CONFIDENTIAL
Execution Version

STOCK PURCHASE AGREEMENT

among

SYNCORA HOLDINGS LTD.,

SYNCORA HOLDINGS US INC.

and

STAR INSURANCE HOLDINGS LLC

Dated as of August 14, 2019

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STOCK PURCHASE AGREEMENT

This STOCK PURCHASE AGREEMENT, dated as of August 14, 2019 (this "Agreement"), is made by and among Star Insurance Holdings LLC, a Delaware limited liability company ("Buyer"), Syncora Holdings Ltd., a Bermuda exempt company ("Parent"), and Syncora Holdings US Inc., a Delaware corporation ("Seller"). Capitalized terms used herein shall have the meanings assigned to such terms in the text of this Agreement or in Section 8.1.

R E C I T A L S:

WHEREAS, Seller owns all of the issued and outstanding shares of the common stock, par value $7,500 per share (the "SGI Shares"), of Syncora Guarantee Inc., a New York financial guaranty insurance company ("SGI"), and all of the outstanding shares of common stock, par value $0.01 per share (the "Syncora Admin Shares" and together with the SGI Shares, the "Shares"), of Syncora Administrative Holdings US Inc., a Delaware corporation ("Syncora Admin" and together with SGI the "Companies," and each a "Company"); and

WHEREAS, Seller wishes to sell the Shares to Buyer, and Buyer wishes to purchase the Shares from Seller, on the terms and conditions set forth in this Agreement;

NOW, THEREFORE, the parties agree as follows:

ARTICLE 1

Sale and Purchase of Shares

Section 1.1 Sale and Purchase of Shares. Subject to the terms and conditions hereof, at the Closing, Seller shall sell the Shares to Buyer, and Buyer shall purchase the Shares from Seller, for the Purchase Price.

Section 1.2 Purchase Price. The purchase price payable by Buyer to Seller for the Shares shall be an amount equal to $392,500,000, as adjusted pursuant to Schedule 1.2 hereto (the "Purchase Price"), which shall be payable at Closing as set forth below in Section 1.3.

Section 1.3 Closing. The closing of the purchase and sale of the Shares contemplated by this Agreement (the "Closing") shall take place at 10:00 a.m., New York City time, at the offices of Debevoise & Plimpton LLP, 919 Third Avenue, New York, New York 10022 (or such other place as Seller and Buyer may agree in writing), on the fifth (5^{th}) Business Day after all of the conditions set forth in Article 6 are satisfied or waived in accordance with this Agreement (other than those conditions that by their terms are to be satisfied by actions taken at the Closing, but subject to the satisfaction or

waiver of such conditions at the Closing), unless another date, time or place is mutually agreed to in writing by Seller and Buyer. The date on which the Closing takes place shall be the "Closing Date." At the Closing:

(a) Seller shall deliver, or cause to be delivered, to Buyer:

(i) free and clear of any Liens, one or more certificates representing all of the Shares, duly endorsed in blank or accompanied by stock powers or other instruments of transfer duly executed in blank, and bearing or accompanied by all requisite stock transfer stamps;

(ii) the certificate referred to in Section 6.2(c);

(iii) written resignations of each of the directors, managers and officers, as applicable, of the members of the Company Group requested by Buyer not less than five (5) Business Days prior to the Closing Date, effective as of the Closing;

(iv) a certificate of non-foreign status reasonably acceptable to Buyer and in accordance with Treasury Regulation Section 1.1445-2(b), certifying that no withholding is required under Section 1445 of the Code with respect to the transactions contemplated hereby; and

(v) each Ancillary Agreement to which any Seller Party or any member of the Company Group is a party, duly executed by such Seller Party or such member of the Company Group, as applicable.

(b) Buyer shall deliver, or cause to be delivered, to Seller:

(i) payment, by wire transfer to a bank account designated in writing by Seller (such designation to be made at least two (2) Business Days before the Closing Date), of immediately available funds in an amount equal to the Purchase Price;

(ii) the certificate referred to in Section 6.3(c); and

(iii) each Ancillary Agreement to which it is a party;

Section 1.4 Withholding. Notwithstanding any other provision of this Agreement, Buyer shall make all payments under this Agreement free and clear of all deductions and withholdings in respect of Taxes; provided, however, that if under any applicable Law any Tax is required to be deducted or withheld from any such payment, then Buyer shall promptly notify Seller of such requirement (which notice shall include the legal authority and the calculation method for the expected withholding), shall consult in good faith with Seller at least five (5) Business Days prior to withholding any amounts payable to Seller hereunder and shall cooperate with Seller to take commercially

reasonable steps to minimize or eliminate such withholding or deduction, including by giving Seller an opportunity to provide additional information or to apply for an exemption from, or a reduced rate of, withholding; provided, further, that if Buyer is still required to deduct or withhold any Tax from any such payment under any applicable Law after such notice, consultation and cooperation, Buyer shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable Law. To the extent paid to the relevant Governmental Authority, such amounts shall be treated as having been paid to Seller for purposes of this Agreement. Buyer agrees that no withholding from any payment hereunder is intended, provided that Seller provides to Buyer the certificate described in Section 1.3(a)(iv)

ARTICLE 2

Representations and Warranties of Seller

Except as set forth in the Seller Disclosure Letter, Seller represents and warrants to Buyer as of the date hereof and as of the Closing Date as follows:

Section 2.1 Corporate Status. Each Seller Party and each of the Companies is a corporation duly organized, validly existing and in good standing under the Laws of its jurisdiction of incorporation and has all requisite corporate power and authority to carry on its business as now conducted. Each of the Companies is duly qualified to do business as a foreign corporation and is in good standing (where such concept is recognized) in all jurisdictions in which it is required to be so qualified or in good standing, except where the failure to be so qualified or in good standing would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.

Section 2.2 Corporate and Governmental Authorization.

(a) Each Seller Party has all requisite corporate power and authority to execute and deliver this Agreement and the Ancillary Agreements to which it is, or is specified to be, a party and, to perform its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution and delivery by each Seller Party of this Agreement and each Ancillary Agreement contemplated to be delivered at the Closing, the performance of each Seller Party's obligations hereunder and thereunder and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all requisite corporate action of each such Seller Party. Each Seller Party has duly executed and delivered this Agreement and at or before the Closing will have duly executed and delivered each Ancillary Agreement to which it is, or is specified to be, a party. This Agreement constitutes, and each Ancillary Agreement to which any Seller Party is, or is specified to be, a party will when executed and delivered constitute, the legal, valid and binding obligation of each Seller Party, enforceable against each such Seller Party in accordance

with its terms, except as such enforceability may be limited by applicable bankruptcy, reorganization, insolvency, fraudulent conveyance, moratorium, receivership or similar Laws relating to or affecting creditors' rights generally and by general principles of equity (whether considered at law or in equity) (collectively, the "Enforceability Exceptions").

(b) Except as set forth in Section 2.2(b) of the Seller Disclosure Letter, or as may result from any facts or circumstances solely relating to Buyer or its Affiliates (as opposed to any other third party), the execution and delivery by each Seller Party of this Agreement and each Ancillary Agreement to which it is, or is specified to be, a party, and the performance of its obligations hereunder and thereunder require no action by or in respect of, or filing with, any Governmental Authority, other than any actions or filings under Laws the absence of which would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect or to materially adversely affect the ability of such Seller Party to perform its obligations hereunder or thereunder.

Section 2.3 Non-Contravention. Provided that all consents, approvals, authorizations and other actions described in Section 2.2 have been obtained or taken, except as may result from any facts or circumstances solely relating to Buyer or its Affiliates (as opposed to any other third party), except as set forth in Section 2.3 of the Seller Disclosure Letter, the execution and delivery by each Seller Party of this Agreement and each Ancillary Agreement to which it is, or is specified to be, a party, and the performance of its obligations hereunder and thereunder do not and will not (a) conflict with or breach any provision of the Organizational Documents of the Seller Parties or any member of the Company Group, (b) assuming compliance with the matters referred to in Section 2.2(b), conflict with or breach any provision of any material applicable Law, (c) require any consent of or other action by any Person under, constitute a default or an event that, with or without notice or lapse of time or both, would constitute a default under, or cause or permit termination, cancellation, acceleration or other change of any right or obligation or the loss of any benefit under, any Permit held by a member of the Company Group, or any agreements to which any member of the Company Group is a party or by which any of them or any of their respective properties or assets is bound or subject, or (d) result in the creation or imposition of any Lien other than Permitted Liens on any assets of the Company Group, except, in the case of clauses (c) and (d), as would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.

Section 2.4 Capitalization; Title to Shares.

(a) The authorized capital stock of SGI consists of 8,000 shares of common stock, par value $7,500 per share, of which only the SGI Shares, being 2,000 shares of common stock, are issued and outstanding and, as of the date hereof, 2,000 Series B Preferred Shares, of which 2,000 are issued and outstanding. The authorized capital stock of Syncora Admin consists of 2,000 shares of common stock, par value $0.01 per

share, of which only the Syncora Admin Shares, being 1,000 shares of common stock, are issued and outstanding. The Shares have been duly authorized and validly issued and are fully paid and nonassessable, and are not subject to and were not issued in violation of any preemptive rights. Seller owns the Shares, beneficially and of record, free and clear of any Lien. Upon delivery of and payment for the Shares at the Closing, good and valid title to the Shares will pass to Buyer, free and clear of any Liens.

(b) Except as set forth in Section 2.4(a) and except for the Series B Preferred Shares, there are no outstanding (i) shares of capital stock of or other voting or equity interests in the Companies, (ii) securities of the Companies convertible into or exercisable or exchangeable for shares of capital stock of or other voting or equity interests in the Companies, (iii) options or other rights or agreements, commitments or understandings of any kind to acquire from the Companies, or other obligation of Parent, Seller or the Company Group to issue, transfer or sell, any shares of capital stock of or other voting or equity interests in the Companies or securities convertible into or exercisable or exchangeable for shares of capital stock of or other voting or equity interests in the Companies, (iv) voting trusts, proxies or other similar agreements or understandings to which Parent, Seller or any member of the Company Group is a party or by which Parent, Seller or any member of the Company Group is bound with respect to the voting of any shares of capital stock of or other voting or equity interests in the Companies or (v) contractual obligations or commitments of any character restricting the transfer of, or requiring the registration for sale of, any shares of capital stock of or other voting or equity interests in the Companies (the items in clauses (i), (ii) and (iii) being referred to collectively as the "Company Securities"). There are no outstanding obligations of any member of the Company Group to repurchase, redeem or otherwise acquire any Company Securities.

Section 2.5 Subsidiaries; Ownership Interests.

(a) Each Subsidiary of either of the Companies is duly organized, validly existing and in good standing (where such concept is recognized) under the laws of its jurisdiction of formation and has all corporate, limited liability company or trust, as applicable, power required to carry on its business as now conducted. Each Subsidiary of either of the Companies is duly qualified to do business as a foreign corporation, limited liability company or trust and is in good standing (where such concept is recognized) in all jurisdictions in which it is required to be so qualified or in good standing, except where the failure to be so qualified or in good standing would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect. Seller has made available to Buyer true, complete and correct copies of the Organizational Documents of each Subsidiary other than the ICF Trusts and Seller has made available to Buyer true, complete and correct copies of a reasonably representative sample of the Organizational Documents of the ICF Trusts. The authorized, issued and outstanding shares of capital stock of and other voting or equity interests in all Subsidiaries of each

Company, the respective jurisdictions of formation of such Subsidiaries and each Company's direct or indirect ownership interest in such Subsidiaries are identified opposite such Company's name in Section 2.5(a) of the Seller Disclosure Letter.

(b) Except as set forth in Section 2.5(b) of the Seller Disclosure Letter, all of the outstanding shares of capital stock of and other voting or equity interests in each Subsidiary of the Companies that is not a New York common law trust or Delaware business law trust have been duly authorized and validly issued, are fully paid and nonassessable, are not subject to and were not issued in violation of any preemptive or similar rights, and are owned beneficially and of record by the applicable Company or one of its wholly owned Subsidiaries as set forth in Section 2.5(a) of the Seller Disclosure Letter, free and clear of any Liens, other than Permitted Liens. All of the depositors or trustees, as applicable, of the Subsidiaries of the Companies that are New York common law trusts or Delaware business law trusts are set forth in Section 2.5(a) of the Seller Disclosure Letter. Except as set forth in Section 2.5(a) of the Seller Disclosure Letter, there are no outstanding (i) shares of capital stock of or other voting or equity interests in any Subsidiary of either Company, (ii) securities of the Companies or any of their Subsidiaries convertible into or exercisable or exchangeable for shares of capital stock of or other voting or equity interests in any Subsidiary of either Company or (iii) options or other rights or agreements, commitments or understandings of any kind to acquire from the Companies or any of their respective Subsidiaries, or other obligation of Seller or any member of the Company Group to issue, transfer or sell, any shares of capital stock of or other voting or equity interests in any Subsidiary of either Company or securities convertible into or exercisable or exchangeable for shares of capital stock of or other voting or equity interests in any Subsidiary of either Company (the items in clauses (i), (ii) and (iii) being referred to collectively as the "Subsidiary Securities"). There are no outstanding obligations of any member of the Company Group to repurchase, redeem or otherwise acquire any Subsidiary Securities.

(c) Except as set forth in Section 2.5(c) of the Seller Disclosure Letter and Investment Assets acquired in the ordinary course and in conformity with the Investment Guidelines, no member of the Company Group owns any shares of capital stock of or other voting or equity interests in (including any securities exercisable or exchangeable for or convertible into shares of capital stock of or other voting or equity interests in) any other Person.

(d) Except as set forth in Section 2.5(d) of the Seller Disclosure Letter, no member of the Company Group is a "Controlling Person" (as defined in an applicable insurance holding company system Laws) of an insurance company.

Section 2.6 Financial Statements.

(a) Seller has made available to Buyer true, complete and correct copies of unaudited pro forma combined financial statements of the Company Group (i) at and for

the year ended December 31, 2018 (the "Balance Sheet Date") and December 31, 2017 and (ii) at and for the 6-month period ended June 30, 2019 ((i) and (ii) collectively, the "GAAP Financial Statements"). Except as set forth in Section 2.6(a) of the Seller Disclosure Letter, the GAAP Financial Statements (A) were prepared from, and are consistent with, the books and records that are part of the financial reporting system of the Company Group, (B) have been prepared in accordance with United States generally accepted accounting principles ("GAAP") applied on a consistent basis (except as may be indicated in the notes thereto), and (C) present fairly in all material respects the financial position and results of operations of the Company Group at and for the respective periods indicated (subject to normal year-end adjustments and to any other adjustments described therein).

(b) Seller has made available to Buyer complete copies of the following statutory financial statements of SGI, in each case together with the exhibits, interrogatories, schedules and any actuarial opinions, affirmations or certifications or other supporting documents filed in connection therewith (the "Statutory Statements"): (i) the annual statement of SGI as filed with the New York Department of Financial Services for the years ended December 31 2018 and 2017; (ii) the audited statutory financial statements of SGI as filed with the New York Department of Financial Services as of and for the years ended December 31 2018 and 2017; and (iii) the quarterly statutory statements of SGI as of and for the quarterly periods ended March 31, 2019 and June 30, 2019, as filed with the New York Department of Financial Services. The Statutory Statements were derived from and are consistent with the Books and Records, have been prepared in all material respects in accordance with SAP applied on a consistent basis (except as may be indicated in the notes thereto), present fairly in all material respects the statutory financial position, assets, liabilities, policyholder surplus and results of operations of SGI at and for the respective periods indicated (subject to normal year-end adjustments and to any other adjustments described therein), and were prepared in compliance with the internal control procedures of SGI. No material deficiencies have been asserted by the New York Department of Financial Services with respect to any Statutory Statements that have not been cured, waived or otherwise resolved to the material satisfaction of the New York Department of Financial Services, and other than as disclosed therein, there are no permitted practices utilized in the preparation of the Statutory Statements.

(c) The Statutory Statements required to be delivered to Buyer after the date hereof pursuant to Section 4.2(b) will (i) be derived from and be consistent with the Books and Records, (ii) be prepared in all material respects in accordance with SAP applied on a consistent basis (except as may be indicated in the notes thereto), (iii) present fairly in all material respects the statutory financial position, assets, liabilities, policyholder surplus and results of operations of SGI at and for the respective periods indicated (subject to normal year-end adjustments and to any other adjustments described therein), and (iv) be prepared in compliance with the internal control procedures of SGI.

(d) The Companies maintain in all material respects internal accounting controls designed to provide reasonable assurance that: (i) transactions are executed with management's general or specific authorization; (ii) transactions are recorded as necessary to permit preparation of (A) the Statutory Statements and (B) consolidated financial statements (prepared in accordance with GAAP) of Parent and its consolidated Subsidiaries and to maintain accountability for each of the Companies' assets; (iii) access to the Companies' assets is permitted only in accordance with management's general or specific authorization; and (iv) the reporting of the Companies' assets is compared with existing assets at reasonable intervals.

(e) None of the members of the Company Group is a party to, or has any commitment to become a party to, any off balance sheet partnership, joint venture or any similar agreement or understanding (including any agreement or understanding relating to any transaction or relationship between any of the members of the Company Group, on the one hand, and any unconsolidated Affiliate, including any structured finance, special purpose or limited purpose entity or Person, on the other hand, or any "off balance sheet arrangements" (as defined in Item 303(a) of Regulation S-K under the 1934 Act)), where the result, purpose or intended effect of such agreement or understanding is to avoid disclosure of any material transaction involving, or material liabilities of, any of the members of the Company Group on such Company's financial statements.

(f) Except as set forth in Section 2.6(f) of the Seller Disclosure Letter, since January 1, 2016, no officer or director of any member of the Company Group, or to the Knowledge of Seller, auditor or accountant of the Company Group, has received any material written complaint, allegation, assertion or claim regarding the accounting practices, procedures, methodologies or methods of the Company Group or their internal accounting controls.

Section 2.7 No Undisclosed Liabilities. None of the members of the Company Group has any obligations or liabilities that would be required to be reserved against or otherwise disclosed or reflected on a combined balance sheet (including the notes thereto) for the Company Group prepared in accordance with GAAP or a balance sheet (including the notes thereto) for SGI prepared in accordance with SAP, except for those liabilities (a) that are disclosed or reserved against in the most recent GAAP Financial Statements or Statutory Statements, (b) related exclusively to the Retained Subsidiaries, (c) incurred in the ordinary course of business since the Balance Sheet Date, and, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect, or (d) set forth in Section 2.7 of the Seller Disclosure Letter.

Section 2.8 Absence of Certain Changes. Since the Balance Sheet Date, except as set forth in Section 2.8 of the Seller Disclosure Letter, (a) the Business has been conducted in all material respects in the ordinary course of business, (b) there has been no Material Adverse Effect and (c) as of the date hereof, the Company Group has not taken any action that would, after the date hereof, be prohibited or omitted to take

any action that would, after the date hereof, be required, as the case may be (in each case, without regard to whether such act or failure to act might be taken with the consent of Buyer), by clauses (a) through (x) of Section 4.1.

Section 2.9 Material Contracts.

(a) Except as disclosed in Section 2.9(a) of the Seller Disclosure Letter (and other than (x) any Ancillary Insurance Documents, (y) any Reinsurance Agreements or Ancillary Reinsurance Documents or (z) any Intercompany Agreements), as of the date hereof, no member of the Company Group is a party to or bound by:

(i) any agreement relating to Indebtedness owed or guaranteed by any member of the Company Group (whether incurred, assumed, guaranteed or secured by any asset);

(ii) other than Contracts for the acquisition or disposition in the ordinary course of business of Investment Assets or Contracts related to the ICF Trusts, any joint venture, partnership, limited liability company or other similar agreements or arrangements (including any agreement providing for joint research or development);

(iii) other than Contracts for the acquisition or disposition in the ordinary course of business of Investment Assets, any agreement or series of related agreements, including any option agreement, relating to the acquisition or disposition of any business, stock or assets of any other Person or any material real property (whether by merger, sale of stock, sale of assets or otherwise);

(iv) any agreement or series of related agreements for the purchase or lease of materials, supplies, goods, services, equipment or other assets under which the Company Group made payments of $100,000 or more during the twelve-month period ending on the Balance Sheet Date;

(v) any sales, distribution, agency or other similar agreement providing for the sale or lease by the Company Group of materials, supplies, goods, services, equipment or other assets under which payments of $100,000 or more were made to the Company Group during the twelve-month period ending on the Balance Sheet Date;

(vi) any third-party administration or other material insurance policy administration agreement relating to the Insurance Contracts, and any other material Contract that relates to the insurance policy administration, claims, underwriting or investment management functions of the Company Group;

(vii) other than Insurance Contracts, any guarantees, keepwells, letters of credit, indemnity or contribution agreements, support agreements, insurance surety bonds or other similar agreements made in respect of the obligations of, or for the benefit of any obligee of, any member of the Company Group by Seller, Parent or any of their Affiliates (other than the Company Group), and any other Contract (including any "take-or-pay" or keepwell agreement) under which (A) any Person has directly or indirectly guaranteed any liabilities or obligations of any member of the Company Group or (B) any member of the Company Group has directly or indirectly guaranteed any liabilities or obligations of any other Person;

(viii) any indemnity Contract (other than an Insurance Contract) pursuant to which any member of the Company Group receives or, to the Knowledge of Seller, will receive payments, or makes or, to the Knowledge of Seller, will make payments, of $200,000 or more;

(ix) any agreement that (A) limits the freedom of the Company Group to compete in any line of business or with any Person or in any area or that would so limit the freedom of the Buyer or its Affiliates or the Company Group after Closing, (B) contains exclusivity obligations or restrictions binding on the Company Group or that would be binding on the Buyer or any of its Affiliates after the Closing, or (C) provides for a "most favored nation" pricing status for any party thereto;

(x) any agreement pursuant to which (A) the Company Group grants a Person a material license or other right (including a covenant not to sue in the context of settling a dispute) to any of the Owned Intellectual Property or (B) any Person grants a license or other right (including a covenant not to sue in the context of settling a dispute) to the Company Group to such Person's or another Person's Intellectual Property (excluding, in the case of clause (B), non-exclusive licenses for non-custom software that is generally commercially available on reasonable terms under which the Company Group made aggregate payments of $250,000 or less during the twelve month period ending on the Balance Sheet Date that are not otherwise material);

(xi) any agreement pursuant to which any third Person creates, develops or customizes for, or on behalf of, any member of the Company Group any Intellectual Property that is material to the Business as currently conducted;

(xii) other than Insurance Contracts, any settlement or other Contract with any Governmental Authority;

(xiii) any lease of personal property involving (A) payments by a member of the Company Group of greater than $30,000 or (B) payments by a third Person

of greater than $30,000 for use of personal property owned by a member of the Company Group;

(xiv) other than Insurance Contracts, any agreement, commitment or understanding relating to any interest rate, derivatives or hedging transaction;

(xv) any Contract evidencing a participation by any member of the Company Group in any pools, syndicates or associations other than statutorily mandated pools, syndicates or associations;

(xvi) any Contract under which any member of the Company Group has committed to make any investment (in the form of a loan, capital contribution or otherwise) in any other Person (other than any member of the Company Group), other than any Investment Asset or an investment in an amount less than $200,000;

(xvii) any Contract between any member of the Company Group, on the one hand, and any director or officer of such member (or any Affiliate of any such director or officer (other than any member of the Company Group), on the other hand;

(xviii) any Insurance Contract that has not been ceded to or reinsured by AGC or any of its Affiliates in connection with any of the Assured Reinsurance Documents; or

(xix) any other Contract that is material to the Company Group, taken as a whole.

(b) As of the date of this Agreement, each Contract disclosed or required to be disclosed in the Seller Disclosure Letter pursuant to this Section 2.9 (each, a "Material Contract") is a valid and binding agreement of a member of the Company Group (subject to the Enforceability Exceptions) and, to the Knowledge of Seller, any other party thereto, and is in full force and effect, and none of the members of the Company Group or, to the Knowledge of Seller, any other party thereto is in default or breach in any material respect under (or is alleged to be in default or breach in any material respect under) the terms of, or has provided or received any written notice of termination of, any such Material Contract, and, to the Knowledge of Seller, no event or circumstance has occurred that, with notice or lapse of time or both, would constitute an event of default thereunder or result in a termination thereof or would cause or permit the acceleration of or other changes of or to any material right or material obligation or the loss of any material benefit thereunder. Except as set forth in Section 2.9(b) of the Seller Disclosure Letter, true, complete (subject to the redaction of confidential provisions) and correct copies of each such Material Contract (including all written modifications and amendments thereto) in effect as of the date hereof have been made available to Buyer.

(c) As of the date of this Agreement, each Assigned Contract is a valid and binding agreement of Parent, Seller or one of their respective Affiliates (subject to the Enforceability Exceptions) and, to the Knowledge of Seller, each other party thereto, and is in full force and effect, and none of Parent, Seller or such Affiliate, as the case may be, or, to the Knowledge of Seller, any other party thereto is in default or breach in any material respect under (or is alleged to be in default or breach in any material respect under) the terms of, or has provided or received any written notice of termination of, any such Assigned Contract, and, to the Knowledge of Seller, no event or circumstance has occurred that, with notice or lapse of time or both, would constitute an event of default thereunder or result in a termination thereof or would cause or permit the acceleration of or other changes of or to any material right or material obligation or the loss of any material benefit thereunder. True, complete (subject to the redaction of confidential provisions) and correct copies of each such Assigned Contract (including all written modifications and amendments thereto) in effect as of the date hereof have been made available to Buyer.

Section 2.10 Properties.

(a) Title to Assets. A member of the Company Group has (or in the case of the Transferred Assets, will have after giving effect to the Closing) good and valid title to, or otherwise has the right to use pursuant to a valid and enforceable lease, license or similar contractual arrangement, all of their material assets (real and personal, tangible and intangible) that are used or held for use in connection with the Business, including all Transferred Assets (collectively, the "Assets"), in each case free and clear of any Lien other than Permitted Liens.

(b) Owned Real Property. Section 2.10(b) of the Seller Disclosure letter lists all material real property owned by the Company or any of its Subsidiaries (together will all improvements and fixtures presently or hereafter located thereon or attached appurtenant thereto, the "Owned Real Property"). Section 2.10(b) of the Seller Disclosure Letter also lists the address and owner of Owned Real Property.

(c) Leased Real Property. No member of the Company Group leases any real property.

(d) Sufficiency of Assets. Except as set forth in Section 2.10(d) of the Seller Disclosure Letter, the Assets, together with any rights assigned to Buyer or its Affiliates (including the Company Group) pursuant to the Ancillary Agreements, constitute all of the assets currently used in, and required for, the conduct of the Business as it was conducted immediately prior to the Closing. The buildings, structures and material equipment included in the Assets are in good repair and operating condition, subject only to ordinary wear and tear, and are adequate and suitable for the purposes for which they are presently being used or held for use. To the Knowledge of the Seller, there are no

facts or conditions affecting any Assets that would reasonably be expected, individually or in the aggregate, to interfere with the use, occupancy or operation of such Assets.

Section 2.11 Intellectual Property and Information Technology.

(a) The material Intellectual Property owned by or purported to be owned by the Company Group ("Owned Intellectual Property") is owned exclusively by the Company Group free and clear of all Liens except for Permitted Liens. The Company Group exclusively owns or otherwise has adequate and enforceable rights to use, all of the Intellectual Property used in or necessary for the operation of the Business. Section 2.11(a) of the Seller Disclosure Letter lists all Owned Intellectual Property that is registered with, issued by, or applied for with any intellectual property office or other governmental authority (or, in the case of Internet domain names, a domain name registrar), (collectively, the "Company Registered IP"). With regard to the Company Registered IP, the Company Group is currently in compliance with formal legal requirements, and the Company Registered IP is valid and, to the Knowledge of Seller, enforceable. All material Intellectual Property used in or necessary to the conduct of the Business shall be owned or available for use by the Company Group immediately after the Closing on terms and conditions identical to those under which the Company Group owned or used such Intellectual Property immediately prior to the Closing.

(b) The Company Group and the conduct of the Business do not infringe, misappropriate or otherwise conflict with, and have not since January 1, 2016 infringed, misappropriated, or otherwise conflicted with, the Intellectual Property of any Person in any respect that would reasonably be expected to result in a material negative impact on the Company Group. To the Knowledge of Seller, no Person is infringing, misappropriating, or otherwise conflicting with, or has since January 1, 2016 infringed, misappropriated, or otherwise conflicted with, the Owned Intellectual Property in any respect that would reasonably be expected to result in a material negative impact on the Company Group.

(c) There are no pending or threatened claims against any member of the Company Group since January 1, 2016 alleging: (i) that any member of the Company Group or the conduct of the Business infringes, misappropriates, or otherwise conflicts with the rights of others under any Intellectual Property in any respect that would reasonably be expected to result in a material negative impact on the Company Group; or (ii) that any of the Owned Intellectual Property is invalid or unenforceable.

(d) Except as set forth in Section 2.11(d) of the Seller Disclosure Letter, all Persons who have participated in or contributed to the creation, modification or development of any material Intellectual Property for or on behalf of any member of the Company Group have executed and delivered to the Company Group a valid and enforceable agreement providing for the assignment (via a present grant of assignment) by such Person to a member of the Company Group of all right, title and interest in and to

such Intellectual Property or a member of the Company Group owns such Intellectual Property pursuant to applicable Law.

(e) Except as set forth in Section 2.11(e) of the Seller Disclosure Letter, the Company Group has taken reasonable measures to protect the confidentiality of the material trade secrets and material confidential information used in the Business (the "Company Trade Secrets"), including, without limitation, requiring all Company Group employees and consultants and all other persons with access to Company Trade Secrets to execute a binding confidentiality agreement, and, to the Knowledge of Seller, there has not been any breach by any party to such confidentiality agreements.

(f) Except as set forth in Section 2.11(f) of the Seller Disclosure Letter, the Company Group does not own or purport to own any software that is material to the Business.

(g) To the Seller's Knowledge: (i) the IT Systems are reasonably sufficient for the conduct of the Business; and (ii) in the past two years, there has been no material failure, breakdown or continued substandard performance of any IT Systems that has caused a material disruption or interruption in or to the use of such IT Systems or the operation of the Business.

(h) Except as set forth in Section 2.11(h) of the Seller Disclosure Letter, as of the date hereof, (i) the Company Group has implemented commercially reasonable written security, business continuity, and disaster recovery plans, (ii) to the Knowledge of Seller, the IT Systems of the Company Group have not experienced a data breach that has caused unauthorized access to or disclosure of personally identifiable information and (iii) the Company Group is in compliance in all material respects with applicable Laws relating to data security and privacy and the Company Group is not under investigation with respect to the violation of any such applicable Laws.

(i) As of the date hereof, no member of the Company Group is a party to, or bound by, any Governmental Order or Contract with any Governmental Authorities that would reasonably be expected to have a material and adverse effect on the Company Group, in each case, arising from a violation by a member of the Company Group of any Laws applicable to data security or privacy.

(j) As of the date hereof, the transfer, processing and use of personal information by the Company Group does not violate (i) any privacy policy or contractual obligation of any member of the Company Group or (ii) applicable U.S. data privacy or security Law.

Section 2.12 Litigation. Except as set forth on Section 2.11(a) of the Seller Disclosure Letter, (a) there is no Litigation pending or, to the Knowledge of Seller, threatened against or affecting the Company Group and (b) there are no outstanding

orders, judgments, stipulations, decrees, injunctions, determinations or awards issued by any Governmental Authority against or affecting the Company Group.

Section 2.13 Compliance with Laws; Licenses and Permits.

(a) Each member of the Company Group is, and at all times since January 1, 2016 has been, in compliance in all material respects with all applicable laws, statutes, ordinances, rules, regulations, judgments, writs, injunctions, directives, judgments, constitutions, treaties, orders and decrees promulgated, issued, enforced or entered by any Governmental Authority ("Laws") and, to the Knowledge of Seller, has not been charged with and is not under investigation with respect to any violation of any applicable Laws. Except as set forth in Section 2.13(a) of the Seller Disclosure Letter, no member of the Company Group is a party to, or bound by, any Governmental Order applicable to it or its assets, properties or businesses, nor is any member of the Company Group a recipient of any extraordinary supervisory letter from, nor has such member adopted any policies, procedures or board resolutions at the request of, any Governmental Authority that restricts materially the conduct of its business, or in any manner relates to its capital or reserve adequacy, credit or risk management policies, underwriting practices or policies or management, nor has any member of the Company Group been advised in writing by any Governmental Authority that it is contemplating any such agreement, undertaking, Governmental Order, letter or other written communication.

(b) Except as set forth on Section 2.13(b) of the Seller Disclosure Letter, each member of the Company Group owns, holds or possesses all licenses, franchises, permits, certificates, consents, registrations, approvals or other similar authorizations issued by applicable Governmental Authorities that are necessary to entitle it to own or lease, operate and use its assets or properties and to carry on and conduct its business in each of the jurisdictions in which such member of the Company Group conducts its business substantially in the manner conducted on the date hereof and as expected to be conducted immediately prior to the Closing (the "Permits"), except for Permits the failure of which to be owned, held or possessed would not be material to the Company Group. Section 2.13(b) of the Seller Disclosure Letter sets forth a true and complete list of all jurisdictions in which any member of the Company Group is domiciled, licensed or authorized to transact insurance business as of the date hereof and true and complete copies of all material insurance certificates of authority. Except as set forth on Section 2.13(b) of the Seller Disclosure Letter, the Permits are valid and in full force and effect, and no member of the Company Group is in default under the Permits except, in each case, as would not reasonably be expected, individually or in the aggregate, to be material to the Company Group. Except as set forth on Section 2.13(b) of the Seller Disclosure Letter, no event has occurred that, with or without notice or lapse of time or both, would reasonably be expected to result in the revocation, suspension, non-renewal, lapse, impairment or limitation of any Permit, except where any such revocation, suspension, non-renewal, lapse, impairment or limitation would not be material to the

Company Group. No member of the Company Group has at any time since January 1, 2016 received any written notice from any Governmental Authority regarding any actual or proposed revocation, suspension or termination of, or material modification to, any such material Permit. The Company Group is not the subject of any Litigation seeking the revocation, suspension, non-renewal or impairment of any Permit, nor, to the Knowledge of Seller, is any such Litigation threatened, except where any such non-compliance, revocation, suspension, non-renewal or impairment would not be material to the Company Group. Since January 1, 2016, no member of the Company Group has transacted any material insurance business in any jurisdiction requiring an insurance license therefor in which it did not possess such an insurance license at the time of such transaction. SGI is not a "commercially domiciled insurer" under the Laws of any jurisdiction nor is SGI otherwise treated as domiciled in a jurisdiction other than the State of New York.

(c) Seller has made available to Buyer true, complete and correct copies of all (i) material reports and registrations (including registrations as a member of an insurance holding company system) and any supplements or amendments thereto filed since January 1, 2016 through the date hereof by SGI with applicable Governmental Authorities and (ii) reports of examination, including financial, market conduct and similar examinations (or the most recent drafts to the extent any final reports are not available) of all applicable Governmental Authorities with respect to SGI issued since January 1, 2016 through the date hereof. SGI is not, as of the date hereof, subject to any pending financial, market conduct or other examination by any applicable Governmental Authorities.

(d) Since January 1, 2016, each member of the Company Group has timely filed, or caused to be timely filed, all reports, statements, documents, registrations, filings, applications or submissions required to be filed by or on behalf of such member of the Company Group with any Insurance Regulator or other Governmental Authority except where failure to timely file such reports, statements, documents, registrations, filings, applications or submissions would not reasonably be expected, individually or in the aggregate, to be material to the Company Group. All such reports, statements, documents, registrations, filings, applications and submissions to Insurance Regulators or other Governmental Authorities were in material compliance with applicable Law when filed or as amended or supplemented and there were no material omissions therefrom, and no material deficiencies have been asserted in writing by any Insurance Regulator or other Governmental Authority with respect to such reports, statements, documents, registrations, filings, applications or submissions that have not been satisfied.

(e) Without limiting the foregoing: (i) since January 1, 2016, none of the members of the Company Group has used any corporate or other funds for unlawful contributions, payments, gifts or entertainment, or made any unlawful expenditures relating to political activity, to government officials or others or established or

maintained any unlawful or unrecorded funds in violation of the Foreign Corrupt Practices Act of 1977, as amended; (ii) the members of the Company Group are, and since January 1, 2016 have been, in compliance with all applicable international trade and investment sanctions and restrictions under any applicable Law administered by the United States Office of Foreign Assets Control; (iii) the members of the Company Group are, and since January 1, 2016 have been, in compliance with all applicable Laws relating to money laundering, currency transfers or other regulations concerning the transfer of monetary instruments; and (iv) the members of the Company Group maintain policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, compliance with the foregoing Laws.

Section 2.14 Employees, Labor Matters, etc.

(a) With respect to the Company Group or any current or former employees of the Company Group, there is not now, nor has there been since January 1, 2016, any pending or, to Seller's Knowledge, threatened: (i) unfair labor practice charge, material employment discrimination or other charge with any Governmental Authority responsible for equal employment opportunity, or employee grievance; (ii) labor-related organizational effort, election activities, or request or demand for negotiations, recognition or representation; (iii) labor strike, dispute, slowdown, work stoppage, picketing, interruption of work, lockout, or other material dispute or controversy with or involving a labor organization or with respect to unionization or collective bargaining; (iv) grievance or arbitration proceeding arising out of or under any collective bargaining Contract; or (v) material Litigation alleging any violation of labor or employment laws or breach of any contractual or legal obligation owed to an employee or former employee of the Company Group. No member of the Company Group is a party to or bound by any collective bargaining Contract, other Contract, work rules or practice, or arbitration award with any labor union, works council or any other similar organization covering any Business Employees.

(b) Except as set forth on Section 2.14(b) of the Seller Disclosure Letter or as disclosed on Section 2.15(a) of the Seller Disclosure Letter, the employment of the Business Employees is terminable at will without cost to the Company Group, except for payment of accrued salaries or wages and vacation pay as required by Law.

(c) The Company Group has timely paid or accrued, and is not and has not been liable for any arrears of, any and all salaries, wages, bonus, sales commission, vacation and sick pay, profit sharing obligations, other compensation amounts, and Taxes and penalties (if any) due and owing to or with respect to its current and former employees. No current or former employee of the Company Group has any contractual right to be rehired by the Company Group prior to the Company Group's hiring a person not previously employed by the Company Group. Neither the Company Group nor Seller has taken any actions which were calculated to dissuade any Business Employees from becoming associated with Buyer.

(d) Each member of the Company Group is, and since January 1, 2016, has been in compliance in all material respects with all applicable Laws respecting employment, including discrimination or harassment or retaliation in employment, terms and conditions of employment, termination of employment, wages, overtime classification, pay equity, hours, meal and rest breaks, accommodation of disabilities or legally-protected leaves of absence, occupational safety and health, employee whistle-blowing, employee privacy, and other employment practices.

(e) Except as would not reasonably be expected to result in any material liability to the Company Group, all persons classified or treated by the Company Group as independent contractors or otherwise as non-employees satisfy all applicable Laws to be so classified or treated, and the Company Group has fully and accurately reported their compensation of any kind on IRS Form 1099 or as otherwise required by any Law.

Section 2.15 Employee Benefit Plans and Related Matters; ERISA.

(a) Section 2.15(a) of the Seller Disclosure Letter sets forth a list of (i) all "employee benefit plans," as defined in Section 3(3) of ERISA (whether or not subject to ERISA), and (ii) all other employment, employee-benefit or compensations plans, Contracts, programs, funds, or arrangements, including severance pay, change in control, transaction-based, relocation, salary, continuation, bonus, incentive, equity or equity-based, retirement, post-termination, fringe benefit, perquisite, pension, profit sharing, retention or deferred compensation or similar plans, Contracts, programs, funds, or arrangements of any kind, in each case (x) that are sponsored, maintained or contributed to (or are required to be sponsored, maintained or contributed to) by Seller or any of its Subsidiaries and in which any of the current or former Business Employees participate or are entitled to participate or (y) with respect to which Seller or any member of the Company Group has any actual or contingent liability (all of the above being hereinafter individually or collectively referred to as a "Seller Benefit Plan" or the "Seller Benefit Plans", respectively) except that there shall be no obligation to set forth on such list (A) any Seller Benefit Plan that is not material and (B) any transaction-based or equity-based Seller Benefit Plan as to which neither of the Companies will have any payment obligation and any liability (actual or contingent) for which will be solely borne by Seller (the payments described in this clause (B), the "Transaction and Equity Compensation"), in each case, other than any Seller Benefit Plan that would, but for this clause (A) and/or (B), be a Company Benefit Plan. Section 2.15(a) of the Seller Disclosure Letter separately designates each Seller Benefit Plan that, as of the date of this Agreement, is (1) sponsored, maintained or contributed to (or are required to be sponsored, maintained or contributed to) solely by one or more members of the Company Group or (2) with respect to which Buyer or its affiliates or any member of the Company Group reasonably could have any actual or contingent liability from and after the Closing (each, a "Company Benefit Plan"). A true, complete and correct copy or, in the case of any unwritten Seller Benefit Plan a summary of material terms, of each of the Seller Benefit Plans, in each

case as in effect on the date of this Agreement, has been made available to Buyer. In addition, with respect to each Seller Benefit Plan, Seller has made available to Buyer a true, complete and correct copy of the following items (in each case to the extent applicable): each trust or other funding arrangement; the most recently filed annual report on Internal Revenue Service Form 5500 and all schedules thereto; and the most recent actuarial valuation. No Seller Benefit Plan is subject to the laws of any jurisdiction outside the United States.

(b) Each Seller Benefit Plan complies in all material respects, and has been administered in compliance in all material respects with its terms and all requirements of applicable Law (including ERISA and the Code). Except as would not reasonably be expected to result in any material liability, no litigation or governmental administrative proceeding, audit or other proceeding (other than those relating to routine claims for benefits) is pending or, to the Knowledge of Seller, threatened with respect to any Seller Benefit Plan or any fiduciary or service provider thereof, and, to the Knowledge of Seller, there is no reasonable basis for any such litigation or proceeding.

(c) Each Seller Benefit Plan that is intended to qualify under Section 401(a) of the Code has received a favorable determination letter from the IRS, and, to the Knowledge of Seller, no event or omission has occurred that would cause any Seller Benefit Plan to lose such qualified status. Except as would not reasonably be expected to result in any material liability to the Company Group, neither Seller nor any entity that would be considered a single employer with Seller under Section 414 of the Code or Section 4001(b) of ERISA (an "ERISA Affiliate") has, within the six (6) years preceding the date of this Agreement, sponsored, maintained, contributed to, or been required to sponsor, maintain or contribute to or has any actual or contingent liability under (i) any employee benefit plan that is or was subject to Title IV of ERISA, Section 412 of the Code or Section 302 of ERISA or is otherwise a defined benefit plan or provides for a guaranteed payment by a member of the Company Group regardless of the grounds for termination, (ii) a multiemployer plan (as defined in Section 3(37) of ERISA) or (iii) any funded welfare benefit plan within the meaning of Section 419 of the Code. Except as would not reasonably be expected to result in any material liability, neither Seller nor any ERISA Affiliate has, within the six (6) years preceding the date of this Agreement, incurred any liability under Title IV of ERISA that has not been paid in full.

(d) Except as set forth in Section 2.15(d) of the Seller Disclosure Letter or as would not be material, none of the Seller Benefit Plans provides health care or other welfare plan-based or derivative post-termination benefits to any Business Employee after their employment is terminated other than as required by Part 6 of Subtitle B of Title I of ERISA, similar state law or pursuant to an employment agreement made available to Buyer.

(e) Excluding the Transaction and Equity Compensation, the execution and delivery of this Agreement and any Ancillary Agreement by any Seller Party and the

consummation of the transactions contemplated by this Agreement and the Ancillary Agreements will not (alone or in combination with any other event) result in (i) an increase in the amount of compensation or benefits, (ii) the acceleration of the vesting or timing of payment of any compensation or benefits payable to or in respect of any current or former employee, officer, director or independent contractor of the Company Group or (iii) any increased or accelerated funding obligation with respect to any Seller Benefit Plan. The execution and delivery of this Agreement and any Ancillary Agreement by any Seller Party and the consummation of the transactions contemplated by this Agreement and the Ancillary Agreements will not (alone or in combination with any other event) result in any amounts failing to be deductible by reason of Section 162(m) or 280G of the Code. No Business Employee is entitled to a gross-up, make whole or other similar payment as a result of the imposition of Taxes under Section 280G, Section 4999 or Section 409A of the Code pursuant to any agreement, Contract or arrangement. Except as would not reasonably be expected to result in any material liability, all contributions, premiums, and benefit payments under or in connection with each Seller Benefit Plan that are required to have been made have been timely made.

Section 2.16 Tax Matters.

(a) Filing and Payment. As of the date hereof: (i) all material Tax Returns required to be filed by, on behalf of or with respect to any member of the Company Group have been duly and timely filed and are complete and correct in all material respects; (ii) no extension of time within which to file any such Tax Return is in effect; (iii) all material Taxes (whether or not shown on any Tax Return) for which any member of the Company Group may be liable have been duly and timely paid; and (iv) all material Taxes required to be withheld by any member of the Company Group have been duly and timely withheld, and such withheld Taxes have been either duly and timely paid to the proper Governmental Authority or properly set aside in accounts for such purpose.

(b) Procedure and Compliance. As of the date hereof: (i) no written agreement waiving or extending, or having the effect of waiving or extending, the statute of limitations or the period of assessment or collection of any material amount of Taxes with respect to any member of the Company Group has been filed or entered into with any Governmental Authority, and no written request for such a waiver or extension of any such statute of limitations is outstanding; (ii) there is no action, suit, investigation, audit, claim or assessment pending or proposed or threatened, in each case, in writing or otherwise to the Knowledge of Seller or any member of the Company Group, with respect to Taxes for which any member of the Company Group may be liable; (iii) no Governmental Authority has asserted in writing any material deficiency with respect to Taxes against any member of the Company Group with respect to any taxable period for which the period of assessment or collection remains open; (iv) no written claim has been made by any Governmental Authority to the effect that a member of the Company Group did not file a material Tax Return that it was required to file or pay a type of material Tax

that it was required to pay; and (v) all deficiencies asserted or assessments made as a result of any examination of the Tax Returns referred to in Section 2.16(a)(i) have been paid in full or otherwise finally resolved.

(c) Closing Agreements and Consolidation. No member of the Company Group (i) has received or applied for a Tax ruling or entered into a closing agreement pursuant to Section 7121 of the Code (or any predecessor provision or any similar provision of state or local law), in either case that would be binding upon any member of the Company Group after the Closing Date, (ii) is or has been during the past three (3) years a member of any affiliated, consolidated, combined or unitary group (that includes any Person other than any member of the Company Group) for purposes of filing Tax Returns on net income other than any such group of which Seller is the common parent or (iii) has any liability for the Taxes of any Person (other than another member of a group of which Seller is the common parent) under Treasury Regulation Section 1.1502-6 or any similar provision of state, local or foreign law, under any agreement or arrangement, as a transferee or successor, or by contract or otherwise, other than by reason of any customary provisions contained in any contract entered into in the ordinary course of business and not primarily related to Taxes.

(d) Certain Events. No member of the Company Group has participated in a "listed transaction" within the meaning of Treasury Regulation Section 1.6011-4(b)(2) within the last six (6) years, and, with respect to each transaction in which any member of the Company Group has participated within the last six (6) years that is a "reportable transaction" within the meaning of Treasury Regulation Section 1.6011-4(b)(1), such participation has been properly disclosed on IRS Form 8886 (Reportable Transaction Disclosure Statement) and on any corresponding form required under state, local or foreign law.

(e) No member of the Company Group will be required to include or accelerate the recognition of any item in taxable income, or exclude or defer any deduction or other tax benefit from taxable income, in each case for any taxable period (or portion thereof) ending after the Closing Date, as a result of any closing agreement entered into prior to the Closing Date, change in method of accounting for a taxable period ending on or prior to the Closing Date under Section 481 of the Code (or any corresponding provision of state, local or foreign income Tax law), intercompany transaction or installment sale made on or prior to the Closing Date, the receipt of any prepaid amount prior to the Closing Date, or as a result of any election under Section 965(h) of the Code.

(f) No election under Section 336(e) of the Code or the Treasury Regulations thereunder will affect any item of income, gain, loss or deduction of any member of the Company Group after the Closing.

(g) All Tax Sharing Agreements and Tax indemnity arrangements (other than any arrangements pursuant to customary provisions contained in any contract entered into in the ordinary course of business and not primarily related to Taxes), if any, relating to any member of the Company Group (other than this Agreement) will terminate prior to the Closing Date, and no member of the Company Group will have any liability thereunder on or after the Closing Date.

(h) There are no liens for Taxes upon the assets of any member of the Company Group except for Permitted Liens.

(i) During the last three years, no member of the Company Group has been a "distributing corporation" or a "controlled corporation" within the meaning of Section 355 of the Code (or any similar provision of state, local or foreign law).

(j) No member of the Company Group is, or during the past 12-month period has been, a United States shareholder (within the meaning of Section 951(b) of the Code) of a controlled foreign corporation (within the meaning of Section 957(a) of the Code), and no member of the Company Group has established or has been required to establish a Subpart F income recapture account within the meaning of Treasury Regulation Section 1.952-1(f).

(k) No member of the Company Group has or has ever had a permanent establishment in any country other than the country of its organization. For the purposes of the preceding sentence, "permanent establishment" shall be interpreted within the meaning of an applicable tax treaty between such country of organization and such other country if such treaty is currently in effect.

(l) The payment of the Purchase Price is not subject to withholding under Section 1445 of the Code (or similar provision of state, local or foreign law).

Section 2.17 Insurance. Section 2.17 of the Seller Disclosure Letter sets forth a true, complete and correct list of all material policies of insurance held by, or maintained on behalf of, any member of the Company Group as of the date hereof covering or for the benefit of any such member of the Company Group or any of their officers, directors, employees or operations, indicating for each policy the carrier, the insured, the type of insurance, the amounts of coverage and the expiration date. All such policies are valid and binding obligations of the parties thereto and are in full force and effect (and all premiums due and payable thereon have been paid in full on a timely basis), and no written notice of cancellation, termination or revocation or other written notice that any such insurance policy is no longer in full force or effect or that the issuer of any policy is not willing or able to perform its obligations thereunder has been received by Seller or any member of the Company Group. Except as set forth in Section 2.17 of the Seller Disclosure Letter, there is no claim by Parent, Seller or any member of the Company Group pending under any such insurance policy as to which coverage has

been denied by the insurer or that, after reviewing the information provided with respect to such claim, the insurer has advised Parent, Seller or such member of the Company Group it intends to deny. None of Parent, Seller or any member of the Company Group is in material default under any provision of any such insurance policy. Such insurance policies represent commercially reasonable coverage for the Company Group and its properties, assets, employees and operations. For the avoidance of doubt, this Section 2.17 does not address reinsurance agreements.

Section 2.18 Finders' Fees. Except for Moelis & Company LLC, whose fees and expenses will be paid by Seller or an Affiliate of Seller other than the Company Group, there is no investment banker, broker, finder or other intermediary retained by or authorized to act on behalf of Seller or any member of the Company Group who is entitled to any fee or commission from Buyer or any of its Affiliates (including, after the Closing, the Company Group) upon consummation of the transactions contemplated by this Agreement or any of the Ancillary Agreements.

Section 2.19 Transactions with Affiliates. Section 2.19 of the Seller Disclosure Letter lists all agreements, arrangements and other commitments or transactions solely among any member or members of the Company Group, on the one hand, and Seller or any of its Affiliates (other than any member of the Company Group), on the other hand (the "Intercompany Agreements"). To the Knowledge of Seller, no officer, director or employee of any of the members of the Company Group, or any family member or Affiliate of any such officer, director or employee, (a) owns, directly or indirectly, any interest in any Asset or other property used in the Business, (b) serves as an officer, director or employee of any Person that is a supplier, customer or competitor of any of the members of the Company Group or (c) is a debtor or creditor of any of the members of the Company Group other than with respect to compensation and benefits for services as an officer, director or employee in the ordinary course of business.

Section 2.20 Reinsurance and Retrocession. Section 2.20 of the Seller Disclosure Letter sets forth a true, complete and correct list of each reinsurance or retrocession treaty or agreement to which SGI is a ceding or assuming party (and which is in force as of the date hereof or is terminated or expired as of the date hereof but under which any member of the Company Group or any of its Affiliates may continue to receive benefits or have obligations) (the "Reinsurance Agreements"). No member of the Company Group other than SGI is a party to any reinsurance or retrocession Contract. Seller has made available to Buyer true, complete and correct copies of all of the Reinsurance Agreements and material Ancillary Reinsurance Documents. Each Reinsurance Agreement and each Ancillary Reinsurance Document is a valid and binding agreement of SGI (subject to the Enforceability Exceptions) and, to the Knowledge of Seller, any other party thereto and is in full force and effect, and neither SGI nor, to the Knowledge of Seller, any other party thereto is in default or breach in any material respect under (or is alleged to be in default or breach in any material respect under) the

terms of, or has provided or received any written notice of termination of, any such Reinsurance Agreement or Ancillary Reinsurance Document, and, to the Knowledge of Seller, no event or circumstance has occurred that, with notice or lapse of time or both, would constitute an event of default thereunder or result in a termination thereof or would cause or permit the acceleration of or other changes of or to any material right or material obligation or the loss of any material benefit thereunder. No Reinsurance Agreement or material Ancillary Reinsurance Document contains any provision providing that the other party thereto may terminate or otherwise modify such Reinsurance Agreement by reason of the transactions contemplated by this Agreement and the Ancillary Agreements. No Reinsurance Agreement or material Ancillary Reinsurance Document contains any provision which by its own terms would result in a modification in the operation of such Reinsurance Agreement by reason of the transactions contemplated by this Agreement and the Ancillary Agreements. With respect to each Reinsurance Agreement under which SGI is the cedent, SGI is entitled under applicable Law to take full credit in the Statutory Statements for all amounts recoverable by it pursuant to any such Reinsurance Agreement to the extent such credit is taken on SGI's Statutory Statements. All collateral provided by any reinsurer in connection with any Reinsurance Agreement is in a form permitting SGI to take credit for reinsurance on its Statutory Statements under applicable insurance Laws to the extent such credit is taken on its Statutory Statements. None of the Reinsurance Agreements is, or to the Knowledge of Seller would be deemed to be, finite reinsurance, financial reinsurance or such other form of reinsurance that does not meet the risk transfer requirements under applicable Law to the extent such Reinsurance Agreement is recorded as reinsurance on the Statutory Statements. Each of the Reinsurance Agreements has been properly characterized and accounted for in the Statutory Statements in accordance with SAP and no Governmental Authority has objected to such characterization and accounting. All reinsurance premiums due under any Reinsurance Agreements under which SGI is the ceding party have been paid in full or were adequately accrued or reserved for by SGI on its Statutory Statements to the extent required under SAP. Since January 1, 2016 through the date hereof, none of Parent, Seller or any member of the Company Group has received any written notice from any reinsurer party to a Reinsurance Agreement that any amount of reinsurance ceded by SGI will be uncollectible or otherwise defaulted upon or that there is a dispute with respect to any material amounts recoverable or payable by SGI pursuant to such Reinsurance Agreement, and no such reinsurer is in default or has otherwise failed to pay any material amount when due.

Section 2.21 Reserves. The Insurance Reserves recorded in the Statutory Statements, as of the dates of such Statutory Statements, (a) were determined in all material respects in accordance with generally accepted actuarial standards in the United States, as in effect at the time of determination, applied on a consistent basis for the periods presented and (b) complied in all material respects with the requirements of applicable Law.

The representations and warranties in this Article 2 (including this Section 2.21) are made subject to the terms of Section 9.10.

Section 2.22 Actuarial Reports. Section 2.22 of the Seller Disclosure Letter lists (and Seller has made available to Buyer true, complete and correct copies of) all material actuarial reports prepared by opining actuaries, independent or otherwise, from and after January 1, 2017 through the date hereof, with respect to the Company Group and the Business (including all material attachments, addenda, supplements and modifications thereto) (the "Actuarial Reports"). To the Knowledge of Seller, the information and data furnished by the members of the Company Group to their independent actuaries in connection with the preparation of the Actuarial Reports were compiled from the Books and Records and were true, complete and accurate in all material respects for the periods covered in such reports. Since January 1, 2016, no Insurance Regulator has alleged in writing delivered to Parent, Seller or any member of the Company Group that the Insurance Reserves carried on the Statutory Statements are not in material compliance with applicable statutory requirements, other than any such alleged non-compliance that has been cured or otherwise resolved to the satisfaction of such Insurance Regulator.

Section 2.23 Other Insurance Regulatory Matters.

(a) All insurance policies currently issued by any member of the Company Group that are currently in force, to the extent required under applicable Law, are on forms and use rates approved where required by the applicable Governmental Authorities or have been filed where required and not objected to (or such objection has been withdrawn or resolved) by such Governmental Authorities within the period provided for objection, subject to such exceptions that would not be reasonably expected, individually or in the aggregate, to be materially adverse to the Company Group, taken as a whole.

(b) No member of the Company Group is subject to any assessments or similar charges arising on account of or in connection with its participation, whether voluntary or involuntary, in any guarantee association or comparable entity established or governed by any state or other jurisdiction, other than any such assessments or charges for which appropriate accruals have been made or appropriate reserves have been established on the Statutory Statements.

(c) Except as set forth in Section 2.23(c) of the Seller Disclosure Letter, all amounts claimed by any Person under any Insurance Contract have in all material respects been paid (or provision for payment thereof has been made if required in accordance with SAP) in accordance with the terms of such Insurance Contract, except for any such claim for benefits for which the affected company reasonably believes or believed that there is a reasonable basis to contest payment and is taking such action.

Section 2.24 Parent OTC Markets Group Reports. As of their respective filing date (or, if amended prior to the date of this Agreement, the date of the filing of such

amendment, with respect to the disclosures that are amended), none of the forms, reports, schedules, statements and other documents (collectively, the "Parent OTC Markets Group Reports") filed with OTC Markets Group Inc. ("OTC Markets Group") since September 1, 2017 to the extent relating to the Business, contained any untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading. To the extent related to the Business, the financial statements of Parent included in the Parent OTC Markets Group Reports: (a) were prepared from, and are consistent with, the books and records that are part of the financial reporting system of Parent; (b) have been prepared in accordance with GAAP applied on a consistent basis (except as may be indicated in the notes thereto); and (c) present fairly in all material respects the financial position, results of operations and cash flows of Parent at and for the respective periods indicated (subject to normal year-end adjustments and to any other adjustments described therein).

Section 2.25 Environmental Matters.

(a) The members of the Company Group hold, and are in compliance with, all Environmental Permits, if any, in all material respects. Each member of the Company Group is in compliance with applicable Environmental Laws in all material respects.

(b) No member of the Company Group has, since January 1, 2016, received written notice from any Governmental Authority that any member of the Company Group is subject to any pending claim, and, to the Knowledge of Seller, is not under investigation (i) based upon any provision of any Environmental Law and arising out of any act or omission of any member of the Company Group or any of their respective Representatives, or (ii) arising out of the ownership, use, control or operation by any member of the Company Group of any facility, site, area or property from which there was a Release of any Hazardous Substance.

Section 2.26 Investment Assets.

(a) Section 2.26(a) of the Seller Disclosure Letter sets forth a true, complete and correct list of all Investment Assets as of the close of business two (2) Business Days prior to the date hereof (the "Scheduled Investments"), with information included therein as to the cost of each such Scheduled Investment and, if available, the market value thereof as of the most recent date available in the ordinary course of business.

(b) Except as set forth in Section 2.26(b) of the Seller Disclosure Letter and except as would not, individually or in the aggregate, reasonably be expected to be material to the Company Group:

(i) each member of the Company Group has good and marketable title to all of the Scheduled Investments held by it and will have good and marketable

title to any Investment Assets acquired by it after the date hereof and prior to the Closing ("After-Acquired Investment Assets"), free and clear of any Lien other than Permitted Liens;

(ii) the Scheduled Investments are, and the After-Acquired Investment Assets will following their acquisition be, valued on the books of the applicable member of the Company Group in accordance with GAAP or SAP, as applicable;

(iii) as of the date hereof, other than assets acquired pursuant to remediation activities in the ordinary course of business, none of the Scheduled Investments (A) is currently in default or arrears in the payment of principal or interest and (B) is, or, to the Knowledge of Seller, should be, classified as non-performing, non-accrual, 90 days past due, still accruing and doubtful of collection, in foreclosure or any comparable classification, or is permanently impaired to any extent;

(iv) no member of the Company Group has taken, or omitted to take, any action which would result in the member of the Company Group being unable to enforce the terms of any Scheduled Investment or which would cause any Scheduled Investment to be subject to any valid offset, defense or counterclaim against the right of the member of the Company Group to enforce the terms of such Scheduled Investment;

(v) since December 31, 2018, no member of the Company Group has, other than in the case of assets acquired pursuant to remediation activities in the ordinary course of business, (A) purchased or otherwise invested in, or committed to purchase or otherwise invest in, any interest in real property (including any extension of credit secured by a mortgage or deed of trust), (B) purchased or otherwise invested in, or committed to purchase or otherwise invest in, bonds, notes, debentures or other instruments of indebtedness rated lower than "Ba3" by Moody's Investors Service Inc. or "BB-" by Standard & Poor's Corporation at the time of purchase, (C) entered into any transaction with an Affiliate with respect to the purchase or other acquisition, sale or other disposition or allocation of any Scheduled Investment or (D) entered into any Contract with respect to any foreign investments;

(vi) the Company Group has complied in all material respects with applicable Laws (including applicable insurance company invested asset laws and regulations) with respect to the Scheduled Investments, and will comply in all material respects with applicable Laws (including applicable insurance company invested asset laws and regulations) with respect to the After-Acquired Investment Assets following their acquisition, and all Scheduled Assets or After-Acquired Assets held by SGI and recorded as admitted assets on SGI's Statutory

Statements are (or will be, in the case of the After-Acquired Investment Assets) admitted assets of SGI under applicable Laws; and

(vii) the Company Group has complied in all material respects with applicable Laws with respect to all investment advisory arrangements and all custody arrangements related to the Scheduled Investments, and will comply in all material respects with applicable Laws with respect to all investment advisory arrangements and all custody arrangements related to the After-Acquired Investment Assets.

(c) Section 2.26(c) of the Seller Disclosure Letter sets forth a true, complete and correct copy of the investment guidelines of the Companies as in effect on the date hereof (the "Investment Guidelines").

Section 2.27 New Business. Other than remediation activities in the ordinary course of business, new Insured Cash Flow Securities and any commutation or novation of ceded reinsurance, since February 1, 2008, no member of the Company Group has issued, assumed, written, underwritten or entered into any new insurance contracts, credit default swaps, policies, surety bonds, financial guarantees or similar instruments.

Section 2.28 Books and Records. The Books and Records are true, complete and correct in all material respects and have been maintained in accordance with sound business practices and in accordance with applicable Laws in all material respects.

Section 2.29 No Other Representations and Warranties; Schedules. None of Seller, any of its Affiliates or any of their respective Representatives, makes or has made any express or implied representation or warranty on behalf of Seller other than those expressly set forth in this Article 2. Disclosure of any fact or item in any Section of the Seller Disclosure Letter shall not necessarily mean that such item or fact is material to the business or financial condition of any member of the Company Group individually or taken as a whole.

ARTICLE 3

Representations and Warranties of Buyer

Except as set forth in the Buyer Disclosure Letter, Buyer represents and warrants to Seller as of the date hereof and as of the Closing Date as follows:

Section 3.1 Corporate Status. Buyer is a limited liability company duly organized, validly existing and in good standing under the Laws of the State of Delaware and has all requisite limited liability company power and authority to carry on its business as now conducted. Buyer is duly qualified to do business as a foreign limited liability company and is in good standing (where such concept is recognized) in all

jurisdictions in which it is required to be so qualified or in good standing, except where the failure to be so qualified or in good standing would not reasonably be expected, individually or in the aggregate, to have a material effect on Buyer.

Section 3.2 Corporate and Governmental Authorization.

(a) Buyer has all requisite limited liability company power and authority to execute and deliver this Agreement and the Ancillary Agreements to which it is, or is specified to be, a party, and to perform its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution and delivery by Buyer of this Agreement and the Ancillary Agreements to which it is, or is specified to be, a party, and the performance of Buyer's obligations hereunder and thereunder and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all requisite limited liability company action of Buyer. Buyer has duly executed and delivered this Agreement and at or before the Closing will have duly executed and delivered each Ancillary Agreement to which it is, or is specified to be, a party. This Agreement constitutes, and each Ancillary Agreement to which Buyer is, or is specified to be, a party will when executed and delivered constitute the legal, valid and binding obligation of Buyer, enforceable against Buyer in accordance with its terms, except as such enforceability may be limited by the Enforceability Exceptions.

(b) Except as set forth in Section 3.2(b) of the Buyer Disclosure Letter or as may result from any facts or circumstances solely relating to Seller or its Affiliates (as opposed to any other third party), the execution, delivery and performance by Buyer of this Agreement and each Ancillary Agreement to which it is, or is specified to be, a party, and the consummation of the transactions contemplated hereby and thereby, require no action by or in respect of, or filing with, any Governmental Authority other than any actions or filings under Laws the absence of which would not be, individually or in the aggregate, materially adverse to Buyer or materially impair the ability of Buyer to consummate the transactions contemplated hereby and thereby.

Section 3.3 Non-Contravention. Provided that all consents, approvals, authorizations and other actions described in Section 3.2 have been obtained or taken, except as may result from any facts or circumstances solely relating to Seller or its Affiliates (as opposed to any other third party), the execution and delivery by Buyer of this Agreement and each Ancillary Agreement to which it is, or is specified to be, a party, and the performance of its obligations hereunder and thereunder do not and will not (a) conflict with or result in any violation or breach of any provision of any of the Organizational Documents of Buyer, (b) assuming compliance with the matters referred to in Section 3.2(b), conflict with or result in any violation or breach of any provision of any material applicable Law or (c) require any consent or other action by any Person under any provision of any material agreement or other instrument to which Buyer is a party.

Section 3.4 Financing.

(a) At or prior to the time of execution of this Agreement, Buyer has made available to Seller true, correct and complete copies of the fully executed equity commitment letters from each of the Equity Financing Sources (including all exhibits, schedules, annexes and amendments thereto as of the date hereof, the "Equity Commitment Letters") pursuant to which each of the Equity Financing Sources has committed to provide equity financing to Buyer in the amounts set forth therein for purpose of funding the transactions contemplated hereby (the "Equity Financing").

(b) Each Equity Commitment Letter is a valid and binding obligation of Buyer and the Equity Financing Source party thereto, enforceable in accordance with its terms and is in full force and effect, subject to the Enforceability Exceptions. As of the date of this Agreement, the Equity Commitment Letters have not been withdrawn, terminated, repudiated, rescinded, amended, supplemented or modified, in any respect (except as has been provided to Seller in accordance with Section 3.4(a) above), and no such withdrawal, termination, repudiation, rescission, amendment, supplement or modification is contemplated. There are no side letters or other agreements, contracts or arrangements related to the Equity Commitment Letters (other than agreements expressly contemplated by the Equity Commitment Letters, none of which would adversely affect the amount or availability of the financing or the conditions to funding set forth therein).

(c) As of the date of this Agreement, Buyer is not and no Equity Financing Source is in default in the performance, observation or fulfillment of any obligation, covenant or condition contained in the Equity Commitment Letters, and no event has occurred or circumstance exists that, with or without notice, lapse of time or both, would or would reasonably be likely to (i) constitute or result in a breach or default under the Equity Commitment Letters, (ii) constitute or result in a failure to satisfy, or delay in satisfaction of, a condition precedent to or other contingency to be satisfied as set forth in the Equity Commitment Letters or (iii) make any of the statements set forth in the Equity Commitment Letters inaccurate in any material respect.

(d) As of the date of this Agreement, Buyer has not received any notice or other communication from any Equity Financing Source with respect to (i) any actual or potential breach or default on the part of Buyer or any Equity Financing Source, (ii) any actual or potential failure or delay by Buyer or any Equity Financing Source to satisfy any condition precedent or other contingency to be satisfied by Buyer or any Equity Financing Source as set forth in the Equity Commitment Letters or (iii) any intention of any Equity Financing Source to terminate the Equity Commitment Letters (with respect to itself or in its entirety) or to not provide all or any portion of the Equity Financing at the time of the Closing. As of the date hereof, assuming the conditions set forth in Section 6.2 are satisfied at or before Closing, Buyer does not have any reason to believe that it will be unable to satisfy on a timely basis all terms and conditions required to be satisfied by it in the Equity Commitment Letters on or prior to the Closing Date.

(e) There are no conditions precedent or other contingencies related to the obligation of any Equity Financing Source to fund or invest, as applicable, the full amount (or any portion) of the Equity Financing committed to be provided by it, or any contingencies that would permit any Equity Financing Source to reduce the total amount of the Equity Financing, in each case other than as expressly set forth in the Equity Commitment Letter to which it is a party as in effect on the date hereof.

Section 3.5 Purchase for Investment. Buyer is purchasing the Shares for investment for its own account and not with a view to, or for sale in connection with, any distribution thereof. Buyer (either alone or together with its advisors) has sufficient knowledge and experience in financial and business matters so as to be capable of evaluating the merits and risks of its investment in the Shares and is capable of bearing the economic risks of such investment. Buyer acknowledges that the Shares have not been registered under the Securities Act or any state securities Laws, and agrees that the Shares may not be sold, transferred, offered for sale, pledged, hypothecated or otherwise disposed of without registration under the Securities Act, except pursuant to an exemption from such registration available under the Securities Act, and without compliance with foreign securities Laws, in each case, to the extent applicable.

Section 3.6 Litigation. There is no Litigation pending against, or, to the Knowledge of Buyer, threatened against or affecting, Buyer before any court or arbitrator or any Governmental Authority which in any manner challenges or seeks to prevent, enjoin, alter or materially delay the transactions contemplated by this Agreement.

Section 3.7 Finders' Fees. Except for Goldin Associates, LLC, whose fees and expenses will be paid by Buyer, there is no investment banker, broker, finder or other intermediary retained by or authorized to act on behalf of Buyer who is entitled to any fee or commission from Seller or any of its Affiliates upon consummation of the transactions contemplated by this Agreement or any of the Ancillary Agreements.

Section 3.8 Solvency. Assuming the accuracy of Seller's representations and warranties in Article 2, immediately after giving effect to the consummation of the transactions contemplated by this Agreement, Buyer and its Subsidiaries will be Solvent. For purposes of this Section 3.8, "Solvent" means, with respect to any Person, that:

(a) the fair saleable value (determined on a going concern basis) of the assets of such Person shall be greater than the total amount of such Person's liabilities (including all liabilities, whether or not reflected in a balance sheet prepared in accordance with GAAP or SAP, as applicable, and whether direct or indirect, fixed or contingent, secured or unsecured, disputed or undisputed);

(b) such Person shall be able to pay its debts and obligations in the ordinary course of business as they become due; and

(c) such Person shall have adequate capital to carry on its businesses and all businesses in which it is about to engage.

Section 3.9 No Buyer Regulatory Impediments. There are no outstanding Governmental Orders or Litigation against or otherwise binding upon Buyer or any of its Affiliates, and since January 1, 2017, to the Knowledge of Buyer, no facts, circumstances, events or matters have occurred with respect to Buyer or any of its Affiliates, that have had, or would individually or in the aggregate, reasonably be expected to have a material adverse effect on the ability of Buyer to perform its obligations under this Agreement, including to consummate the transactions contemplated by this Agreement. Since January 1, 2017, neither Buyer nor any of its Affiliates has been the subject of any Governmental Order of or, to the Knowledge of Buyer, investigation, inquiry or examination by any Governmental Authority, in each case, that is specific to Buyer or its Affiliates, that would or would reasonably be expected to result in the disapproval by the New York Department of Financial Services of Buyer's acquisition of control of SGI or in the imposition by the New York Department of Financial Services of any Burdensome Condition.

Section 3.10 No Additional Representations; Inspection.

(a) Notwithstanding anything contained in Article 2 or any other provision of this Agreement or the Seller Disclosure Letter, Buyer acknowledges and agrees that none of Seller or any of its Affiliates is making or has made, and Buyer has not relied on, any representation or warranty whatsoever, express or implied, including any implied warranty of merchantability or suitability, as to any member of the Company Group or the Assets, other than the representations and warranties expressly set forth in Article 2 of this Agreement or any certificate delivered hereunder. In addition, Buyer acknowledges and agrees that any cost estimates, projections and predictions contained or referred to in the materials that have been provided or made available to Buyer by or on behalf of Seller are not and shall not be deemed to be representations or warranties of Seller or any of its Affiliates.

(b) Buyer acknowledges and agrees that it (i) has made its own inquiry and investigations into and, based thereon, has formed an independent judgment concerning the members of the Company Group and the Assets, (ii) has been provided with adequate access to such information, documents and other materials relating to the members of the Company Group and the Assets as it has deemed necessary to enable it to form such independent judgment, (iii) has had such time as Buyer deems necessary and appropriate to fully and completely review and analyze such information, documents and other materials and (iv) has been provided an opportunity to ask questions of Seller with respect to such information, documents and other materials. Buyer further acknowledges and agrees that none of Seller or any of its Affiliates has made any representations or warranties, express or implied, as to the accuracy or completeness of such information,

documents and other materials other than the representations and warranties contained in this Agreement.

ARTICLE 4

Certain Covenants

Section 4.1 Conduct of the Business. From the date hereof until the Closing, except (x) as required by law or as otherwise expressly permitted or contemplated by this Agreement, (y) as set forth in Section 2.8 or 4.1 of the Seller Disclosure Letter or (z) otherwise requested or consented to in writing by Buyer, which consent shall not be unreasonably conditioned, withheld or delayed and which consent shall be deemed to have been given if Buyer fails to respond to a written request for such consent within seven (7) Business Days after the date of such request, Seller shall use commercially reasonable efforts to preserve intact its business organizations and maintain material relationships (contractual or otherwise) and goodwill with policyholders, regulators, suppliers and service providers of the Company Group and its business and to cause the Company Group to conduct the Business in the ordinary course and Seller shall not and shall not permit any member of the Company Group to:

(a) amend the certificate of incorporation or certificate of formation of any member of the Company Group, as applicable, or the by-laws or limited liability company operating agreement of any member of the Company Group, as applicable, or take or authorize any action to wind up its affairs or dissolve;

(b) (i) amend or terminate any Seller Benefit Plan (including any Company Benefit Plan) in any material respect, establish, enter into or adopt any new arrangement that would (if it were in effect on the date hereof) constitute a Seller Benefit Plan or a Company Benefit Plan, take any action that would result in a Seller Benefit Plan becoming in whole or part a Company Benefit Plan or vice versa, or take any action with respect to any Seller Benefit Plan (including any Company Benefit Plan) that would reasonably be expected to increase, accelerate or alter the liabilities of any Company Benefit Plan or reduce or impair the assets of any Company Benefit Plan, (ii) take any action to increase, accelerate the payment or vesting of, or fund or otherwise guarantee, freeze or secure the payment of compensation or benefits of any Business Employee, other than, in each case, in the ordinary course of business in a manner consistent with applicable internal policies of Seller or its Affiliates or to the extent required under any Seller Benefit Plan or other contractual arrangement as in effect on the date hereof, (iii) enter into, amend or otherwise modify any employment, severance, transaction-based, retention or other similar Contracts or arrangements with any Business Employees (or officers or directors of the Company Group who are not Retained Employees), (iv) hire any employee, independent contractor, officer or director or terminate the employment of any Business Employee or (v) establish any incentive compensation

programs that relate in whole or part to compensation for fiscal year 2020 for any Business Employee;

(c) issue, sell or grant options, warrants or rights to purchase or subscribe to, enter into any arrangement or Contract with respect to the issuance or sale of, or redeem or repurchase any Company Securities or make any changes (by combination, reorganization or otherwise) in the capital structure of the Company Group;

(d) sell, license, abandon, assign, transfer, pledge, or otherwise dispose of, or encumber, or grant any Lien (other than a Permitted Lien) on, any Assets of any member of the Company Group, other than transactions related to Investment Assets in the ordinary course of business and non-exclusive licenses to Intellectual Property granted in the ordinary course of business;

(e) merge or consolidate with any other Person or acquire (including by merger, consolidation, acquisition of stock or assets, bulk reinsurance) any Person or assets or liabilities comprising a business or a segment, division or line of or business or any material amount of property or assets in or of any other Person or create or acquire any Subsidiaries;

(f) enter into any insurance or reinsurance commutations, or modify or amend in any material respect or recapture or terminate any of the Material Contracts or Reinsurance Agreements or waive, release or assign any material rights or claims thereunder or enter into any Contract which would, if entered into prior to the date hereof, have been a Material Contract or Reinsurance Agreement;

(g) incur any Indebtedness of any member of the Company Group, other than trade accounts payable and short-term working capital financing or under the ICF Financing Facility, in each case, incurred in the ordinary course of business or make any loans or advances to any Person;

(h) make any capital expenditures or commitments for capital expenditures, other than any individual transaction for which the aggregate consideration paid or payable is not in excess of $50,000 or in the aggregate in excess of $250,000 or pursuant to SGI's or Syncora Admin's current capital expenditures budget that have been made available to Buyer prior to the date hereof;

(i) default under any Indebtedness, or fail to pay or satisfy when due any material liability of the Company Group (other than any such liability that is being contested in good faith and, in each case, after giving effect to cure periods);

(j) terminate, fail to renew or let lapse any Permit necessary to conduct the Business or fail to submit any reports, statements, documents, registrations, filings or submissions to be filed by any member of the Company Group with any Governmental

Authority, in each case other than as would not reasonably be expected, individually or in the aggregate, to be material to the Company Group;

(k) enter into any new line of business, or introduce any new products or services, or change in any material respect existing products or services, except as may be required by applicable Law;

(l) terminate, cancel or amend, or cause the termination, cancellation or amendment of, any material insurance coverage (and any surety bonds, letters of credit, cash collateral or other deposits related thereto required to be maintained with respect to such coverage) maintained by the Company Group that is not replaced by comparable insurance coverage;

(m) make any material change in the underwriting, reinsurance, claims administration, reserving, actuarial or financial accounting, policies, guidelines, practices or principles of the Company Group, as applicable, in effect on the date hereof, other than any change required after the date hereof by applicable Law, GAAP or SAP (or the interpretation thereof) or, in respect of underwriting or claims administration, in the ordinary course of business;

(n) amend or otherwise change the Investment Guidelines or make any investment or manage its Investment Assets other than in compliance with the Investment Guidelines;

(o) to the extent related to Taxes or Tax Returns of any member of the Company Group, (i) settle or compromise any material Tax audit or forgo the right to any material refund, offset or other reduction in Tax liability; (ii) change any member of the Company Group's methods, policies or practices of Tax accounting or methods of reporting income or deductions for Tax purposes from those employed in the preparation of its most recently filed Tax Return; (iii) amend any material Tax Return; (iv) enter into any material agreement with a Tax authority, or terminate any such agreement entered into with a Tax authority that is in effect as of the date hereof; (v) alter or make any material Tax election; (vi) request a ruling relating to Taxes, (vii) grant any power of attorney relating to Tax matters; (viii) prepare or file any Tax Return in a manner that is not consistent with past practice or file a Tax Return of a type or in a jurisdiction not previously filed; or (ix) request any ruling or similar guidance with respect to Taxes;

(p) conduct any material revaluation of any asset, including any writeoff of reinsurance recoverables, other than in the ordinary course of business, or except to the extent required by applicable Laws or SAP or GAAP;

(q) settle or compromise or agree to the dismissal of any Litigation other than any settlement or compromise that involves solely cash payments of less than $750,000 in the aggregate;

(r) declare, set aside, make or pay any dividend or other distribution (whether extraordinary or in the ordinary course) payable in stock or property with respect to the capital stock or other equity interests therein of any member of the Company Group;

(s) make any payment by a member of the Company Group to Seller or any of its Affiliates (other than the Company Group) unless such payments are in the ordinary course of business consistent with past practice pursuant to an Intercompany Agreement that was made available to Buyer prior to the date hereof;

(t) make any payment or incur any liability by a member of the Company Group for any professional fees or other transaction costs or expenses to the extent related to the preparation, negotiation or consummation of the transactions contemplated by this Agreement;

(u) waive any amount owed to any member of the Company Group by Seller or any of its Affiliates (other than any member of the Company Group);

(v) undertake or commit to take any remediation activities (such as the purchase or sale of bonds, and professional and other expenses incurred in connection therewith) with respect to any Insurance Contracts for which the aggregate unreimbursed consideration paid or payable is in excess of $3,000,000 or which remediation activities are otherwise outside the ordinary course of business, it being understood that "remediation activities" does not include any insurance or reinsurance commutations, which are subject to the preceding clause (f) of this Section 4.1;

(w) sell, transfer or otherwise dispose of the Asset listed on Schedule 4.1(w) hereto; or

(x) promise, agree or commit to do any of the foregoing.

Section 4.2 Access to Information; Confidentiality; Books and Records.

(a) From the date hereof until the Closing, Seller shall and shall cause the Company Group to (i) give Buyer, its counsel, financial advisors, auditors and other authorized Representatives reasonable access to all of the offices, properties, Contracts, Books and Records of the Company Group, not including access to IT Systems, and to the officers and employees of the Company Group whose assistance and expertise are reasonably necessary to assist Buyer in connection with Buyer's investigation of the Company Group and preparation to integrate the Company Group into Buyer's organization following the Closing, (ii) furnish to Buyer, its counsel, financial advisors, auditors and other authorized Representatives such financial and operating data and other information relating to the Company Group as such Persons may reasonably request, and (iii) instruct the employees, counsel and financial advisors of Seller and Seller's

Affiliates to cooperate with Buyer in connection with Buyer's investigation of the Company Group and preparation to integrate the Company Group into Buyer's organization following the Closing.

(b) From the date hereof until the Closing, Seller shall and shall cause the Company Group to deliver to Buyer (i) promptly following the filing or preparation thereof, as applicable, all Statutory Statements of SGI prepared after the date hereof and prior to the Closing Date and (ii) within ten (10) days after the end of each calendar month, the reports listed on Schedule 4.2(b) hereto (as prepared in the ordinary course of business consistent with past practice for internal use) as they are finalized after the date hereof and prior to the Closing Date.

(c) Prior to the Closing, Seller and Buyer shall cooperate in good faith to develop and implement a plan that will result in the delivery or transfer, subject to compliance with applicable Law, of the Books and Records, other than the Excluded Books and Records, to the Company Group or Buyer (or a Person designated by Buyer) at the Closing in the manner (and in the case of physical Books and Records, other than the Excluded Books and Records, at the location(s)) reasonably requested by Buyer.

(d) From and after the Closing, Buyer shall, and shall cause its Affiliates (including the Company Group) to, preserve, in accordance with and until such date as may be required by Buyer's, or its applicable Affiliates' standard document retention policies (but for not less than six (6) years from the Closing Date or such later date as may be required by applicable Law), all pre-Closing Date books and records of the Company Group possessed or controlled by such Person and thereafter dispose of such pre-Closing Date books and records only after it shall have given Seller ninety days' prior written notice of such disposition and the opportunity (at Seller's expense) to remove and retain such information. During such period, Seller, on the one hand, and Buyer, on the other hand, shall promptly afford the other party and its respective agents reasonable access to their respective books and records, information, employees and auditors to the extent relating to the Company Group and its business prior to the Closing Date and necessary or useful for the party requesting such access in connection with any audit, investigation, dispute or Litigation, provided, that the party requesting such access agrees to reimburse the other party promptly for all reasonable and documented out-of-pocket costs and expenses incurred in connection with any such request.

(e) Anything to the contrary in Section 4.2(a), (b) (c), or (d) notwithstanding, (i) access rights pursuant to Section 4.2(a), (b) (c), or (d) shall be exercised in such manner as not to interfere unreasonably with the conduct of the Business or any other business of the party granting such access, (ii) the party granting access may withhold any document (or portions thereof) or information (A) that is subject to the terms of a non-disclosure agreement with a third party, (B) may constitute privileged attorney-client communications or attorney work product and the transfer of which, or the provision of access to which, as reasonably determined by such party's counsel, constitutes a waiver

of any such privilege, (C) if the provision of access to such document (or portion thereof) or information, as determined by such party's counsel, would reasonably be expected to conflict with applicable Laws or Governmental Orders or (D) that is related to the analysis, execution, consummation or negotiation of the transactions contemplated by this Agreement, provided in the case of each of the foregoing clauses (B) and (C), that the parties shall use their respective reasonable best efforts to cooperate with any requests for, and use their reasonable best efforts to obtain, any waivers and use their reasonable best efforts to make other arrangements (including redacting information or entering into common interest and joint defense agreements), in each case, that would enable any otherwise required disclosure to occur without jeopardizing any such privilege or immunity or contravening such applicable Law or Governmental Order, and (iii) neither Seller nor any of its Affiliates or Representatives shall have any obligation to provide Buyer or its Representatives (A) access to any Tax Return filed by Seller or any of its Affiliates, or any related materials, in each case not relating exclusively to the Company Group, (B) access to any individual personnel or payroll records, in each case to the extent not relating to the Company Group or (C) access to books and records and information to the extent related to entities not in the Company Group.

(f) All information provided to Buyer pursuant to this Section 4.2 prior to the Closing shall be subject to the Confidentiality Agreement, dated as of May 16**,** 2019, between SGI and Golden Tree Asset Management LP (the "Confidentiality Agreement"), the terms of which are incorporated herein by reference. The Confidentiality Agreement shall continue in full force and effect until the Closing, at which time it shall automatically terminate. From and after the Closing: (i) Seller, on the one hand, and Buyer, on the other hand, shall, and shall cause their respective Affiliates and Representatives to, maintain in confidence this Agreement and any written, oral or other information related to the negotiation hereof, (ii) Seller shall, and shall cause its respective Affiliates and Representatives to, maintain in confidence any written, oral or other information relating to the Company Group obtained solely by virtue of Seller's ownership of the Company Group prior to the Closing and (iii) Buyer shall, and shall cause its Affiliates and Representatives to, maintain in confidence any written, oral or other information of or relating to Seller (other than information relating to the Company Group) obtained solely by virtue of Buyer's ownership of the Company Group from and after the Closing or obtained in connection with the evaluation, negotiation and implementation of this Agreement or the transactions contemplated hereby, except, in each case, to the extent that the applicable party is required to disclose such information by judicial or administrative process or pursuant to applicable Law or such information can be shown to have been in the public domain through no fault of the applicable party.

(g) Subject to Section 4.2(f), Seller and its Affiliates shall have the right to retain copies of all books, data, files, information and records in any media (including, for the avoidance of doubt, Tax Returns and other information and documents relating to tax matters) of the Company Group relating to periods ending on or prior to the Closing Date

(i) relating to information (including employment and medical records) regarding the Business Employees, (ii) as may be required by any Governmental Authority, including pursuant to any applicable Law or regulatory request, or (iii) as may be necessary for Seller or its Affiliates to perform their respective obligations pursuant to this Agreement, in each case subject to compliance with all applicable privacy Laws. Buyer agrees that, with respect to all original books, data, files, information and records of the Company Group existing as of the Closing Date, it will (x) comply in all material respects with all applicable Laws relating to the preservation and retention of records and (y) apply preservation and retention policies that are no less stringent than those generally applied by Buyer to its own books and records.

Section 4.3 Governmental Approvals.

(a) Upon the terms and subject to the conditions set forth in this Agreement and the Ancillary Agreements, Seller and Buyer agree to use, and shall cause their respective Affiliates and in the case of Buyer, any other Persons who are deemed or may be deemed to "control" Buyer within the meaning of applicable insurance Laws ("Control Persons") to use, reasonable best efforts to take, or cause to be taken, all actions and to do, or cause to be done, and to assist and cooperate with the other parties in doing, all things necessary, proper or advisable to fulfill all conditions applicable to such party pursuant to this Agreement and the Ancillary Agreements and to consummate and make effective the Closing and the other transactions contemplated hereby and thereby, including (i) using reasonable best efforts to obtain all necessary, proper or advisable Governmental Approvals, (ii) making all necessary, proper or advisable registrations, filings and notices and taking all steps as may be necessary to obtain such Governmental Approvals (including under insurance Laws and the HSR Act) and (iii) executing and delivering any additional agreements, documents or instruments necessary, proper or advisable to consummate the transactions contemplated by, and to fully carry out the purposes of, this Agreement and the Ancillary Agreements.

(b) Without limiting the foregoing, Buyer shall, and shall use reasonable best efforts to cause its Affiliates and Control Persons to, take any and all actions necessary to avoid each and every impediment under any applicable Law that may be asserted by, or Governmental Order that may be entered by, any Governmental Authority with respect to this Agreement or the transactions contemplated hereby so as to enable the Closing to occur as promptly as practicable, including using reasonable best efforts to take or refrain from taking or agree to take, or cause its Affiliates and Control Persons to take or refrain from taking any actions (i) as requested by any Governmental Authority or (ii) listed on Schedule 4.3(b) hereto, provided, that such requirement or request is necessary, proper or appropriate to (A) obtain all Governmental Approvals necessary, proper or advisable to consummate the transactions contemplated by this Agreement and secure the expiration or termination of any applicable waiting period under the HSR Act or (B) resolve any objections that may be asserted by any Governmental Authority with respect to the

Closing or any other transaction contemplated hereby. Notwithstanding anything to the contrary contained in this Agreement, (1) neither Buyer nor Seller and its Affiliates shall be obligated to take or refrain from taking or to agree to it, its Affiliates, Control Persons or the Company Group taking or refraining from any action or to suffer to exist any condition, limitation, restriction or requirement that, individually or in the aggregate with any other actions, conditions, limitations, restrictions or requirements would or would reasonably be likely to result in a Burdensome Condition and (2) neither Seller nor Buyer shall be obligated to contest any final action or decision taken by any Governmental Authority challenging the consummation of the transactions contemplated by this Agreement or the Ancillary Agreements. A "Burdensome Condition" shall mean (x) with respect to Buyer: (A) a material impairment of the economic benefits, taken as a whole, which Buyer reasonably expects to derive from the consummation of the transactions contemplated by this Agreement had Buyer not been obligated to take or refrain from taking or agree to take or refrain from taking such action or suffer to exist such condition, limitation, restriction or requirement, including as a result of any material requirement not listed on Schedule 4.3(b) relating to (I) contribution of capital, keep-well or capital maintenance arrangements or (II) any restrictions on dividends or distributions; (B) a material negative effect on the business or the assets, liabilities, properties, operations, results of operations or condition (financial or otherwise) of the Company Group taken as a whole or Buyer and its Affiliates taken as a whole; or (C) any requirement to sell, divest, hold separate or discontinue, before or after the Closing Date, any assets, liabilities, businesses, operations, or interest in any assets or businesses of Buyer, the Company Group, or any of their respective Affiliates; provided, that the actions, conditions, limitations, restrictions or requirements of the type listed on Schedule 4.3(b) shall not constitute a Burdensome Condition and (y) with respect to Seller: a material impairment of the economic benefits, taken as a whole, which Seller reasonably expects to derive from the consummation of the transactions contemplated by this Agreement had Seller not been obligated to take or refrain from taking or agree to take or refrain from taking such action or suffer to exist such condition, limitation, restriction or requirement. In the event that any action, restriction, condition, limitation or requirement is imposed by a Governmental Authority that constitutes or would result in a Burdensome Condition, prior to Buyer or Seller being entitled to invoke the actual or potential existence of a Burdensome Condition, Seller and Buyer shall cooperate in good faith to develop a reasonably designed process under which each of Seller and Buyer shall promptly (A) provide information (subject to the other terms and conditions of this Agreement relating to cooperation and sharing of information) reasonably requested by the other to enable the requesting party to analyze the causes and potential implications of such action, restriction, condition, limitation or requirement and (B) meet in order to (x) exchange and review their respective views as to such action, restriction, condition, limitation or requirement, (y) discuss potential approaches that would avoid such action, restriction, condition, limitation or requirement or mitigate its impact, and (z) negotiate in good faith to attempt to agree to modify the terms of this Agreement, on mutually acceptable terms and on an equitable basis, in a way that would substantially eliminate

any such action, restriction, condition, limitation or requirement or sufficiently mitigate its adverse impact so that it would no longer constitute a Burdensome Condition hereunder; it being understood and agreed that if reasonable steps can be identified to avoid such action, restriction, condition, limitation or requirement or sufficiently mitigate the negative impact thereof, each party shall take, and shall cause its Affiliates to take, as applicable, all such reasonable steps.

(c) Buyer shall not, and shall cause its Affiliates and Control Persons not to, directly or indirectly (whether by merger, consolidation or otherwise), acquire, purchase, lease or license (or agree to acquire, purchase, lease or license) any business, corporation, partnership, association or other business organization or division or part thereof, or any securities or collection of assets, if doing so would reasonably be expected to: (i) impose any material delay in the obtaining of, or materially increase the risk of not obtaining any Governmental Approvals necessary, proper or advisable to consummate the transactions contemplated by this Agreement and secure the expiration or termination of any applicable waiting period under the HSR Act; (ii) materially increase the risk of any Governmental Authority entering a Governmental Order prohibiting the consummation of the transactions contemplated by this Agreement; (iii) materially increase the risk of not being able to remove any such Governmental Order on appeal or otherwise; or (iv) otherwise materially impair or delay the ability of Buyer to perform its material obligations under this Agreement.

(d) In furtherance of and without limiting the generality of the foregoing, (i) Buyer and its Control Persons shall file, or cause to be filed, a Section 1506 Application for Approval of Acquisition of Control with respect to SGI, together with all required applicants, together with all exhibits, affidavits and certificates, with the Superintendent of the New York Department of Financial Services within twenty (20) Business Days of the date hereof, (ii) Seller and Buyer shall file a notification and report form pursuant to the HSR Act with the Federal Trade Commission and the Antitrust Division of the United States Department of Justice with respect to the Closing and the other transactions contemplated hereby and requesting early termination of the waiting period under the HSR Act, within twenty (20) Business Days of the date hereof, (iii) Buyer shall file, or cause to be filed, any pre-acquisition notifications on "Form E" or similar market share notifications to be filed in each jurisdiction where required by applicable Laws with all required applicants, within twenty (20) Business Days of the date hereof and (iv) the parties shall make any other registrations, filings and notices of, with or to Governmental Authorities necessary, proper or advisable to obtain the Governmental Approvals listed on Schedule 6.1(a) and Item 7 listed on Section 2.2(b) of the Seller Disclosure Letter, within twenty (20) Business Days of the date hereof. All filing fees payable in connection with the foregoing shall be borne by Buyer. Buyer agrees to use reasonable best efforts to promptly provide, or cause to be provided, all non-privileged agreements, documents, instruments, affidavits, statements or information that may be required or requested by any Governmental Authority in connection with its

review of the transactions contemplated by this Agreement relating to Buyer or any of its Affiliates or Control Persons (including any of their respective directors, officers, employees, partners, members or shareholders), or its or their structure, ownership, businesses, operations, regulatory and legal compliance, assets, liabilities, financing, financial condition or results of operations, or any of its or their directors, officers, employees, partners, members or shareholders. With respect to any information requested by a Governmental Authority, the production of which would be unduly burdensome or intrusive, Buyer shall be entitled to a reasonable opportunity to discuss with such Governmental Authority retracting or limiting the scope of such request. Buyer shall cause all Control Persons of Buyer to be added as applicants and provide any executed applications and any related submissions in connection therewith that may be required or requested by any Governmental Authority in connection with its review of the transactions contemplated by this Agreement. Other than in connection with the Governmental Approvals listed on Schedule 4.3(d) or as otherwise consented to by Seller in writing (such consent not to be unreasonably withheld, conditioned or delayed), Buyer agrees that it and its Affiliates and Control Persons shall not at any time prior to the Closing, in connection with the transactions contemplated by this Agreement, file any application with or request for non-disapproval by any Governmental Authority with respect to any inter-affiliate transaction between SGI, on the one hand, and Buyer or any of its Affiliates, on the other hand, that would require approval or non-disapproval under applicable Law.

(e) Seller, on the one hand, and Buyer, on the other hand, agree that they shall consult with one another with respect to the obtaining of all Governmental Approvals necessary, proper or advisable to consummate the transactions contemplated by this Agreement and each of them shall keep the other apprised on a prompt basis of the status of matters relating to such Governmental Approvals. Seller and Buyer shall have the right to review in advance, subject to redaction of personally identifiable information, and, to the extent practicable, and subject to any restrictions under applicable Law each shall consult the other on, any filing made with, or written materials submitted to, any Governmental Authority or any third party in connection with the transactions contemplated by this Agreement, and each party agrees to in good faith consider comments of the other party thereon. Seller and Buyer shall promptly furnish to each other copies of all such filings and written materials after their filing or submission, in each case subject to applicable Laws and subject to redaction of personally identifiable information.

(f) Seller and Buyer shall promptly (and in no event later than one (1) Business Day after receipt) advise each other upon receiving any communication (other than purely ministerial communications) from any Governmental Authority whose Governmental Approval is required for consummation of the transactions contemplated by this Agreement, including promptly furnishing each other copies of any written or electronic communications (other than purely ministerial communications), and shall

promptly advise each other when any such communication causes such party to believe that there is a reasonable likelihood that any such consent or Governmental Approval will not be obtained or that the receipt of any such Governmental Approval will be materially delayed or conditioned.

(g) Neither Seller nor Buyer shall, and they shall cause their respective Affiliates not to, permit any of their respective Control Persons, partners, members, shareholders or any other Representatives to participate in any live or telephonic meeting (other than non-substantive scheduling or administrative calls) with any Governmental Authority in respect of any filings, investigation or other inquiry relating to the transactions contemplated by this Agreement unless it consults with the other in advance and, to the extent permitted by applicable Law and by such Governmental Authority, gives the other party the opportunity to attend and participate in such meeting.

Section 4.4 Third-Party Consents.

(a) Prior to the Closing, except as otherwise agreed by the parties, each party shall cooperate with the other and use commercially reasonable efforts to make or obtain the Third-Party Consents set forth in Schedule 4.4; provided, that neither party shall be required to compromise any right, asset or benefit or incur any liabilities, make any accommodations, commence or participate in any Litigation or provide any other consideration in order to obtain any such Third-Party Consent, in each case other than the costs and expenses described in Section 4.4(b).

(b) All aggregate out-of-pocket costs and expenses associated with obtaining such Third-Party Consents (whether before or after Closing) shall be borne fifty percent (50%) by Buyer and fifty percent (50%) by Seller. Anything to the contrary in this Agreement notwithstanding, Buyer agrees that, except as set forth in this Section 4.4(b), neither Seller nor any of its Affiliates shall have any liability whatsoever to Buyer arising out of or relating to the failure to obtain any such consent and no representation, warranty or covenant herein shall be breached or deemed breached, no condition shall be deemed not satisfied and no termination right shall be deemed triggered as a result of such failure.

Section 4.5 Further Assurances.

(a) Seller and Buyer (i) shall execute and deliver, or shall cause to be executed and delivered, such documents and other papers and shall take, or shall cause to be taken, such further actions as may be reasonably required to carry out the provisions of this Agreement and give effect to the transactions contemplated by this Agreement and the Ancillary Agreements, (ii) shall refrain from taking any actions that could reasonably be expected to impair, delay or impede the Closing, (iii) without limiting the foregoing, shall use their respective reasonable best efforts to cause all the conditions to the obligations of the other parties to consummate the transactions contemplated by this

Agreement and the Ancillary Agreements to be met as soon as reasonably practicable and (iv) shall cooperate in good faith to facilitate an orderly Closing and transition.

(b) Seller and Buyer shall keep each other reasonably apprised of the status of the matters relating to the completion of the transactions contemplated hereby, including with respect to the satisfaction of the conditions set forth in Article 6. From time to time following the Closing, Seller and Buyer shall, and shall cause their respective Affiliates to, execute, acknowledge and deliver all reasonable further conveyances, notices, assumptions, releases and acquittances and such instruments, and shall take such reasonable actions as may be necessary or appropriate to make effective the transactions contemplated hereby as may be reasonably requested by the other party.

Section 4.6 Employees and Employee Benefits.

(a) Within sixty (60) business days of the date of this Agreement, Buyer (or one of its Affiliates) shall provide to Seller a list of Business Employees (other than the Retained Employees) to whom Buyer has determined in its sole discretion it will offer employment commencing as of the Closing (the "Selected Employees"). No later than the Closing Date, Buyer (or one of its Affiliates) shall offer such employment to the Selected Employees, which offers shall comply with applicable Law. Reasonably in advance of making the offers of employment to the Selected Employees, Buyer shall discuss the material terms of such offers with Seller. Seller shall, or shall cause an Affiliate to, use commercially reasonable efforts to encourage the Selected Employees to accept the offers of Buyer (or its Affiliate) as of the Closing Date. Each Selected Employee who accepts such offer and commences employment with Buyer (or its Affiliate) pursuant thereto shall be referred to in this Section 4.6 as a "Continuing Employee". For a period of twelve (12) months from the Closing Date, Buyer shall not, and shall cause its Affiliates not to, without the prior written consent of Seller, hire any Selected Employee who declines an offer of employment made as provided in this Section 4.6(a).

(b) Each Selected Employee who (i) accepts Buyer's (or its Affiliate's) offer of employment, (ii) commences employment with Buyer (or its Affiliate) as of the Closing Date and (iii) remains employed in good standing by Buyer (or its Affiliate) through the eighteen-month period following the Closing Date or is terminated by Buyer (or its Affiliate) without cause (as determined by Buyer or its applicable Affiliate reasonably and in good faith), shall be entitled to receive an amount of cash equal to such Selected Employee's Severance Entitlement, less any applicable withholding, and payable in two lump sums on the Closing Date and on the date that is eighteen (18) months following the Closing Date, respectively, and in each case as provided more fully in the remainder of this Section 4.6(b) (such amounts, the "Inducement Grants"). Subject to the Selected Employee's execution of an agreement with respect to such Inducement Grants containing terms and conditions reasonably agreed to between Seller and Buyer and reflecting the terms and conditions of this Section 4.6(b) and to be provided to the

Selected Employee with such Selected Employee's offer of employment, and subject to the Selected Employee's compliance with such terms and conditions as of the applicable payment date, Seller shall, or shall cause its applicable Affiliate to, pay such Selected Employee an amount equal to 50% of such Inducement Grant on the Closing Date, and Buyer shall, or shall cause its applicable Affiliate to, pay the remaining 50% of such Inducement Grant on the date that is eighteen (18) months following the Closing Date. For purposes of this Section 4.6, "Severance Entitlement" shall mean, for each Selected Employee, the amount of cash severance pay to which such Selected Employee would be entitled to pursuant to the Syncora Guarantee Services Inc. Severance Pay Plan as in effect on the date hereof if such Selected Employee were to be terminated without cause (as defined thereunder) by Seller or its Affiliate on the Closing Date.

(c) If any of the individuals listed on Schedule 4.6(c)(1) hereto rejects an offer of employment from Buyer or its applicable Affiliate or accepts such an offer but fails to commence employment with Buyer or its applicable Affiliate on the Closing Date (any such individual, a "TSA Employee"), Seller shall, and shall cause its Affiliates to, (i) make commercially reasonable efforts to continue to employ such individuals and shall not terminate such individuals without cause through at least the date that is three months following the Closing Date (or such other date as the parties agree in writing) and (ii) make such TSA Employees available to Buyer and its Affiliates pursuant to a transition services agreement to be entered into as of the Closing Date on terms reasonably acceptable to Buyer and that reflects the material terms and conditions reflected on Schedule 4.6(c)(2) hereto. During the period of time that any TSA Employee is providing services pursuant to such transition services agreement or pursuant to this Section 4.6(c), Seller shall not, and shall cause its Affiliates not to, take any of the actions with respect to such employee that would be restricted pursuant to Section 4.1 of this Agreement if taken after the date of this Agreement and prior to the Closing Date. For the avoidance of doubt, the TSA Employees will not be entitled to an Inducement Grant.

(d) Notwithstanding anything in this Agreement to the contrary and except as expressly contemplated in Section 4.6(b), (c) or (f), (i) Seller and its Affiliates shall be solely responsible for (A) all liabilities in respect of any Business Employee (and dependents and beneficiaries thereof) who does not become a Continuing Employee, whenever incurred, (B) all liabilities arising out of the employment of any Continuing Employee (including all liabilities with respect to their dependents and beneficiaries) to the extent relating to, incurred or arising out of events that occur at or prior to the Closing or relating to, arising out of, or resulting from the employment or services (or termination of employment or services) of such Continuing Employee with Seller or its Affiliates, (C) claims for the type of benefits described in Section 3(1) of ERISA whether or not covered by ERISA (other than any claims for severance benefits, which shall be governed under other provisions of this Section 4.6) ("Welfare Benefits") that are incurred under any Seller Benefit Plans by or with respect to any Continuing Employee and his or her beneficiaries or dependents before or on the Closing Date, (D) claims relating to

continuation coverage under Section 4980B of the Code ("COBRA Coverage") attributable to "qualifying events" with respect to any Continuing Employee and his or her beneficiaries and dependents that occur before, at or by reason of the Closing, and (E) liabilities related to any Seller Benefit Plan, except to the extent expressly contemplated herein, and (ii) Buyer shall be solely responsible for (w) all liabilities arising out of the employment or termination of employment of any Continuing Employee (including all liabilities with respect to their dependents and beneficiaries) with Buyer or its Affiliates but with respect to each Continuing Employee, only to the extent relating to or arising out of events that occur after the Closing, (x) claims for Welfare Benefits that are incurred by or with respect to any Continuing Employee and his or her beneficiaries or dependents after the Closing. (y) claims relating to COBRA Coverage attributable to "qualifying events" with respect to any Continuing Employee and his or her beneficiaries and dependents that occur following the Closing and (z) if the Closing occurs in fiscal year 2020, all short-term annual bonus and/or sales incentive plans (and any awards granted thereunder) applicable to fiscal year 2020 and payable to the Business Employees that were established in accordance with Section 4.1, with such payments pro-rated for the portion of the fiscal year elapsed through the Closing Date if the Closing occurs in fiscal year 2020 (it being understood in such case that the parties acknowledge and agree that, at or prior to Closing, such pro-rated bonus payments shall be funded by a payment from SGI to Syncora Guarantee Services Inc. in a manner substantially consistent with the past practice of SGI). For purposes of the foregoing, a medical/dental claim shall be considered incurred when the services are rendered, the supplies are provided or medications are prescribed, and not when the condition arose. A disability claim shall be considered incurred on the date that the injury or illness resulting in such claim occurs (and, for avoidance of doubt, the recurrence of an illness or injury shall be treated for this purpose as the initial incurrence of such illness or injury).

(e) Buyer shall, or shall cause an Affiliate to, provide any required notice under the WARN Act, and otherwise comply with the WARN Act with respect to any "plant closing" or "mass layoff" (as defined in the WARN Act) or group termination or similar event affecting Business Employees occurring on or after the Closing. Seller shall, or shall cause an Affiliate to, provide any required notice under the WARN Act, and otherwise comply with the WARN Act with respect to any "plant closing" or "mass layoff" (as defined in the WARN Act) or group termination or similar event affecting Business Employees occurring prior to the Closing or in connection with the Closing (e.g. to the extent any Business Employee experiences an "employment loss" within the meaning of the WARN Act as a result of the failure of such employee to commence employment with Buyer). Buyer shall not, and shall cause its Affiliates not to, take any action after the Closing Date that would cause any termination of employment of any employees by Seller or its Subsidiaries that occurs on or before the Closing Date to constitute a "plant closing" or "mass layoff" or group termination under the WARN Act or that would create any liability or penalty to Seller or its Affiliates for any employment terminations under applicable Law, and Buyer shall indemnify Seller and its Affiliates

against all liabilities in respect of any claim brought as a result of any such action, but only to the extent that such liabilities are owed to Continuing Employees.

(f) If the fiscal year in which the Closing occurs is 2019, Seller shall, or shall cause its applicable Affiliate to, calculate as of the Closing Date the projected full-year actual performance with respect to the applicable performance metrics of all short-term annual bonus and/or sales incentive plans (and any awards granted thereunder) (excluding equity or equity-based incentive awards) identified on Section 4.6(f) of the Seller Disclosure Letter and applicable to fiscal year 2019 in accordance with their terms in effect immediately prior to the Closing Date, in a manner substantially consistent with the past practice of Seller (or its Affiliate); provided that (x) for non-management employees, such performance shall in no event exceed 115% of the applicable targets for such plans and awards, and (y) for management employees, such performance shall in no event exceed 100% of the applicable targets for such plans and awards and, in the case of clauses (x) and (y), pro-rated for the portion of the fiscal year elapsed through the Closing Date. The parties acknowledge and agree that, at or prior to Closing, such pro-rated bonus payments shall be funded by a payment from SGI to Syncora Guarantee Services Inc. in a manner substantially consistent with the past practice of SGI.

(g) Nothing set forth in this Section 4.6 shall confer any rights or remedies upon any employee or former employee of the Company Group, any Continuing Employee or upon any other Person other than the parties hereto and their respective successors and assigns or shall constitute an amendment to any Seller Benefit Plan or any other plan or arrangement covering the Continuing Employees or employees of Seller. Nothing in this Section 4.6 shall obligate Buyer or the Company Group to continue the employment of any Continuing Employee for any specific period.

Section 4.7 Public Announcements. Buyer and Seller will cooperate in the preparation and contents of joint public announcements to be made upon the execution of this Agreement and the Closing. Except as required by applicable Law or the joint public announcements contemplated above, neither Buyer nor Seller shall make, or permit any of their Affiliates or Representatives to make, any public announcement in respect of this Agreement or the transactions contemplated hereby without the prior written consent of the other party; provided, that the parties hereto may, without the prior written consent of the other party hereto, make such public announcement (a) as may be required by applicable Law, stock exchange rules or Governmental Authority and, if practicable under the circumstances, after reasonable prior consultation with the other party hereto or (b) to enforce its rights under this Agreement. For the avoidance of doubt, following the public announcement of this Agreement, Parent and Seller may post this Agreement to their website; provided, that prior to posting this Agreement Parent and Seller shall redact all of the names of, or other identifiable information relating to, the Equity Financing Sources, if any. Notwithstanding anything in this Agreement to the contrary, Seller, Buyer and their respective Affiliates shall not be prohibited from disclosing any

information concerning this Agreement or the transactions contemplated hereby (i) to auditors or ratings agencies; provided, that such auditors or ratings agencies are made aware of the provisions of this Section 4.6(a), (ii) to an adviser for the purpose of advising in connection with the transactions contemplated by this Agreement; provided, further, that such advisor is made aware of the provisions of this Section 4.6(a) or (iii) to the extent that the information has been made public by, or with the prior consent of, the other party; provided, further, that the foregoing shall not restrict or prohibit the Equity Financing Sources or their respective Affiliates from making any ordinary course disclosure in connection with financial or operating reports or other information made available to their current, former or prospective limited partners, investors, managers, members and Representatives or to any other Person to whom they are contractually obligated or required to provide such information, in each case, who are subject to customary confidentiality restrictions.

Section 4.8 Insurance. Buyer acknowledges and agrees that, from and after the Closing Date, the members of the Company Group and the Assets shall cease to be insured by any insurance policies or any self-insured programs of Seller or Seller's Affiliates (other than the Company Group).

Section 4.9 Intercompany Accounts and Agreements. Except as otherwise provided in this Agreement:

(a) Seller shall, and shall cause its Affiliates to, take such actions and make such payments as may be necessary (including executing one or more releases in form and substance reasonably satisfactory to Buyer) so that as of immediately prior to the Closing, the Company Group, on the one hand, and Seller and its Affiliates (other than the Company Group), on the other hand, settle, discharge, offset, pay, repay, terminate or extinguish in full all Intercompany Accounts for the amount due, including any accrued and unpaid interest to but excluding the date of payment; provided that this Section 4.9(a) shall not apply to any Intercompany Accounts related to the trust maintained pursuant to the Syncora Guarantee Services Inc. Severance Pay Plan, which are addressed in Section 4.6; provided, further, that if each such item is not paid in full in cash, the method of discharge must be satisfactory to Buyer; and

(b) Except as set forth on Section 4.9 of the Seller Disclosure Letter, all (i) Intercompany Agreements and (ii) Contracts, understandings or similar arrangements which would, if entered into prior to the date hereof, have been Intercompany Agreements, in each case to which a member of the Company Group is a party shall be terminated in respect of such member of the Company Group, and such member shall be discharged without any further liability or obligation thereunder, effective immediately prior to the Closing.

Section 4.10 D&O Indemnification; Insurance.

(a) For a period of six (6) years after the Closing, Buyer shall not, and shall not permit any member of the Company Group to, amend, repeal or modify any provision in the Organizational Documents of any member of the Company Group relating to the exculpation or indemnification or the like (including advancement of expenses) of present or former officers, directors and members of the board of any member of the Company Group in any way which decreases or restricts such member of the Company Group's obligations thereunder except to the extent required by Law, it being the intent of the parties that the officers, directors and members of the boards of the members of the Company Group prior to the Closing shall continue to be entitled to such exculpation and indemnification and the like (including advancement of expenses) to the fullest extent permitted under applicable Law. In addition, from and after the Closing, the Company Group shall honor all indemnification or other similar agreements or obligations of any member of the Company Group, in each case as in effect on the date of this Agreement without modification, and from and after the Closing each member of the Company Group shall indemnify and hold harmless, for matters up to and including the Closing, each Person theretofore indemnified and held harmless by such member of the Company Group. Buyer, Seller and any Person entitled to indemnification under this Section 4.10 shall cooperate in the defense of any litigation under this Section 4.10 and shall provide access to properties and individuals as reasonably requested and furnish or cause to be furnished records, information and testimony, and attend such conferences, discovery proceedings, hearings, trials or appeals, as may be reasonably requested in connection therewith.

(b) For a period of six (6) years after the Closing, at its sole cost and expense, Buyer shall, and shall cause the Company Group to, either maintain director and officer liability insurance or acquire a director and officer liability run-off policy or extended reporting coverage (i.e., "tail coverage"), which in either case shall provide coverage for the individuals who were officers or directors of the Company Group prior to the Closing comparable to the coverage provided as of the date hereof under the policy or policies maintained by or for the Company Group for the benefit of such individuals.

(c) In the event that Buyer, any member of the Company Group or any of their respective successors or assigns (i) consolidates with or merges into any other Person and shall not be the continuing or surviving Person or entity in such consolidation or merger or (ii) transfers all or substantially all of its properties and assets to any Person, then and in either such case, proper provision shall be made so that the successors and assigns of Buyer or such member of the Company Group, as the case may be, shall assume the obligations set forth in this Section 4.10. The provisions of this Section 4.10 are intended to be for the benefit of, and will be enforceable by, each indemnified party or insured Person, his or her heirs and his or her Representatives, and are in addition to, and not in substitution for, any other right to indemnification or contribution that any

such Person may have by Contract or otherwise. Buyer hereby indemnifies each such indemnified party and insured Person for any reasonable costs incurred in enforcing its rights under this Section 4.10.

Section 4.11 Representation and Warranty Insurance. In the event that Buyer or its Affiliates obtains a representation and warranty or other transactional insurance policy (an "RWI Policy") in connection with this Agreement, Buyer agrees that such policy shall expressly provide that the insurer or insurers thereunder shall not have, and shall waive, any rights to subrogation against Seller or its Affiliates or any past, present or future managers, partners, direct or indirect equity holders, or other Representatives of any of the foregoing, other than in the case of Fraud, and Buyer and its Affiliates shall not permit any amendment, waiver or modification to such provision of such policy. Prior to binding any RWI Policy Buyer will make a draft of such RWI Policy available to Seller and reasonably consider Seller's comments on such RWI Policy. Reasonably promptly after it is received by Buyer or any of its Affiliates, Buyer shall deliver a copy of any such issued RWI Policy to Seller. Seller shall use, and shall cause the members of the Company Group and their respective Representatives to use, their respective commercially reasonable efforts to take or cause to be taken all actions, to do or cause to be done and to assist and cooperate with the Buyer in doing all things necessary, proper, advisable or reasonably requested by Buyer with respect to the Buyer's procurement of any such RWI Policy, including promptly providing additional information regarding the Company Group, Parent and Seller in response to carrier inquiries or proposed exclusions to coverage.

Section 4.12 Retained Subsidiaries. Prior to the Closing, Parent and Seller shall cause SGI to:

(a) cause Pike Pointe Holdings, LLC to distribute or otherwise transfer to SGI the real estate interests listed on Section 4.12(a) of the Seller Disclosure Letter; and

(b) distribute or otherwise transfer to Seller 100% of SGI's limited liability company interests in the Retained Subsidiaries, and Parent and Seller shall take all such other actions as may be required so that upon the consummation of the Closing, Buyer will acquire no, and no member of the Company Group will have any, direct or indirect interest of any kind in the Retained Subsidiaries.

Section 4.13 Non-Hire.

(a) For a period of twelve (12) months from the Closing Date, Seller shall not, and shall cause its Affiliates not to, without the prior written consent of Buyer, hire any Continuing Employee; provided, that Seller and its Affiliates may employ or hire any such Person who was terminated or otherwise discharged by the Buyer, the Company Group or any of their Affiliates at least one (1) month prior to such employment.

(b) For a period of twelve (12) months from the Closing Date, Buyer shall not, and shall cause its Affiliates not to, without the prior written consent of Seller, hire any Retained Employee; provided, that Buyer and its Affiliates may employ or hire any such Person who was terminated or otherwise discharged by Seller or any of its Affiliates at least one (1) month prior to such employment; provided, further, that nothing in this Section 4.13(b) shall prohibit Buyer or any of its Affiliates from employing or hiring any Person who contacts the Buyer or any of its Affiliates on his or her own initiative without direct solicitation or as a result of a general solicitation to the public or general advertising not directed at a Retained Employee.

Section 4.14 No Solicitation.

(a) From and after the date of this Agreement until the earlier of the Closing or the termination of this Agreement in accordance with Article 7, and except as otherwise specifically provided for in this Agreement, Parent shall not, and shall cause its Affiliates and Subsidiaries not to, and shall not authorize any of its or their officers, directors, employees, agents, consultants or professional advisors ("Representatives") or other Affiliates to, directly or indirectly, (i) solicit, initiate or knowingly encourage any inquiry, proposal or offer which constitutes, or would reasonably be expected to lead to, a Company Acquisition Proposal, (ii) participate in any negotiations regarding, or furnish to any Person (other than Buyer, its Affiliates and their respective Representatives) any nonpublic information relating to the Company Group, in connection with any Company Acquisition Proposal, (iii) enter into any letter of intent, stock purchase agreement, merger agreement, asset purchase agreement, reinsurance agreement or other similar agreement providing for or relating to a Company Acquisition Proposal (other than an Acceptable Confidentiality Agreement) (each, an "Alternative Acquisition Agreement") or (iv) resolve or agree to do any of the foregoing. Promptly after execution of this Agreement, Parent shall, and shall cause each of its Subsidiaries to, and shall direct its Representatives to, immediately cease any existing discussions or negotiations with any Person with respect to a Company Acquisition Proposal.

(b) Notwithstanding the limitations set forth in Section 4.14(a), if, prior to 5:00 p.m. Eastern time on the date that is thirty (30) days following the date hereof (the "Alternative Acquisition Period"), Parent receives a Company Acquisition Proposal that Parent and Seller determine in good faith, after consultation with Parent's and Seller's outside financial advisors and outside legal counsel, is or could reasonably be expected to lead to a Superior Proposal, then Parent and Seller may, in response to such Company Acquisition Proposal, furnish nonpublic information relating to the Company Group to the Person or group (or any of their Representatives) making such Company Acquisition Proposal, including all Schedules and Exhibits to this Agreement, and engage in discussions or negotiations with such Person or group and their Representatives regarding such Company Acquisition Proposal; provided that (i) prior to furnishing any nonpublic information relating to the Company Group to such Person or group or their respective

Representatives, the Company enters into an Acceptable Confidentiality Agreement with the Person or group making such Company Acquisition Proposal and (ii) promptly (but not more than one Business Day) after furnishing any such nonpublic information to such Person, Parent furnishes such nonpublic information to Buyer (to the extent such nonpublic information has not been previously so furnished to Buyer or its Representatives). Notwithstanding anything to the contrary contained in this Agreement, Seller and its Representatives may in any event (A) seek to clarify the terms and conditions of any Company Acquisition Proposal solely to determine whether such Company Acquisition Proposal constitutes or would reasonably be expected to lead to a Superior Proposal and (B) inform a Person or group that has made or, to the Knowledge of Seller, is considering making, a Company Acquisition Proposal of the provisions of this Section 4.14.

(c) Parent shall promptly (and in any event within one Business Day) notify Buyer after receipt of any Company Acquisition Proposal, any inquiry or proposal that would reasonably be expected to lead to a Company Acquisition Proposal or any inquiry or request for nonpublic information relating to the Company Group by any Person who has made or would reasonably be expected to make a Company Acquisition Proposal. Such notice shall include all the material terms and conditions of any such proposal or offer or the nature of the information requested pursuant to such inquiry or request. Thereafter, Parent shall promptly (and in any event within one Business Day) inform Buyer regarding any material changes to the status and material terms of any such proposal or offer (including any material amendments thereto or any material change to the scope or material terms or conditions thereof).

(d) Prior to entering into any Alternative Acquisition Agreement, (i) Parent shall provide Buyer at least four Business Days' prior written notice of its intention to take such action, which notice shall, in reasonable detail, set forth the reasons therefor and all the material terms and conditions of such Superior Proposal and include a copy of the most recent proposed definitive agreement related to such Superior Proposal and (ii) during such four Business Day period, Parent and its Representatives shall negotiate in good faith with Buyer (to the extent Buyer desires to negotiate) regarding any revisions to the terms of the transactions contemplated hereby proposed by Buyer in response to such Superior Proposal. If at the end of the four Business Day period described in the foregoing clause (ii) (or, in the event that the Superior Proposal has been materially revised or modified, at the end of the two Business Day period following the date of receipt by Buyer of each such material revision or modification, if later), Parent's Board of Directors concludes in good faith, after consultation with Parent's outside legal counsel and outside financial advisors (and taking into account any adjustment or modification of the terms of this Agreement proposed in writing by Buyer), that the Company Acquisition Proposal continues to be a Superior Proposal, Parent shall have no further obligations under the foregoing sentence, and Parent shall not be required to comply with such obligations with respect to any other Superior Proposal. If the

negotiations with Buyer and other actions pursuant to this Section 4.14(d) result in the expiration of the Alternative Acquisition Period prior to Seller entering into any Alternative Acquisition Agreement, the Alternative Acquisition Period shall be extended for five Business Days to allow Parent to complete such negotiations with Buyer, make a determination in accordance with the immediately preceding sentence and enter into such Alternative Acquisition Agreement if applicable. The Alternative Acquisition Period shall subsequently be extended for an additional five Business Day period each time the negotiations with Buyer and other actions pursuant to this Section 4.14(d) in response to a material revision or modification of a Company Acquisition Proposal would result in the expiration of the extended Alternative Acquisition Period.

(e) Seller may waive any standstill agreement or standstill provision of any confidentiality agreement to the extent necessary to permit a party thereto to make a Company Acquisition Proposal solely during the Alternative Acquisition Period.

Section 4.15 Relief. Each of Seller and Buyer, on behalf of itself and its Affiliates, agrees that irreparable damage would occur if Section 4.13 were not performed in accordance with its specific terms or were otherwise breached. It is accordingly agreed that, without posting bond or other undertaking, Buyer and Seller (and their respective successors or assigns) shall be entitled to injunctive or other equitable relief to prevent breaches of Section 4.13 and, in addition to any other remedy to which they are entitled at law or in equity, to enforce specifically the terms and provisions of Section 4.13. In the event that any action is brought in equity to enforce the provisions of Section 4.13, no party will allege, and each party hereby waives the defense or counterclaim, that there is an adequate remedy at Law. Each of Seller and Buyer, on behalf of itself and its Affiliates, acknowledges and agrees that the scope and duration contained in Section 4.13 are reasonable and appropriate and that but for these limitations, the other party would not have entered into this Agreement. Neither Seller nor Buyer shall, and shall cause its Affiliates not to, challenge or threaten to challenge, and shall not assist any Person in challenging, the scope or duration contained in Section 4.13. In the event that any of the provisions in Section 4.13 should ever be adjudicated to exceed the scope or duration permitted by applicable Law in any jurisdiction, then such provisions shall be deemed reformed in such jurisdiction to the maximum scope or duration, as applicable, enforceable under applicable Law, but shall otherwise remain in full force and effect in all other jurisdictions.

Section 4.16 Equity Financing.

(a) Buyer shall take or cause to be taken all actions necessary under the Equity Commitment Letters (including enforcing the Equity Commitment Letters) to obtain the Equity Financing upon satisfaction of the conditions to funding set forth therein, including (i) maintaining in effect the Equity Commitment Letters, (ii) satisfying all conditions in such Equity Commitment Letters, (iii) subject to the satisfaction (or waiver by Buyer) of the conditions set forth in the Equity Commitment Letters and

Section 6.1 and Section 6.2 (other than those conditions that by their nature are to be satisfied at the Closing), consummating the Equity Financing and (iv) enforcing its rights under the Equity Commitment Letters, including pursuing valid claims necessary to enforce such rights.

(b) Buyer shall provide the Seller notice (i) of any breach or default, or threatened breach or default, related to the Equity Financing of which Buyer becomes aware and (ii) of the receipt or delivery of any notice or other communication, in each case from any Person with respect to any breach or default of any provisions of the Equity Commitment Letters by Buyer or the Equity Financing Sources. Buyer shall provide any information reasonably requested by the Seller relating to any circumstance referred to in clause (i) or (ii) of the immediately preceding sentence.

(c) Buyer acknowledges that neither the availability nor the terms of the Equity Financing is a condition to the obligations of Buyer to consummate the Closing.

Section 4.17 Migration and Integration. Between the date hereof and the Closing: (a) Parent, Seller and Buyer shall, and shall cause their respective Affiliates and Representatives to, reasonably cooperate and discuss in good faith the integration and migration of the Business following the Closing into the business and operations of Buyer (including the members of the Company Group); (b) with respect to each Contract set forth on Schedule 4.17(b), Parent, Seller and Buyer shall reasonably cooperate in good faith to agree (no later than the earlier of (x) three months after the date hereof and (y) the date that is fourteen days prior to the date on which such Contract expires in accordance with its terms) whether such Contract shall be assigned to Buyer or one of its Affiliates pursuant to the Assignment and Assumption Agreement (such Contracts set forth on Schedule 4.17(b) that the parties agree shall be assigned to Buyer or one of its Affiliates, the "Assigned Contracts"), and (c) each Seller Party shall use commercially reasonable efforts, subject to Section 4.4, to take or cause to be taken all actions reasonably necessary in order for Seller, Parent and their respective Affiliates and Subsidiaries, as applicable, to (i) sell, convey, assign, transfer and deliver to Buyer or one of its Affiliates at Closing pursuant to the Bill of Sale each of the Transferred Assets, and (ii) assign to Buyer or one of its Affiliates at Closing pursuant to the Assignment and Assumption Agreement all of its rights, benefits, obligations and liabilities under each of the Assigned Contracts. Seller shall ensure that no member of the Company Group incurs any out-of-pocket costs or expenses in connection with the migration and integration contemplated by this Section 4.17 without Buyer's prior written approval. The renewal or expiration dates of all Contracts included on Schedule 4.17(b) are set forth therein.

Section 4.18 Post-Closing Use of Names and Marks. Parent shall and shall cause each of its Affiliates whose name contains the word "SYNCORA" to change its name to a name which does not include the word "SYNCORA" as soon as reasonably practicable, and in any event within twelve (12) months after the Closing Date. As of the

Closing Date and for the period ending on the date that is the earlier of (a) the date on which the Parent has and has caused each of its Affiliates whose name contains the word "SYNCORA" to change its name to a name which does not include the word "SYNCORA", and (b) twelve (12) months from the Closing Date, and subject to and conditioned on the terms of this Section 4.18, Buyer hereby grants on behalf of itself and, if applicable, its Affiliate who is the owner of the SYNCORA name and mark (the "Syncora Mark"), to the Seller Parties (each, a "Licensee") the royalty-free right and license to use the Syncora Mark solely within the countries in which such Licensees use the Syncora Mark as of the Closing Date, solely in the manner used (i) as part of their name as of the Closing Date and (ii) by such Licensees as of the Closing Date to the extent necessary for (A) compliance with any Licensee's reporting or filing obligations as a Person whose equity securities are listed on a securities exchange, or (B) marketing the Parent in connection with business opportunities unrelated to the Business; provided, that in the event that the New York State Department of Financial Services deems the use of the Syncora Mark by both the Licensees, on the one hand, and the Buyer or its Affiliates, on the other hand, to be likely to deceive or mislead the public, (I) Parent and Seller shall cause the Licensees to cease use of the Syncora Mark as soon as practicable (and in any event within the time period stipulated for Licensees to cease use by the New York State Department of Financial Services, if any) and (II) Parent, Seller and Buyer shall cooperate to take mutually agreed steps to eliminate or minimize the likelihood that Licensees' use will lead to any actual deception or misleading of the public until such time as the Licensees cease use. Nothing in this Section 4.18 shall preclude the Licensees from using SYNCORA (x) in internal or archived historical, tax, administrative, employment or similar records, (y) in a factually accurate manner to describe the historical relationship of Buyer, Parent, Seller and their Subsidiaries or (z) as required by applicable Law. Parent and Seller agree, on behalf of the Licensees, that the Licensees shall comply with all quality control guidelines in effect as of the Closing Date with respect to their use of SYNCORA. Any use of SYNCORA by the Licensees and the goodwill arising therefrom, shall inure to the benefit of Buyer and its Affiliates. None of the Parent, Seller or their Subsidiaries shall contest the ownership or validity of any rights of Buyer or any of its Affiliates in or to SYNCORA. Except, as provided in clauses (x), (y) or (z) of this Section 4.18, upon termination or expiration of the rights granted in this Section 4.18, Parent and Seller shall cause each of the Licensees to promptly cease and desist from all use of the Syncora Mark.

Section 4.19 Transition Services Agreements. Between the date hereof and the Closing, Seller and Buyer shall and shall cause their respective Affiliates and Representatives to, use commercially reasonable efforts to (a) identify services that are being performed by Business Employees other than the Retained Employees to or for the Seller Parties or their Affiliates (other than the members of the Company Group) as of the date hereof and (b) in connection therewith, work together in good faith to negotiate and review, revise and update, where appropriate, the service schedules to the Transition Services Agreement and any such mutually agreed upon revised and updated schedules

will replace the corresponding schedules attached to the Form of Transition Services Agreement.

Section 4.20 Investment Assets. Buyer and Seller shall reasonably cooperate in good faith to agree within ten (10) Business Days after the date hereof to a set of operating principles (the "Investment Principles") relating to the investment of the Investment Assets of the Company Group prior to the Closing, which Investment Principles shall be in compliance with the Investment Guidelines and applicable Law. Once agreed, Seller shall cause the Company Group to use commercially reasonable efforts to manage its Investment Assets in accordance with the Investment Principles in all material respects until the Closing Date.

Section 4.21 Post-Closing Transaction. The parties agree to consummate the transaction contemplated by Schedule 4.21 subject to the terms thereof.

ARTICLE 5

Tax Matters

Section 5.1 Tax Returns. Seller shall be responsible for preparing and filing all Tax Returns (a) of any member of the Company Group that are due (taking into account extensions) on or prior to the Closing Date or (b) that are Consolidated or Combined Returns (the Tax Returns described in Section 5.1(a) and (b), "Seller Returns"). Subject to making the elections described in Section 5.4, Seller Returns shall be filed in a manner consistent with past practice and no position shall be taken, election made or tax accounting method adopted that is inconsistent with positions taken, elections made or tax accounting methods used in most recent past practice in preparing and filing such Tax Returns; provided, that this sentence shall apply to Seller Returns described in clause (b) only to the extent prepared with respect to a member of the Company Group. Buyer shall be responsible for preparing and filing all other Tax Returns relating to the business or assets of the Company Group. Buyer shall not, and shall cause its Affiliates not to, make any election under Section 336 or 338 of the Code with respect to the transactions contemplated by this Agreement.

Section 5.2 Tax Contests; Books and Records; Cooperation.

(a) Buyer shall notify Seller within twenty (20) days after receipt by Buyer or any of its Affiliates of written notice of any pending federal, state, local or foreign Tax audit or examination relating to any Tax Return that is a Consolidated or Combined Return or that could otherwise reasonably be expected to adversely affect Seller with respect to any Pre-Closing Tax Period (such audit or examination, a "Pre-Closing Tax Audit"). Buyer shall not, and shall not permit its Affiliates to, concede, settle or compromise any Pre-Closing Tax Audit (or portion thereof) without the consent of Seller, which consent shall not be unreasonably withheld, conditioned or delayed.

(b) Buyer and Seller shall (and shall cause their respective Affiliates to) (i) provide the other party and its Affiliates with such assistance as may be reasonably requested in connection with the preparation of any Tax Return which such other party and its Affiliates are responsible for preparing and filing pursuant to Section 5.1 or any audit or other examination by any taxing authority or any judicial or administrative proceeding relating to Taxes of any member of the Company Group, (ii) retain (and provide the other party and its Affiliates and any taxing authority with reasonable access to) all records, documents and information which may be relevant to such Taxes and (iii) furnish the other party with copies of all correspondence received from any taxing authority in connection with any Tax audit or information request with respect to any Taxes or Tax Returns of any member of the Company Group; provided, that (A) Buyer shall only be obligated to furnish copies of such correspondence to Seller to the extent such audit or information request relates to a Pre-Closing Tax Period and (B) Seller shall only be obligated to furnish copies of any correspondence relating to Taxes or Tax Returns of the Company Group; and provided, further, that each of the foregoing shall be done in a manner so as not to interfere unreasonably with the conduct of the business of the parties.

Section 5.3 Transfer Taxes. All transfer, documentary, sales, use, stamp, registration, value added and other such Taxes and fees (including any penalties and interest) incurred in connection with the transactions contemplated by this Agreement shall be paid by Buyer when due, and Buyer will, at its own expense, file all necessary Tax Returns and other documentation with respect to all such Taxes and fees, and, if required by applicable Law, Seller will, and will cause its Affiliates to, join in the execution of any such Tax Returns and other documentation.

Section 5.4 Section 1.1502-36(d) Election. Buyer acknowledges that Seller may make, or cause to be made, an election with respect to the transactions contemplated by this Agreement pursuant to Treasury Regulation Section 1.1502-36(d)(6)(i)(B) (and any corresponding election for state or local Tax purposes) to reattribute Category A or Category B attributes of the Company Group (as those terms are defined in Treasury Regulation Section 1.1502-36(d)(4)(i)). None of Seller nor any Affiliate of Seller shall be permitted to make any election under Treasury Regulation Section 1.1502-36 to reattribute any Category C attribute of any member of the Company Group. Seller shall make, or cause to be made, any further election under Treasury Regulation Section 1.1502-36(d)(6)(i)(A) necessary to avoid a reduction in the Category C or Category D attributes of any member of the Company Group as a result of the transactions contemplated by this Agreement. Seller shall provide Buyer with a copy of any form used by Seller to make an election under Treasury Regulation Section 1.1502-36(d)(6)(i)(A), (B) or (C) with respect to the transactions contemplated by this Agreement in the form that Seller intends to file with the IRS at least fifteen (15) Business Days prior to the filing of the consolidated Tax Return to which such election will be attached for Buyer's review and Seller shall consider in good faith any comments received from Buyer at least

ten (10) Business Days prior to filing such election. Seller shall provide Buyer written notice of any comments of Buyer that are not accepted by Seller at least two (2) Business Days prior to filing such election. Without limitation of Section 9.11, Seller agrees that Buyer shall be entitled to enforce specifically the terms of this Section 5.4.

Section 5.5 Termination of Tax Allocation Arrangements. Any Tax Sharing Agreement entered into by any member of the Company Group, on the one hand, and any member of the Seller Group, on the other hand, shall be terminated as to each member of the Company Group on or prior to the Closing, and after the Closing no member of the Company Group shall have any liability thereunder.

Section 5.6 Purchase Price Allocation. Within thirty (30) days after the Closing, Buyer shall prepare and deliver to Seller a draft schedule allocating the Purchase Price and other amounts properly treated as consideration for Tax purposes among the Syncora Admin Shares, the SGI Shares, and, to the extent not transferred or assigned to a member of the Company Group, the Transferred Assets and the Assigned Contracts for Tax purposes (such schedule, the "Allocation"). If, within forty-five (45) days following delivery of the Allocation, Seller notifies Buyer in writing of its good faith disagreement with the Allocation, Seller and Buyer shall endeavor to resolve such disagreement in good faith, and if they are unable to do so after thirty (30) days such disagreement shall be resolved by an accounting firm of international reputation mutually agreeable to Seller and Buyer (the "Tax Accountant"), and any such determination by the Tax Accountant shall be final. The fees and expenses of the Tax Accountant shall be borne equally by Buyer and Seller. If Seller does not notify Buyer of any such disagreement, the Allocation shall become final.

ARTICLE 6

Conditions Precedent

Section 6.1 Conditions to Obligations of Buyer and Seller. The obligations of Buyer and Seller to consummate the transactions contemplated hereby shall be subject to the fulfillment or waiver at or prior to the Closing of the following conditions:

(a) Approvals of Governmental Authorities. The Governmental Approvals listed on Schedule 6.1(a) shall have been received (or any applicable waiting period shall have expired or shall have been terminated) without the imposition of a Burdensome Condition with respect to the party invoking the failure of the condition set forth in this Section 6.1(a).

(b) No Injunction, etc. Consummation of the transactions contemplated by this Agreement and the Ancillary Agreements shall not have been restrained, enjoined or otherwise prohibited or made illegal by any applicable Law or Governmental Order.

Section 6.2 Conditions to Obligations of Buyer. The obligation of Buyer to consummate the transactions contemplated hereby shall be subject to the fulfillment or waiver at or prior to the Closing of the following additional conditions:

(a) Representations. (i) The Seller Fundamental Representations shall be true and correct in all but de minimis respects as of the date hereof and as of the Closing Date with the same effect as though made at and as of such time and (ii) the representations and warranties of Seller contained in Article 2 of this Agreement other than the Seller Fundamental Representations (without giving effect to any limitations as to "materiality" or "Material Adverse Effect" set forth therein) shall be true and correct as of the date hereof and as of the Closing Date with the same effect as though made at and as of such time (except for representations that are as of a specific date, which representations shall be true and correct as of such date), except where all failures to be so true and correct would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect. For the avoidance of doubt, the failure of Seller to own all of the Shares, beneficially and of record, free and clear of any Liens, or of the Shares to constitute, as of the Closing Date, all of the issued and outstanding common stock of the Companies shall not be considered a breach of Section 2.4(a) that is de minimis.

(b) Performance. Each of Parent and Seller shall have in all material respects duly performed and complied with all agreements, covenants and conditions required by this Agreement to be performed or complied with by it at or prior to the Closing.

(c) Certificate. Each of Parent and Seller shall have delivered to Buyer a certificate, dated as of the Closing Date, signed by its duly authorized officer to the effect set forth above in Sections 6.2(a) and (b).

(d) Ancillary Agreements. Each of Parent and Seller shall have executed and delivered each of the Ancillary Agreements to which it is a party and shall have caused each other Seller Party or member of the Company Group to execute and deliver each of the Ancillary Agreements to which such Seller Party or member of the Company Group is a party.

Section 6.3 Conditions to Obligations of Seller. The obligation of Seller to consummate the transactions contemplated hereby shall be subject to the fulfillment or waiver at or prior to the Closing of the following additional conditions:

(a) Representations. (i) The Buyer Fundamental Representations shall be true and correct in all but de minimis respects as of the date hereof and as of the Closing Date with the same effect as though made at and as of such time and (ii) the representations and warranties of Buyer contained in Article 3 of this Agreement other than the Buyer Fundamental Representations (without giving effect to any limitations as to "materiality"

set forth therein) shall be true and correct in all material respects as of the date hereof and as of the Closing Date with the same effect as though made at and as of such time (except for representations that are as of a specific date, which representations shall be true and correct in all material respects as of such date).

(b) Performance. Buyer shall have in all material respects duly performed and complied with all agreements, covenants and conditions required by this Agreement to be performed or complied with by Buyer at or prior to the Closing.

(c) Certificate. Buyer shall have delivered to Seller a certificate, dated as of the Closing Date, signed by a duly authorized officer of Buyer to the effect set forth above in Sections 6.3(a) and (b).

(d) Ancillary Agreements. Buyer shall have executed and delivered each of the Ancillary Agreements to which it is a party and shall have caused each applicable Affiliate of Buyer to execute and deliver each of the Ancillary Agreements to which such Affiliate is a party.

ARTICLE 7

Termination

Section 7.1 Termination. This Agreement may be terminated at any time prior to the Closing Date:

(a) by the written agreement of Buyer and Seller;

(b) by either Buyer or Seller by written notice to the other party, if:

(i) the Closing shall not have been consummated on or before May 14, 2020 (the "End Date"), provided, however, that if the Closing has not occurred due solely to the failure of the conditions to Closing set forth in Section 6.1(a) to be satisfied, the End Date shall be automatically extended for an additional ninety (90) days and the parties agree to continue to use their respective reasonable best efforts to satisfy such Closing conditions (such extended End Date, as so extended, shall be the "End Date" for all purposes under this Agreement); provided, further, that the right to terminate this Agreement pursuant to this Section 7.1(b)(i) shall not be available to any party whose breach of any provision of this Agreement results in the failure of the Closing to be consummated by such time; or

(ii) (A) there shall be any Law that makes consummation of the Closing illegal or otherwise prohibited or (B) any judgment, injunction, order or decree of

any Governmental Authority having competent jurisdiction enjoining Buyer or Seller from consummating the Closing is entered;

(c) by Buyer by written notice to Seller, if a breach of any representation or warranty or failure to perform any covenant or agreement on the part of Seller or the Company Group set forth in this Agreement shall have occurred that would cause the condition set forth in Section 6.2(a) or (b) not to be satisfied, and such breach is not cured within thirty (30) days of written notice to Seller thereof or is incapable of being cured by the End Date; provided, however, that Buyer shall not have the right to terminate this Agreement pursuant to this Section 7.1(c) if Buyer is then in material breach or violation of its representations, warranties or covenants contained in this Agreement;

(d) by Seller by written notice to Buyer, if a breach of any representation or warranty or failure to perform any covenant or agreement on the part of Buyer set forth in this Agreement shall have occurred that would cause the condition set forth in Section 6.3(a) or (b) not to be satisfied, and such breach is not cured within thirty (30) days of written notice to Buyer thereof or is incapable of being cured by the End Date; provided, however, that Seller shall not have the right to terminate this Agreement pursuant to this Section 7.1(d) if Seller is then in material breach or violation of its representations, warranties or covenants contained in this Agreement; or

(e) by Seller by written notice to Buyer if (A) Seller has received a Company Acquisition Proposal in compliance with Section 4.14 hereof in all respects and determines that such Company Acquisition Proposal is a Superior Proposal to the extent permitted by, and subject to the terms and conditions of, Section 4.14, (B) substantially concurrent with the termination of this Agreement, Seller enters into a binding definitive agreement providing for such Superior Proposal and (C) Seller pays to Buyer in immediately available funds (x) any Termination Fee prior to or substantially concurrently with such termination, and (y) the Buyer's Transaction Expenses within two (2) Business Days after Seller's receipt of reasonable documentation thereof from Buyer, each in accordance with Section 7.3.

Section 7.2 Effect of Termination. If this Agreement is terminated pursuant to Section 7.1, this Agreement shall become void and of no effect without liability of any party (or any of its directors, officers, employees, stockholders, Affiliates, agents, successors or assigns) to the other party except as provided in this Section 7.2, provided, that no such termination (nor any provision of this Agreement) shall relieve any party from liability for any damages (including claims for damages based on the consideration that would have otherwise been payable to Seller) for Fraud or for breach of any provision hereunder prior to such termination. The provisions of Section 4.2(f), this Section 7.2, Section 8.1, Section 8.2 and Article 9 shall survive any termination hereof pursuant to Section 7.1.

Section 7.3 Termination Fee.

(a) In the event that this Agreement is terminated by Seller pursuant to Section 7.1(e), then, Seller shall pay to Buyer, by wire transfer of immediately available funds:

(i) a fee in the amount of $15,700,000 (the "Termination Fee") prior to or substantially concurrently with the termination of this Agreement, *plus*

(ii) any reasonable and reasonably documented Expenses that have been incurred by Buyer before and up to the date of termination ("Buyer's Transaction Expenses") within two (2) Business Days after delivery by Buyer to Seller of a written statement setting forth the amount thereof and attaching applicable reasonable documentation, it being understood that in no event shall the payment for Buyer's Transaction Expenses under this Section 7.3(a)(ii) exceed $3,000,000.

(b) Notwithstanding anything in this Agreement to the contrary, subject to Section 9.11, in the event that this Agreement is terminated under circumstances where the Termination Fee and Buyer's Transaction Expenses are payable pursuant to this Section 7.3, the payment of the Termination Fee together with the Buyer's Transaction Expenses shall be the sole and exclusive remedy of Buyer against Seller and its Affiliates and any of their respective former, current or future stockholders, or Representatives (the "Seller Related Parties") for all losses and damages suffered as a result of the failure of the transactions contemplated by this Agreement to be consummated or for a breach or failure to perform hereunder or otherwise, and upon payment of such amount, none of the Seller Related Parties shall have any further liability or obligation relating to or arising out of this Agreement or the transactions contemplated hereby.

ARTICLE 8

Definitions

Section 8.1 Certain Terms. The following terms have the respective meanings given to them below:

"1934 Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder, as the same may be amended from time to time.

"Acceptable Confidentiality Agreement" means a confidentiality agreement entered into after the date hereof that contains provisions that in the aggregate are no less favorable to the Company than those contained in the Confidentiality Agreement (provided that any such agreement need not contain any "standstill" or similar provisions)

and that does not contain any provision that would prevent Seller from complying with its obligation to provide any disclosure to Buyer required pursuant to Section 4.14.

"Actuarial Reports" has the meaning set forth in Section 2.22.

"Affiliate" means, with respect to any Person, any other Person directly or indirectly controlling, controlled by or under common control with such Person. For purposes of this definition, "control", when used with respect to any Person, means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by Contract or otherwise, and the terms "controlling" and "controlled" have the meanings correlative of the foregoing.

"After-Acquired Investment Assets" has the meaning set forth in Section 2.26(b)(i) .

"AGC" means Assured Guaranty Corp., a Maryland financial guaranty insurance company.

"Agreement" has the meaning set forth in the Preamble.

"Allocation" has the meaning set forth in Section 5.6.

"Alternative Acquisition Agreement" has the meaning set forth in Section 4.14(a).

"Alternative Acquisition Period" has the meaning set forth in Section 4.14(b).

"Ancillary Agreements" means, collectively, the Bill of Sale, the Assignment and Assumption Agreement, the Trademark Assignment, the Domain Name Assignment, and the Transition Services Agreement.

"Ancillary Insurance Documents" means all agreements ancillary to an Insurance Contract or entered into in connection with the modification, remediation, novation or commutation of an Insurance Contract.

"Ancillary Reinsurance Documents" means all agreements ancillary to a Reinsurance Agreement or entered into in connection with the modification, remediation, novation or commutation of a Reinsurance Agreement and any related letters of credit, reinsurance trusts or other collateral arrangements.

"Assets" has the meaning set forth in Section 2.10(a).

"Assigned Contract" has the meaning set forth in Section 4.17.

"Assignment and Assumption Agreement" means the contract assignment agreement to be entered into as of the Closing Date substantially in the form of Exhibit A hereto.

"Assured Reinsurance Documents" means (i) the Reinsurance Agreement, dated June 1, 2018, by and between SGI and AGC, (ii) the ICF Financing Facility, (iii) the Administrative Services Agreement, dated as of June 1, 2018, by and between SGI and AGC, (iv) the Trust Agreement, dated as of June 1, 2018, by and among SGI, as beneficiary, AGC, as grantor and The Bank of New York Mellon, as trustee, (v) the Amended and Restated Master Facultative Reinsurance Agreement (as amended), dated as of July 1, 2008, by and among Assured Guaranty Municipal Corp., Assured Guaranty Re Ltd and SGI and (vi) the Reinsurance Trust Agreement (as amended), dated as of July 1, 2008, by and among Assured Guaranty Municipal Corp. and Assured Guaranty Re Ltd, as beneficiaries, SGI, as the grantor and The Bank of New York Mellon, as trustee.

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

"Bill of Sale" means the bill of sale to be entered into as of the Closing Date substantially in the form of Exhibit B hereto.

"Books and Records" means originals and copies of all books, records, client lists, policy information, Contracts, administrative and pricing manuals, claim records, sales records, underwriting records, financial records, compliance records (prepared for or filed with regulators of the Company Group), Tax Returns (including work papers) relating to the Company Group, Tax records relating to the Company Group and all other documents and information primarily related to the operation of the Company Group, each in the possession or control of Seller, the Company Group or their respective Affiliates, whether or not stored in hardcopy form or on electronic, magnetic, optical or other media (to the extent not subject to licensing restrictions).

"Burdensome Condition" has the meaning set forth in Section 4.3(b).

"Business" means the business and operations of the members of the Company Group as conducted as of the date hereof and at any time between the date hereof and the Closing. For the avoidance of doubt, Business does not include the business and operations of the Retained Subsidiaries.

"Business Day" means any day that is not (a) a Saturday, (b) a Sunday or (c) any other day on which commercial banks are authorized or required by law to be closed in the City of New York.

"Business Employee" means any individual who is, as of the date of this Agreement, employed by Syncora Guarantee Services Inc., excluding only, any individual who is a Retained Employee.

"Buyer" has the meaning set forth in the Preamble.

"Buyer Disclosure Letter" means the letter, dated as of the date hereof, delivered by Buyer to Seller prior to the execution of this Agreement and identified as the Buyer Disclosure Letter.

"Buyer Fundamental Representations" means the representations and warranties of Buyer in Section 3.1 (Corporate Status), Section 3.2(a) (Corporate and Governmental Authorization), and Section 3.7 (Finders' Fees).

"Buyer Liens" means any Liens arising as a result of any agreement of, or any Governmental Order binding on, or any condition applicable to Buyer or its designated assignee(s) hereunder or any of their respective Affiliates, but not Seller or its Affiliates.

"Buyer's Transaction Expenses" has the meaning set forth in Section 7.3(a)(ii)

"Closing" has the meaning set forth in Section 1.3.

"Closing Date" has the meaning set forth in Section 1.3.

"COBRA Coverage" has the meaning set forth in Section 4.6(d).

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

"Company" and "Companies" have the meanings set forth in the Recitals.

"Company Acquisition Proposal" means any bona fide offer, proposal or indication of interest received in writing from any Person (other than an Affiliate of Parent or Buyer and its Affiliates) relating to or involving any direct or indirect acquisition, lease, exchange, reinsurance, license, transfer, disposition or purchase of any business, businesses or assets of Parent or the Company Group that constitutes or accounts for all or substantially all of the stock, consolidated net revenues, net income, Insurance Reserves or net assets of Parent, Seller or the Company Group, taken as a whole.

"Company Benefit Plan" has the meaning set forth in Section 2.15(a).

"Company Group" means SGI, Syncora Admin and their respective Subsidiaries.

"Company Registered IP" has the meaning set forth in Section 2.11(a).

"Company Securities" has the meaning set forth in Section 2.4(b).

"Company Trade Secrets" has the meaning set forth in Section 2.11(e).

"Confidentiality Agreement" has the meaning set forth in Section 4.2(f).

"Consolidated or Combined Return" means any Tax Return that is filed or required to be filed and that includes one or more members of the Company Group, on the one hand, and one or more members of the Seller Group (other than a member of the Company Group), on the other hand.

"Continuing Employee" has the meaning set forth in Section 4.6(a).

"Contract" means, with respect to any Person, any agreement, contract, promise, purchase order, guarantee, debenture, undertaking, lease, note, mortgage, indenture, license, instrument or other commitment to which such Person is a party or is otherwise bound, whether written or oral, and whether express or implied.

"Control Persons" has the meaning set forth in Section 4.3(a).

"Current Representation" has the meaning set forth in Section 9.13(a).

"Designated Person" has the meaning set forth in Section 9.13(a).

"Domain Name Assignment" means the domain name assignment to be entered into as of the Closing date substantially in the form of Exhibit C hereto.

"End Date" has the meaning set forth in Section 7.1(b)(i)

"Enforceability Exceptions" has the meaning set forth in Section 2.2(a).

"Environmental Laws" means all federal, state and local Laws relating to protection of the environment, including surface or ground water, drinking water supply, soil, surface or subsurface strata or medium, or ambient air, pollution control and Hazardous Substances.

"Environmental Permits" means all Permits applicable to any member of the Company Group issued pursuant to Environmental Laws.

"Equity Commitment Letter" has the meaning set forth in Section 3.4(a).

"Equity Financing" has the meaning set forth in Section 3.4(a).

"Equity Financing Sources" means the Persons listed on Schedule 8.1(b).

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

"ERISA Affiliate" has the meaning set forth in Section 2.15(c).

"Excluded Books and Records" means (i) any documents related to the analysis, execution, consummation or negotiation of the transactions contemplated by this Agreement, (ii) any material prepared for the board of directors of Parent or Seller and (iii) any Books and Records that are inextricably commingled with the books and records of Parent, Seller or their Affiliates (other than the Company Group) such that separation of the Books and Records from the books and records of the Parent, Seller or their Affiliates would be unduly burdensome.

"Expenses" means, with respect to any Person, all reasonable and documented out-of-pocket expenses (including fees and expenses of counsel, accountants, investment bankers, experts and consultants to such Person and its Affiliates) incurred by such Person or on its behalf in connection with or related to the evaluation, authorization, preparation, negotiation, execution and performance of this Agreement and the Ancillary Agreements, the preparation, printing, filing and mailing of all SEC, OTC Markets Group and other regulatory filing fees incurred in connection with the transactions contemplated hereby, the solicitation of shareholder approvals, the filing of any required notices under the HSR Act or other antitrust Laws or insurance Laws, any filing with, and obtaining of any necessary action or non-action, consent or approval from any Governmental Authority, obtaining third party consents, any other filings with the SEC, OTC Markets Group and all other matters, in each case, in connection with this Agreement and each Ancillary Agreements and the transactions contemplated hereby and thereby.

"Financial Statements" means the GAAP Financial Statements and the Statutory Statements.

"Fraud" means intentional fraud in respect of the representations and warranties made by Seller in Article 2, if (a) Seller had actual knowledge that such representations and warranties were materially incorrect on the date when made and the specific intent was to deceive Buyer; provided, that the actual knowledge and specific intent of Seller for the purpose of this provision shall be limited to the actual knowledge and specific intent of the persons identified in Section 8.1(a) of the Seller Disclosure Letter and (b) the other elements of common law fraud under New York law are satisfied.

"GAAP" has the meaning set forth in Section 2.6(a).

"GAAP Financial Statements" has the meaning set forth in Section 2.6(a).

"Governmental Approval" means any consent, approval, license, permit, order, qualification, authorization of, or registration, waiver or other action by, or any filing with or notification to, any Governmental Authority.

"Governmental Authority" means any nation or government, any state or other political subdivision thereof, any entity, authority or body exercising executive,

legislative, judicial, regulatory or administrative functions of or pertaining to government, any court, tribunal or arbitrator and any self-regulatory organization.

"Governmental Order" means any binding and enforceable order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Governmental Authority.

"Guaranty" has the meaning set forth in Section 9.14.

"Hazardous Substance" means any waste, pollutant, contaminant, hazardous substance, toxic or corrosive substance, hazardous waste, special waste, industrial substance, by-product, process-intermediate product or waste, petroleum or petroleum-derived substance or waste, chemical liquids or solids, liquid or gaseous products, or any constituent of any such substance or waste, the use, handling or disposal of which is governed by or subject to applicable Law.

"HSR Act" means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the rules and regulations promulgated thereunder, as the same may be amended from time to time.

"ICF Trusts" means any trust created in connection with the Insured Cash Flow Securities.

"ICF Financing Facility" means (i) the Credit Agreement, dated as of June 1, 2018, by and between SGI, as the borrower, and AGC, as the lender and (ii) the Security Agreement, dated as of June 1, 2018, by and between SGI, as the borrower, and AGC, as the lender.

"Indebtedness" means, without duplication, (a) any indebtedness for borrowed money and (b) any indebtedness evidenced by any note, bond, debenture or other debt security (c) any liabilities as lessee under leases which are required under GAAP to be treated as capital leases; (d) all liabilities incurred or assumed as the deferred purchase price of assets (including any unpaid earnout liabilities with respect to prior acquisitions) acquired by any member of the Company Group (other than payables incurred in the ordinary course and consistent with past practice); (e) all liabilities of others secured by a Lien (except Permitted Liens) on property or assets owned or acquired by any member of the Company Group, whether or not the obligations or liabilities secured thereby have been assumed; (f) all drawn letters of credit or performance bonds issued for the account of any member of the Company Group; (g) any guaranty of any of the foregoing; and (h) any accrued and unpaid interest, fees and other expenses owed with respect to the foregoing. For avoidance of doubt, Indebtedness shall not include Insurance Contracts or Ancillary Insurance Documents.

"Inducement Grants" has the meaning set forth in Section 4.6(b).

"Insurance Contracts" means all insurance contracts, Insured Cash Flow Securities, credit default swaps, policies, surety bonds, financial guarantees and similar instruments, together with all binders, slips, certificates, endorsements and riders thereto, issued, assumed, written, underwritten or entered into by SGI (or any entity to which SGI is a successor in interest) prior to the Closing.

"Insurance Regulator" means any Governmental Authority charged with supervision of insurance companies.

"Insurance Reserves" means any reserves, funds or provisions for losses, claims, premiums, loss and loss adjustment expenses (including reserves for incurred but not reported losses and loss adjustment expenses) and other liabilities in respect of the Insurance Contracts.

"Insured Cash Flow Securities" or "ICFs" means the insured cash flow securities and swaps issued to or entered into with SGI in certain transaction pursuant to certain Contracts related to the synthetic commutation of certain policies in respect of residential mortgage backed securities designed to effectively decrease or in substance commute SGI's exposure on such policies.

"Intellectual Property" means all of the following to the full extent recognized under Law in any jurisdiction: (a) patents and patent applications, (b) trademarks and service marks, whether registered or unregistered, (c) Internet domain names, (d) copyrights, whether registered or unregistered and (e) trade secrets.

"Intercompany Account" means any intercompany account balance accrued or outstanding or any loans, notes, advances, receivables, payables or other obligations as of immediately prior to the Closing Date between (a) any member of the Company Group, on the one hand, and (b) Seller or any of its Affiliates (other than the Company Group), on the other hand.

"Intercompany Agreements" has the meaning set forth in Section 2.19.

"Investment Assets" means all investment assets owned by, or held in trust for the benefit of, SGI, including bonds, notes, debentures, mortgage loans, real estate, collateral loans and all other instruments of indebtedness, stocks, partnership or joint venture interests and all other equity interests, certificates issued by or interests in trusts, derivatives or other assets acquired for investment or hedging purposes.

"Investment Guidelines" has the meaning set forth in Section 2.26(c).

"Investment Principles" has the meaning set forth in Section 4.20.

"IRS" means the Internal Revenue Service.

"IT Systems" means the hardware, software, data communication lines, network and telecommunications equipment, Internet-related information technology infrastructure, wide area network and other information technology equipment, owned, leased or licensed and controlled by the Company Group, but, for clarity, not any Intellectual Property covering the foregoing.

"Key Business Employees" has the meaning set forth in Section 4.19(b).

"Knowledge" means the actual knowledge after reasonable inquiry, as of the date hereof, of the Persons specified (a) with respect to Seller in Section 8.1(a) of the Seller Disclosure Letter and (b) with respect to Buyer, in Section 8.1(a) of the Buyer Disclosure Letter.

"Laws" has the meaning set forth in Section 2.13(a).

"Licensee" has the meaning set forth in Section 4.18.

"Lien" means, with respect to any property or asset, any mortgage, lien, license, pledge, charge, security interest, lease, encumbrance or other adverse claim of any kind in respect of such property or asset.

"Litigation" means any claim, action, litigation, cease and desist letter, complaint, demand, suit, arbitration proceeding, administrative or regulatory proceeding, citation, charge, summons or subpoena of any nature, civil, criminal, regulatory or otherwise, in law or in equity or any other proceeding by or before any Governmental Authority or arbitral body.

"Material Adverse Effect" means any material adverse change in, or effect on, the assets, liabilities, business, operations, condition (financial or otherwise) or results of operations of the Company Group, taken as a whole; provided that any such change or effect resulting from any of the following, individually or in the aggregate, shall not be considered when determining whether a Material Adverse Effect has occurred: (a) any change, development, event or occurrence arising out of or relating to economic conditions generally or capital and financial markets generally, including changes in interest or exchange rates and corresponding changes in the value of the Investment Assets of the Company Group that does not disproportionately impact the Company Group as compared to other participants in the financial guaranty industry, (b) any change, development, event or occurrence affecting the industries in which the Company Group operates that does not disproportionately impact the Company Group as compared to other participants in the financial guaranty industry, (c) any change in Laws, GAAP, SAP or the enforcement or interpretation thereof, applicable to the Company Group that does not disproportionately impact the Company Group as compared to other participants in the financial guaranty industry, (d) conditions in jurisdictions in which the Company Group operates, including political conditions generally, hostilities, acts of war (whether

or not declared), sabotage, terrorism or military actions, or any escalation or worsening of any of the foregoing, that does not disproportionately impact the Company Group as compared to other participants in the financial guaranty industry, (e) any change resulting solely from the identity of, or facts and circumstances relating to, Buyer, (f) any breach of this Agreement by Buyer or any of its Affiliates prior to the Closing, (g) any change (or threatened change) in the credit, financial strength or other ratings (other than the facts underlying any such change) of Seller or any of its respective Affiliates, including the Company Group, (h) any hurricane, flood, tornado, earthquake or other natural disaster, man-made disaster or any other force majeure event that does not disproportionately impact the Company Group as compared to other participants in the financial guaranty industry, (i) any actions required to be taken or omitted pursuant to this Agreement or taken at Buyer's request or (j) the failure of the Company Group to achieve any earnings, premiums written or other financial projections or forecasts (but not the facts underlying such failure to the extent independently constituting a Material Adverse Effect).

"Material Contract" has the meaning set forth in Section 2.9(b).

"Obligations" has the meaning set forth in Section 9.14.

"Organizational Documents" means the articles of incorporation, certificate of incorporation, charter, by-laws, articles of formation, certificate of formation, regulations, operating agreement, certificate of limited partnership, partnership agreement, certificate of trust, trust agreement and all other similar documents, instruments or certificates executed, adopted or filed in connection with the creation, formation or organization of a Person, including any amendments thereto.

"OTC Markets Group" has the meaning set forth in Section 2.24.

"Owned Intellectual Property" has the meaning set forth in Section 2.11(a).

"Owned Real Property" has the meaning set forth in Section 2.10(b).

"Parent" has the meaning set forth in the Preamble.

"Parent OTC Markets Group Reports" has the meaning set forth in Section 2.24.

"Permits" has the meaning set forth in Section 2.13(b).

"Permitted Liens" means each of the following: (a) Liens that secure debt that is reflected on the Financial Statements (b) Liens for Taxes, assessments or other governmental charges or levies that are not yet due or payable or that are being contested in good faith by appropriate proceedings for which reserves have been established in accordance with GAAP or SAP, as applicable, on the latest Financial Statements, (c) statutory Liens of landlords and Liens of carriers, warehousemen, mechanics,

materialmen, repairmen and other similar Liens imposed by Law for amounts not yet due, (d) Liens incurred or deposits made to a Governmental Authority in the ordinary course of business in connection with a governmental authorization, registration, filing, license, permit or approval, (e) Liens incurred or deposits made in the ordinary course of business in connection with workers' compensation, unemployment insurance or other types of social security, (f) zoning, building and other generally applicable land use restrictions, (g) Liens incurred in the ordinary course of business securing obligations or liabilities that are not individually or in the aggregate material to the relevant asset or property, respectively, (h) Liens or other imperfections of title that do not materially interfere with the current use of the properties, assets or rights affected thereby, (i) Buyer Liens, (j) Liens created in connection with investment transactions in the ordinary course of business, including broker liens, securities lending transactions and repurchase agreements, (k) nonexclusive licenses to Intellectual Property executed in the ordinary course of business, (l) Liens granted in connection with the Insured Cash Flow Securities or the ICF Financing Facility and (m) Liens granted in connection with any Reinsurance Agreements or Ancillary Reinsurance Documents.

"Person" means an individual, corporation, partnership, limited liability company, association, trust or other entity or organization, including a government or political subdivision or an agency or instrumentality thereof.

"Pre-Closing Tax Audit" has the meaning set forth in Section 5.2(a).

"Pre-Closing Tax Period" means any Tax period ending on or before the Closing Date and, with respect to a Tax period that begins on or before the Closing Date and ends thereafter, the portion of such Tax period ending at the completion of the Closing Date.

"Purchase Price" has the meaning set forth in Section 1.2.

"Reinsurance Agreements" has the meaning set forth in Section 2.20.

"Release" means any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, dumping or disposing into the environment.

"Representatives" has the meaning set forth in Section 4.14(a).

"Retained Employee" means any individual employed by Syncora Guarantee Services Inc. who is listed on Schedule 8.1(a).

"Retained Subsidiaries" means Swap Financial Group LLC and Pike Pointe Holdings, LLC and their respective Subsidiaries.

"RWI Policy" has the meaning set forth in Section 4.11.

"SAP" means the statutory accounting principles and practices prescribed or permitted by the New York Department of Financial Services, as in effect at the relevant time.

"Scheduled Investments" has the meaning set forth in Section 2.26(a).

"SEC" means the U.S. Securities and Exchange Commission.

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

"Selected Employees" has the meaning set forth in Section 4.6(a).

"Seller" has the meaning set forth in the Preamble.

"Seller Benefit Plan" and "Seller Benefit Plans" have the meanings set forth in Section 2.15(a).

"Seller Disclosure Letter" means the letter, dated as of the date hereof, delivered by Seller to Buyer prior to the execution of this Agreement and identified as the Seller Disclosure Letter.

"Seller Fundamental Representations" means the representations and warranties of Seller in Section 2.1 (Corporate Status), Section 2.2(a) (Corporate and Governmental Authorization), Section 2.4 (Capitalization; Title to Shares), Section 2.8(b) (No Material Adverse Effect) and Section 2.18 (Finders' Fees).

"Seller Group" means Seller and its Affiliates, excluding any member of the Company Group.

"Seller Legal Counsel" has the meaning set forth in Section 9.13(a).

"Seller Party" means Parent, Seller and each Affiliate or Subsidiary of Parent or Seller, other than the members of the Company Group, that is, or is contemplated by this Agreement to become at the Closing, a party to one or more Ancillary Agreements.

"Seller Related Parties" has the meaning set forth in Section 7.3(b).

"Seller Returns" has the meaning set forth in Section 5.1.

"Series B Preferred Shares" means the issued and outstanding preferred stock of SGI, par value $120 per share.

"Severance Entitlement" has the meaning set forth in Section 4.6(c).

"SGI" has the meaning set forth in the Recitals.

"SGI Shares" has the meaning set forth in the Recitals.

"Shares" has the meaning set forth in the Recitals.

"Solvent" has the meaning set forth in Section 3.8.

"Statutory Statements" has the meaning set forth in Section 2.6(b).

"Subsidiary" means, with respect to any Person, (a) any entity of which securities or other ownership interests (i) having ordinary voting power to elect a majority of the board of directors or other persons performing similar functions or (ii) representing more than fifty percent (50%) of such securities or ownership interests are at the time directly or indirectly owned by such Person or (b) any New York common law trust or Delaware business law trust of which such Person acts as depositor or trustee, as applicable, in each case, other than Retained Subsidiaries.

"Subsidiary Securities" has the meaning set forth in Section 2.5(b).

"Superior Proposal" means a bona fide written Company Acquisition Proposal from any Person (other than an Affiliate of Parent or Buyer and its Affiliates) which Parent's Board of Directors determines in good faith, after consultation with Parent's outside financial advisors and outside legal counsel, (A) is reasonably likely to be consummated if accepted and (B) would result, if consummated, in a transaction that is more favorable from a financial point of view to Parent's stockholders (solely in their capacity as such) than the transactions contemplated by this Agreement after taking into account all of the terms and conditions of such Company Acquisition Proposal and this Agreement (as proposed to be modified pursuant to Section 4.14) as well as the following factors: (i) the likelihood and timing of consummation (as compared to the transactions contemplated hereby (including any changes, revisions, modifications or adjustments to the terms of this Agreement and any other information provided by the Buyer)); (ii) the legal, financial (including the financing terms and conditions of any such Company Acquisition Proposal), regulatory and other aspects of such Company Acquisition Proposal; (iii) the fees and expenses (including any Termination Fee and Buyer's Transaction Expenses) to be paid by Parent or its Affiliates in connection a Company Acquisition Proposal; and (iv) the identity of the Person making such proposal.

"Syncora Admin" has the meaning set forth in the Recitals.

"Syncora Admin Shares" has the meaning set forth in the Recitals.

"Syncora Mark" has the meaning set forth in Section 4.18.

"Tangible Personal Property" means furniture, fixtures, equipment, machinery, tools, office equipment, computers and telephones.

"Tax" means any federal, state, local or foreign net income, gross income, alternative, minimum, accumulated earnings, personal holding company, franchise, capital stock, profits, windfall profits, gross receipts, sales, use, value-added, transfer, registration, stamp, premium, excise, customs duties, severance, environmental, real property, personal property, production, ad valorem, occupancy, license, occupation, employment, payroll, social security, disability, unemployment, workers' compensation, withholding, estimated or other similar tax, custom, duty, fee, assessment or other charge imposed by a Governmental Authority or deficiencies thereof (including all interest and penalties thereon and additions thereto).

"Tax Accountant" has the meaning set forth in Section 5.6

"Tax Return" means any federal, state, local or foreign tax return, declaration, statement, claim for refund, report, schedule, form or information return or any amendment to any of the foregoing relating to Taxes.

"Tax Sharing Agreement" means any written agreement providing for the allocation or payment of Tax liabilities or for Tax benefits between or among members of any group of corporations that files, will file, or has filed Tax Returns on a combined, consolidated or unitary basis.

"Termination Fee" has the meaning set forth in Section 7.3(a)(i)

"Third-Party Consent" means any approval, authorization, consent, license or permission of, or waiver or other action by, or notification to, any third party (other than a Governmental Authority or an Affiliate of either Seller or Buyer).

"Trademark Assignment Agreement" means the trademark assignment agreement to be entered into as of the Closing Date substantially in the form of Exhibit D hereto.

"Transaction and Equity Compensation" has the meaning set forth in Section 2.15(a).

"Transferred Assets" means all of Seller's, Parent's and their Affiliates' (other than members of the Company Group) right, title and interest in, to and under, all Intellectual Property, all Books and Records (other than Excluded Books and Records) and all Tangible Personal Property, in each case used in or held for use in connection with the Business.

"Transition Services Agreement" means the transition services agreement to be entered into as of the Closing Date and, subject to Section 4.19(a), substantially in the form attached as Exhibit E hereto.

"Treasury Regulations" means the regulations prescribed under the Code.

"TSA Employees" has the meaning set forth in Section 4.6(c).

"WARN Act" means the Worker Adjustment and Retraining Notification Act of 1988, as amended, and any similar state or local Law.

"Welfare Benefits" has the meaning set forth in Section 4.6(d).

Section 8.2 Construction. The words "hereof", "herein" and "hereunder" and words of like import used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. The words "party" or "parties" shall refer to parties to this Agreement. The captions herein are included for convenience of reference only and shall be ignored in the construction or interpretation hereof. References to Articles, Sections, Schedules and Exhibits are to Articles, Sections, Schedules and Exhibits of this Agreement unless otherwise specified. All Exhibits, Schedules and Disclosure Letters annexed hereto or referred to herein are hereby incorporated in and made a part of this Agreement as if set forth in full herein. Any capitalized term used in any Exhibit, Schedule or Disclosure Letter but not otherwise defined therein shall have the meaning given to such term in this Agreement. Any singular term in this Agreement shall be deemed to include the plural, and any plural term the singular. Whenever the words "include", "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation", whether or not they are in fact followed by those words or words of like import. "Writing", "written" and comparable terms refer to printing, typing and other means of reproducing words (including electronic media) in a visible form. References to any Contract are to that Contract as amended, modified or supplemented from time to time in accordance with the terms hereof and thereof. References to any Person include the successors and permitted assigns of that Person. References from or through any date mean, unless otherwise specified, from and including or through and including, respectively. Any reference to "days" means calendar days unless Business Days are expressly specified. If any action under this Agreement is required to be done or taken on a day that is not a Business Day, then such action shall be required to be done or taken not on such day but on the first succeeding Business Day thereafter.

ARTICLE 9

Miscellaneous

Section 9.1 Non-Survival of Representations, Warranties and Covenants. None of the representations, warranties, covenants and agreements in this Agreement or in any instrument delivered pursuant to this Agreement, including any rights arising out of any breach of such representations, warranties, covenants or agreements, shall survive the Closing, except for (a) those covenants or agreements contained herein that by their terms apply to or are to be performed in whole or in part after the Closing and (b) this Article 9.

Section 9.2 Notices. All notices, requests and other communications to any party hereunder shall be in writing (including e-mail transmission) and shall be given:

if to Buyer,

Star Insurance Holdings LLC
c/o GoldenTree Asset Management LP
300 Park Avenue
New York, NY 10022
Email: britholz@goldentree.com
palderman@goldentree.com
Telephone: (212) 847-3420
(212) 847-3460
Attention: Barry Ritholz, General Counsel
Peter Alderman, General Counsel – Americas

with a copy (which shall not constitute notice) to:

Sidley Austin LLP
787 Seventh Avenue
New York, NY 10019
Attention: Kirk Lipsey
Jonathan J. Kelly
Telephone: (212) 839-5793
(212) 839 5835
Email: klipsey@sidley.com
jjkelly@sidley.com

if to Parent or Seller,

Syncora Holdings US Inc.
c/o Syncora Holdings Ltd.
555 Madison Avenue, 11th Floor
New York, NY 10022
Email: james.lundy@scafg.com
Telephone: 212-478-3405
Attention: James W. Lundy, Jr.

with a copy (which shall not constitute notice) to:

Debevoise & Plimpton LLP
919 Third Avenue
New York, New York 10022
Attention: Steven J. Slutzky
Michael D. Devins
Telephone: (212) 909-6036
(212) 909-7235
Email: sjslutzky@debevoise.com
mddevins@debevoise.com

or such other address as such party may hereafter specify for the purpose by notice to the other parties hereto. All such notices, requests and other communications shall be deemed received on the date of receipt by the recipient thereof if received prior to 5:00 p.m. on a Business Day in the place of receipt. Otherwise, any such notice, request or communication shall be deemed to have been received on the next succeeding Business Day in the place of receipt.

Section 9.3 Amendment; Waivers, etc. This Agreement may be amended, modified or supplemented at any time only by an instrument in writing signed by each of the parties. No waiver of any provision hereof shall be valid or binding unless set forth in writing and duly executed by the party against whom enforcement of the amendment, modification, discharge or waiver is sought. Any such waiver shall constitute a waiver only with respect to the specific matter described in such writing and shall in no way impair the rights of the party granting such waiver in any other respect or at any other time. Neither the waiver by any of the parties hereto of a breach of or a default under any of the provisions of this Agreement, nor the failure by any of the parties, on one or more occasions, to enforce any of the provisions of this Agreement or to exercise any right or privilege hereunder, shall be construed as a waiver of any other breach or default of a similar nature, or as a waiver of any of such provisions, rights or privileges hereunder. The rights and remedies herein provided are cumulative and none is exclusive of any other, or of any rights or remedies that any party may otherwise have at law or in equity.

Section 9.4 Expenses. Except as otherwise provided in this Agreement or in any Ancillary Agreement, all costs, fees and expenses incurred in connection with this Agreement and each Ancillary Agreement and the transactions contemplated hereby and thereby, whether or not consummated, shall be paid by the party incurring such cost or expense.

Section 9.5 Governing Law, etc.

(a) THIS AGREEMENT SHALL BE GOVERNED IN ALL RESPECTS, INCLUDING AS TO VALIDITY, INTERPRETATION AND EFFECT, BY THE

LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO ITS PRINCIPLES OR RULES OF CONFLICT OF LAWS, TO THE EXTENT SUCH PRINCIPLES OR RULES ARE NOT MANDATORILY APPLICABLE BY STATUTE AND WOULD PERMIT OR REQUIRE THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION. Buyer and Seller hereby irrevocably submit to the jurisdiction of the courts of the State of New York sitting in the County of New York, the federal courts for the Southern District of New York, and appellate courts having jurisdiction of appeals from any of the foregoing, solely in respect of the interpretation and enforcement of the provisions of this Agreement and in respect of the transactions contemplated hereby. Each of Buyer and Seller irrevocably agrees that all claims in respect of the interpretation and enforcement of the provisions of this Agreement and in respect of the transactions contemplated hereby, or with respect to any such action or proceeding, shall be heard and determined in such a New York State or federal court, and that such jurisdiction of such courts with respect thereto shall be exclusive, except solely to the extent that all such courts shall lawfully decline to exercise such jurisdiction. Each of Buyer and Seller hereby waives, and agrees not to assert, as a defense in any action, suit or proceeding for the interpretation or enforcement hereof or in respect of any such transaction, that it is not subject to such jurisdiction. Each of Buyer and Seller hereby waives, and agrees not to assert, to the maximum extent permitted by law, as a defense in any action, suit or proceeding for the interpretation or enforcement hereof or in respect of any such transaction, that such action, suit or proceeding may not be brought or is not maintainable in such courts or that the venue thereof may not be appropriate or that this Agreement may not be enforced in or by such courts. Buyer and Seller hereby consent to and grant any such court jurisdiction over the person of such parties and over the subject matter of any such dispute and agree that mailing of process or other papers in connection with any such action or proceeding in the manner provided in Section 9.2 or in such other manner as may be permitted by law, shall be valid and sufficient service thereof.

(b) EACH PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT SUCH PARTY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 9.6 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, successors and permitted assigns; provided, that this Agreement shall not be assignable or otherwise transferable by: (a) Buyer without the prior written consent of Seller and Parent, and (b) by Seller or Parent without the prior written consent of Buyer. Notwithstanding the foregoing, without the consent of Seller or Parent, Buyer may transfer or assign (including by way of a pledge), in whole or from time to time in part, to one or more of its Affiliates, the right to purchase all or a portion of the Syncora Admin Shares; provided that no such transfer or assignment will relieve Buyer of its obligations hereunder. Upon any such

permitted assignment, the references in this Agreement to Buyer shall also apply to any such assignee unless the context otherwise requires.

Section 9.7 Entire Agreement. This Agreement (including all exhibits and schedules hereto), the Ancillary Agreements and the Confidentiality Agreement constitute the entire agreement and supersede all prior agreements, understandings and representations, both written and oral, between the parties with respect to the subject matter hereof and thereof. In the event of any inconsistency between the provisions of this Agreement and the provisions of the Confidentiality Agreement, the provisions of this Agreement shall prevail.

Section 9.8 Severability. If any provision, including any phrase, sentence, clause, section or subsection of this Agreement is determined by a court of competent jurisdiction to be invalid, inoperative or unenforceable for any reason, such circumstances shall not have the effect of rendering such provision in question invalid, inoperative or unenforceable in any other case or circumstance, or of rendering any other provision herein contained invalid, inoperative or unenforceable to any extent whatsoever. Upon any such determination, the parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

Section 9.9 Counterparts; Effectiveness; Third-Party Beneficiaries. This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which shall together constitute one and the same instrument. This Agreement shall become effective when each party shall have received a counterpart hereof signed by all of the other parties. Until and unless each party has received a counterpart hereof signed by the other party, this Agreement shall have no effect and no party shall have any right or obligation hereunder (whether by virtue of any other oral or written agreement or other communication). Except as provided under Section 4.10, no provision of this Agreement is intended to confer any rights, benefits or remedies hereunder upon any Person other than the parties and their respective successors and assigns.

Section 9.10 Reserves. Notwithstanding anything to the contrary in this Agreement, neither Seller nor any of its Affiliates makes any representation or warranty with respect to, and nothing contained in this Agreement or in any other agreement, document or instrument to be delivered in connection with the transactions contemplated hereby is intended or shall be construed to be a representation or warranty (express or implied) of Seller or any of its Affiliates, for any purpose of this Agreement or any other agreement, document or instrument to be delivered in connection with the transactions contemplated hereby or thereby, with respect to (a) the adequacy or sufficiency of the Insurance Reserves, (b) the future profitability of the Company Group or (c) the effect of

the adequacy or sufficiency of the Insurance Reserves on any "line item" or asset, liability or equity amount.

Section 9.11 Specific Performance. The parties agree that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof and that the parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement or to enforce specifically the performance of the terms and provisions hereof in any court specified in Section 9.5, in addition to any other remedy to which they are entitled at law or in equity. The parties hereby waive, in any action for specific performance, the defense of adequacy of a remedy at law and the posting of any bond or other security in connection therewith.

Section 9.12 Disclosure Letters. Any disclosure set forth in the Seller Disclosure Letter or Buyer Disclosure Letter with respect to any Section of this Agreement shall be deemed to be disclosed for purposes of other Sections of this Agreement to the extent that such disclosure sets forth facts in sufficient detail so that the relevance of such disclosure would be reasonably apparent on its face to a reader of such disclosure. Matters reflected in any Section of the Seller Disclosure Letter or the Buyer Disclosure Letter are not necessarily limited to matters required by this Agreement to be so reflected. Such additional matters are set forth for informational purposes and do not necessarily include other matters of a similar nature. No reference to or disclosure of any item or other matter in the Seller Disclosure Letter or the Buyer Disclosure Letter shall be construed as an admission or indication that such item or other matter is material or that such item or other matter is required to be referred to or disclosed in this Agreement. Without limiting the foregoing, no such reference to or disclosure of a possible breach or violation of any Contract, Law or Governmental Order shall be construed as an admission or indication that a breach or violation exists or has actually occurred.

Section 9.13 Waiver of Conflicts; Attorney-Client Privilege.

(a) Buyer (on behalf of itself and its Affiliates) waives and will not assert, and agrees to cause the Company Group to waive and not to assert, any conflict of interest arising out of or relating to the representation, after the Closing, of Seller or any of its Affiliates or any of their respective shareholders, officers, employees or directors (any such Person, a "Designated Person") in any matter involving this Agreement or any other agreements or transactions contemplated thereby, by any legal counsel (including internal counsel and Debevoise & Plimpton LLP, "Seller Legal Counsel") representing Seller or any member of the Company Group in connection with this Agreement or any other agreements or transactions contemplated thereby (the "Current Representation"), including in any litigation or other dispute or proceeding between or among Buyer or its Affiliates, any member of the Company Group, and any Designated Person, even though the interests of such Designated Person may be directly adverse to Buyer or its Affiliates or any member of the Company Group.

(b) Buyer (on behalf of itself and its Affiliates) acknowledges that all rights to any attorney-client privilege applicable to communications between Seller Legal Counsel in connection with the Current Representation shall be retained solely by Seller (and not the Company Group) and agrees that it will not, and will cause the Company Group not to, assert any attorney-client privilege with respect to such communications. Furthermore, Buyer will not, and will cause each of its Affiliates (including, after Closing, the Company Group) not to, use any such communications (or portion thereof) in a manner adverse to Seller or any of its Affiliates.

(c) Accordingly, from and after the Closing, the Company Group shall not have access to any such communications, or to the files of any Seller Legal Counsel in connection with the Current Representation. Without limiting the generality of the foregoing, from and after the Closing, (i) Seller and its Affiliates shall be the sole holders of the attorney-client privilege with respect to the Current Representation, and the Company Group shall not be holders thereof, and (ii) to the extent that files of Debevoise & Plimpton LLP or any other legal counsel currently representing any of the Company Group in connection with the Current Representation (whether or not such legal counsel also represented Seller) constitute property of a client, only Seller and its Affiliates shall hold such property rights. Buyer (on behalf of itself and its Affiliates) agrees that it would be impractical to remove all attorney-client communications from the records (including e-mails and other electronic files) of the Company Group, and the failure to so remove such communications shall not be deemed to be a waiver of the attorney-client privilege with respect to such communications.

Section 9.14 Parent Guaranty. Parent hereby fully, irrevocably and unconditionally guarantees to Buyer the full, complete and timely compliance with and performance of all agreements, covenants and obligations of Seller from time to time under this Agreement (the "Obligations" and, collectively, the "Guaranty"). The Obligations shall include Seller's obligation to satisfy all payment and performance obligations of Seller arising in connection with this Agreement, in each case, when and to the extent that any of the same shall become due and payable or performance of or compliance with any of the same shall be required. Parent hereby acknowledges and agrees that the Guaranty constitutes an absolute, present, primary, continuing and unconditional guaranty of performance, compliance and payment by Seller of the Obligations when due under this Agreement, and not of collection only, and is in no way conditioned or contingent upon any attempt to enforce such performance, compliance or payment by a guaranteed party upon any other condition or contingency. Parent hereby waives any right to require a proceeding first against Seller. The Obligations shall not be subject to any reduction, limitation, impairment or termination for any reason (other than by indefeasible payment or performance in full of the Obligations) and shall not be subject to (a) any discharge of Seller from any of the Obligations in a bankruptcy or similar proceeding (except by indefeasible payment or performance in full of the Obligations) or (b) any other circumstance whatsoever which constitutes, or might be

construed to constitute, an equitable or legal discharge of Parent as guarantor under this Section 9.14. Notwithstanding the provisions of this Section 9.14, Parent shall have the rights, remedies and legal or equitable defenses that are available to Seller under the terms of this Agreement or applicable Law with respect to the Obligations.

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

SYNCORA HOLDINGS US INC.

By _____
Name: Frederick B. Hnat
Title: Chief Executive Officer and President

SYNCORA HOLDINGS LTD.

By _____
Name: Frederick B. Hnat
Title: Chief Executive Officer and President

STAR INSURANCE HOLDINGS LLC

By: GoldenTree Asset Management LP
Its: Sole Member

By: _____
Name: Peter Alderman
Title: Vice President

[*Signature Page to Stock Purchase Agreement*]