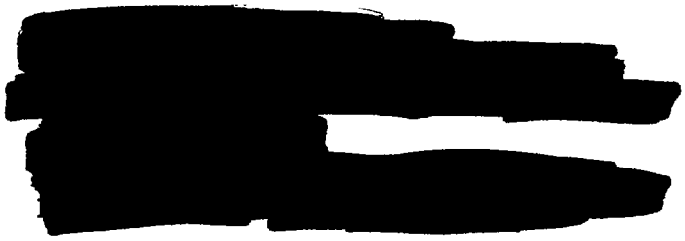
If to Receiver, to:

Resolution Trust Corporation
4200 W. Cypress Street, Suite 100
Tampa, Florida 33607
Attention: Paul S. Kirchner
Facsimile No. (813)876-7917

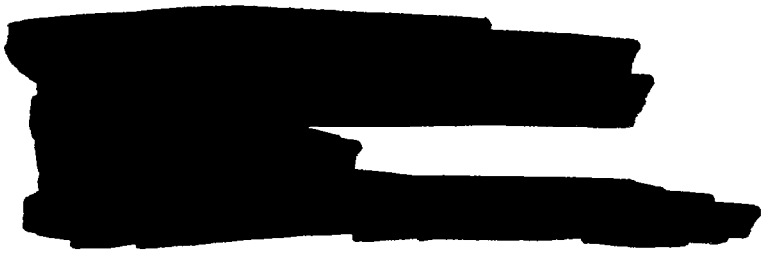
with a copy to:

Resolution Trust Corporation
4200 W. Cypress Street, Suite 100
Tampa, Florida 33607
Attention: Robert W. Johnson, Esq.
Facsimile No. (813)870-7376

If to the Buyer, to:



with a copy to:



Section 11. Governing Law. This Agreement shall be construed, and the rights and obligations of Buyer and Receiver hereunder determined, in accordance with the laws of the State of Missouri.

Section 12. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto, but may not be assigned by either without the prior written consent of the other.

Section 13. Cooperation. The parties agree that they shall in good faith cooperate with one another to carry out to the fullest extent possible the purposes of this Agreement.

Section 14. Sole Benefit. This Agreement and all of its provisions are for the sole benefit of the parties hereto and their respective permitted assigns.

IN WITNESS WHEREOF, this Agreement has been executed on behalf of each of the parties hereto by an authorized representative, all as of the day and year first above written.

RESOLUTION TRUST CORPORATION
as Receiver for CenTrust
Federal Savings Bank

By: William M. Dudley
William M. Dudley
Regional Director

[redacted]

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