

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re: NEW STREAM SECURED CAPITAL, INC., a Delaware corporation, Debtor.	Chapter 11
In re: NEW STREAM INSURANCE, LLC, a Delaware limited liability company, Debtor.	Chapter 11
In re: NEW STREAM CAPITAL, LLC, a Delaware limited liability company, Debtor.	Chapter 11
In re: NEW STREAM SECURED CAPITAL, L.P., a Delaware limited partnership, Debtor.	Chapter 11

**JOINT PLAN OF REORGANIZATION UNDER
CHAPTER 11 OF THE BANKRUPTCY CODE**

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INTRODUCTION

New Stream Secured Capital, Inc. (“NSCI”), New Stream Insurance, LLC (“NSI”), New Stream Capital, LLC (“NSC”) and New Stream Secured Capital, L.P. (“NSSC” and, collectively with NSCI, NSI and NSC, the “Debtors”) jointly propose this Joint Plan of Reorganization under Chapter 11 of the Bankruptcy Code (as defined below). The Debtors are the proponents of this Plan (as defined below) within the meaning of section 1129 of the Bankruptcy Code. All capitalized terms not defined in this Introduction have the meanings ascribed to them in Article 1 of this Plan, in other sections of the Plan or in the Bankruptcy Code.

Reference is made to the Disclosure Statement, distributed contemporaneously herewith, for a discussion of the Debtors’ history, businesses, resolution of material disputes, significant asset sales, financial projections and a summary and analysis of the Plan and certain related matters.¹

ALL HOLDERS OF CLAIMS IN VOTING CLASSES ARE ENCOURAGED TO READ THIS PLAN AND THE DISCLOSURE STATEMENT IN THEIR ENTIRETY BEFORE VOTING TO ACCEPT OR REJECT THE PLAN.

At the Confirmation Hearing, the Debtors will seek a ruling that, if no Holder of a Claim or Interest eligible to vote in a particular Class timely votes to accept or reject the Plan, the Plan will be deemed accepted by the Holders of such Claims or Interests in such Class for the purposes of section 1129(b) of the Bankruptcy Code.

¹ As of the date of the Disclosure Statement, the Debtors have not commenced cases under Chapter 11 of the Bankruptcy Code. Because no chapter 11 cases have been commenced, the Disclosure Statement has not been approved by any Bankruptcy Court with respect to whether it contains adequate information within the meaning of section 1125(a) of the Bankruptcy Code or complies with applicable non-bankruptcy law. Nonetheless, if Chapter 11 cases are subsequently commenced, the Debtors expect promptly to seek an order of the Bankruptcy Court approving the Disclosure Statement pursuant to section 1125 of the Bankruptcy Code and determining that the solicitation of votes on this Plan by means of the Disclosure Statement was in compliance with section 1126(b) of the Bankruptcy Code.

Under sections 1125(g) and 1126(b) of the Bankruptcy Code, a vote to accept or reject the Plan may be solicited from Holders of Claims and/or Interests prior to the commencement of a case under Chapter 11 of the Bankruptcy Code if such solicitation complies with applicable non-bankruptcy law and, a vote to accept or reject the Plan also may be solicited from Holders of Claims and/or Interests after the commencement of a case under Chapter 11 of the Bankruptcy Code and prior to approval of a disclosure statement so long as the solicitation was commenced prior to the filing of the petition and in compliance with applicable nonbankruptcy law.

The Debtors urge Holders of Claims entitled to vote on the Plan to read this Plan and the Disclosure Statement in their entirety before voting to accept or reject this Plan. To the extent, if any, that the Disclosure Statement is inconsistent with the Plan, the Plan will govern. No solicitation materials other than the Disclosure Statement and any schedules and exhibits attached thereto or referenced therein, or otherwise enclosed with the Disclosure Statement served on interested parties, have been authorized by the Debtors for use in soliciting acceptances of the Plan.

It is expected that this Plan will be accepted by the requisite number and amount of Holders of Class 1 (Bermuda C, F and I Classes) and Class 2 (NSSC Bermuda Lenders) Claims. If the requisite number and amount of Holders of Class 3 (US-Cayman Claims) Claims vote to accept this Plan, the Debtors will file the Plan as part of a “prepackaged” bankruptcy filing (the “Consensual Process”) and seek to effectuate the approval of the Insurance Portfolio Sale as part of the Confirmation of the Plan within approximately 60 days or less of the Petition Date, with the closing of the Insurance Portfolio Sale expected to occur on the Effective Date. If the requisite number and amount of Holders of Class 3 (US-Cayman Fund Class) Claims do not vote to accept this Plan, the Debtors may seek to confirm the Plan notwithstanding the non-

acceptance of Class 3 pursuant to the cramdown requirements of section 1129(b) of the Bankruptcy Code (the “Cramdown Process”). In the event that the Class 3 (US-Cayman Fund Class) fails to accept the Plan, the Debtors intend to file Chapter 11 Petitions and move for approval of the Insurance Portfolio Sale, under section 363 of the Bankruptcy Code (*see*, section 7.1.3 of the Plan), in which event the closing of the Insurance Portfolio Sale may take place within approximately 40 days after the Petition Date and to hold the Insurance Portfolio Asset Proceeds pending Confirmation of the Plan or further order of the Bankruptcy Court. *See*, section 7.1.3, *infra*. Further, in the event that the non-acceptance of any other Impaired Class delays Confirmation of the plan, the Purchaser may request that the Debtors initiate the 363 Sale Process and move for approval of the Insurance Portfolio Sale, in which event the closing of the Insurance Portfolio Sale may take place prior to Confirmation of the Plan and the Insurance Portfolio Asset Proceeds will be transferred to the Bermuda Liquidation Account. *See*, section 7.1.3, *infra*.

Holders of Claims in Class 4(b) and Holders of Interests in Class 5(b) and Class 5(c) will not receive any distribution nor retain any property under the Plan on account of such Claims and Interests and, pursuant to section 1126(g) of the Bankruptcy Code, are conclusively deemed to reject the Plan. Accordingly, the Debtors will not solicit acceptance or rejections of the Plan from Holders of Claims or Interests in these Classes, will seek to confirm the Plan notwithstanding the non-acceptance of Class 3 pursuant to the cramdown requirements of section 1129(b) of the Bankruptcy Code, and will seek to confirm the Plan notwithstanding the deemed rejection of Class 4(b), Class 5(b), and Class 5(c).

Subject to certain restrictions and requirements set forth in section 1127 of the Bankruptcy Code, Bankruptcy Rule 3019 and section 15.1 of this Plan, the Debtors expressly

reserve the right to alter, amend, modify, revoke or withdraw this Plan prior to its Consummation.

ARTICLE 1.

DEFINITIONS, INTERPRETATION AND RULES OF CONSTRUCTION

A. Scope of Definitions. For the purposes of this Plan, except as expressly provided or unless the context otherwise requires, all capitalized terms not otherwise defined shall have the meanings ascribed to them in this Article 1 of the Plan or in other provisions of this Plan. Any term used in this Plan that is not defined herein, but is defined in the Bankruptcy Code or the Bankruptcy Rules, shall have the meaning ascribed to that term in the Bankruptcy Code or the Bankruptcy Rules, respectively. Whenever the context requires, capitalized terms shall include the plural as well as the singular number, the masculine gender shall include the feminine and the feminine gender shall include the masculine.

B. Definitions. In addition to such other terms as are defined in other sections of the Plan, the following terms (which appear in the Plan as capitalized terms) shall have the meanings ascribed to them in this Article 1 of the Plan.

1.1 363 Sale: A sale, free and clear of any liens, claims or interests, under section 363 of the Bankruptcy Code to effectuate the transactions contemplated by the Asset Purchase Agreement, with all such liens, claims, and encumbrances attaching to the Insurance Portfolio Asset Proceeds, which shall be transferred to the Bermuda Liquidation Account in accordance with the provisions of this Plan.

1.2 363 Sale Motion: A motion seeking approval of a sale, free and clear of any liens, claims or encumbrances, under section 363 of the Bankruptcy Code to effectuate the transactions contemplated by the Asset Purchase Agreement.

1.3 Administrative Action: Any current or future administrative, regulatory or criminal investigation, proceeding or other action against the Debtors or their current or former officers, directors, principals, members, employees, or agents for any actions, events or circumstances that took place on or prior to the Petition Date.

1.4 Administrative Claim: A Claim for any cost or expense of administration (including Professional Claims) of the Chapter 11 Cases asserted or arising under sections 503, 507(a)(1) or 507(b) of the Bankruptcy Code, including any (i) actual and necessary cost or expense of preserving the Debtors' Estates or operating the business of the Debtors arising on or after the Petition Date, (ii) payment to be made under this Plan to cure a default on an executory contract or unexpired lease that is assumed pursuant to section 365 of the Bankruptcy Code, (iii) obligations validly incurred or assumed by the Debtors in the ordinary course of business arising on or after the Petition Date, (iv) compensation or reimbursement of expenses of Professionals arising on or after the Petition Date, to the extent allowed by the Bankruptcy Court under section 330(a) or section 331 of the Bankruptcy Code, (v) fees or charges of the Debtors' Estates under section 1930 of title 28 of the United States Code, and (vi) costs and expenses incurred by the Joint NSSC Receivers.

1.5 Administrative Claims Bar Date: The Business Day that is the twenty-eighth (28) day following the Effective Date.

1.6 Allocation Order: A Final Order, or Final Orders, of the Bermuda Court entered in the Bermuda Proceedings that (i) determines the respective rights of the investors in the Bermuda Fund segregated account classes B, E, H, K, L, N and O to distributions made to the NSSC Bermuda Lenders in the distributions made pursuant to section 5.2 of the Plan and (ii)

authorizes the Receivers to make distributions to the investors in the Bermuda Fund segregated account classes B, E, H, K, L, N and O.

1.7 Allowed [] Claim or Allowed [] Interest: An Allowed Claim or Allowed Interest in the particular category or Class identified.

1.8 Allowed Claim or Allowed Interest: A Claim against or Interest in the Debtors or any portion thereof (a) that has been allowed by a Final Order, or (b) as to which, on or by the Effective Date, (i) no proof of Claim or Interest has been filed with the Bankruptcy Court and (ii) the liquidated and noncontingent amount of which is Scheduled as undisputed, other than a Claim or Interest that is Scheduled at zero or in an unknown amount, or (c) for which a proof of Claim or Interest in a liquidated amount has been timely filed with the Bankruptcy Court pursuant to the Bankruptcy Code, any Final Order of the Bankruptcy Court, or other applicable bankruptcy law, and as to which either (i) no objection to its allowance has been filed within the applicable periods of limitation fixed by the Plan, the Bankruptcy Code, or by any order of the Bankruptcy Court sought pursuant to section 8.1 of the Plan or otherwise entered by the Bankruptcy Court or (ii) all objections to its allowance have been settled, withdrawn or denied by a Final Order, or (d) that is expressly allowed in a liquidated amount by a provision of the Plan.

1.9 Assets: All legal or equitable pre-petition and post-petition interests of the Debtors or the Non-Debtor Affiliates in any and all real or personal property of any nature, including any real estate, rights, easements, leases, subleases, licenses, goods, materials, supplies, furniture, fixtures, equipment, work in process, inventory, finished goods, accounts, chattel paper, cash, deposit accounts, reserves, deposits, contractual rights, intellectual property rights, executory contracts and unexpired leases that have not been rejected and any other

general intangibles, and the proceeds, product, offspring, rents or profits thereof; for the avoidance of doubt, Assets include both the Debtors' Interests in Non-Debtor Affiliates as well as the Assets of such Non-Debtor Affiliates, but does not include any books, records, rights or legal privileges of the Debtors, other than the books and records relating to the ownership and/or operation of the Bermuda Wind Down Assets or those that are sold to the Purchaser pursuant to the Insurance Portfolio Sale.

1.10 Asset Management Agreement: The Asset Management Agreement, substantially in the form to be included in the Plan Supplement, if one is to be entered into on or before the Effective Date, between the Joint NSSC Receivers, on behalf of the Bermuda Wind Down Asset Structure, and the manager for the management of the Bermuda Wind Down Assets.

1.11 Asset Purchase Agreement: The Asset Purchase Agreement to be entered into by and between NSI as seller and Purchaser, as purchaser, substantially in the form that is annexed as Exhibit A to the Plan.

1.12 Available Cash: The amount of Cash held by the Debtors on the Effective Date in excess of (i) the amounts paid into the Bermuda Liquidation Account, (ii) the Disputed Claims Reserve and (iii) the Liquidation Budget Amount; provided, however, that Available Cash shall not include any Net Death Benefits (as such term is defined in the Asset Purchase Agreement) or any other proceeds resulting from the death of an Insured (as such term is defined in the Asset Purchase Agreement) that are received on or after October 1, 2010.

1.13 Avoidance Action: Any actual or potential Claims to avoid a transfer of an interest in property or an obligation incurred by the Debtors pursuant to any applicable section of the Bankruptcy Code, including, without limitation, all claims under Chapter 5 of the Bankruptcy Code.

1.14 Bankruptcy Code: Title 11 of the United States Code, as in effect on the Petition Date and as thereafter amended, as applicable in the Chapter 11 Cases.

1.15 Bankruptcy Court: The United States Bankruptcy Court for the District of Delaware acting in, and exercising its jurisdiction over, the voluntary Chapter 11 cases of each of the Debtors.

1.16 Bankruptcy Rules: The Federal Rules of Bankruptcy Procedure and the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware, as in effect on the Petition Date and as thereafter amended, as applicable from time to time in the Chapter 11 Cases.

1.17 Bar Date: The deadline established by the Bankruptcy Court for filing and serving upon the Debtors all proofs of claim.

1.18 Bermuda Court: The Supreme Court of Bermuda (Commercial Court) acting in, and exercising its jurisdiction over, the Bermuda Proceedings.

1.19 Bermuda C, F and I Contribution: Cash in the amount of \$5,000,000, which shall be transferred to the USCB Escrow for distribution as set forth in section 5.2 of the Plan.

1.20 Bermuda Fund: New Stream Capital Fund Ltd., a Bermuda Segregated Accounts Company in liquidation.

1.21 Bermuda Investors: Entities holding an Interest in any of the Segregated Share Classes of the Bermuda Fund.

1.22 Bermuda Liquidation Account: The segregated account, established by the Receivers at a bank or other incorporated banking institution into which the Debtors shall

transfer Cash in the amount of \$125,000,000, upon the closing of the Insurance Portfolio Sale, as provided in Article 7 of the Plan.

1.23 Bermuda Liquidators: John McKenna, Michael Morrison and Charles Thresh in their capacities as the joint provisional liquidators of the Bermuda Fund pursuant to an order of the Bermuda Court entered on September 13, 2010.

1.24 Bermuda non-C, F and I Consensual Process Contribution: The sum of \$5,000,000 to be funded and paid on behalf of the NSSC Bermuda Lenders into the Global Settlement Fund pursuant to section 5.2 of the Plan in the event the Plan has been accepted by Class 3.

1.25 Bermuda non-C, F and I Cramdown Process Contribution: The sum of \$2,500,000 to be funded and paid on behalf of the NSSC Bermuda Lenders into the Global Settlement Fund pursuant to section 5.2 of the Plan in the event the Plan has not been accepted by Class 3 and the Debtors seek to confirm the Plan pursuant to the cramdown requirements of section 1129(b)(7) due to the non-acceptance of Class 3.

1.26 Bermuda Proceedings: Collectively, the proceedings commenced before the Supreme Court of Bermuda (Commercial Court) by Originating Summons dated June 15, 2010, entitled “*In the matter of Classes B, E, F, H, K, L, N and O of the New Stream Capital Fund Limited,*” matter 2010 No. 190 (as consolidated) and the winding up proceedings initiated by a petition presented by the Receivers on September 13, 2010, entitled “*In the matter of New Stream Capital Fund Limited and in the matter of the Companies Act 1981 and in the matter of the Segregated Accounts Companies Act 2000*”, matter 2010 No. 312, and related proceedings.

1.27 Bermuda Wind Down Assets: All of the Assets of NSSC and NSI, including Available Cash (but excluding the Liquidation Budget Amount) and Interests in

entities holding Assets, other than (i) the Assets that are the subject of the Asset Purchase Agreement and (ii) the USC Wind Down Assets.

1.28 Bermuda Wind Down Asset Structure: An ownership structure to be determined by the Joint NSSC Receivers and adopted before the Plan is Filed, and detailed in the Plan Supplement which shall set forth (i) the manner in which the Bermuda Wind Down Assets will be owned, held, or configured in the hands of NSSC and its affiliates in preparation for the transfer of the Bermuda Wind Down Assets to, or at the direction of, the Joint NSSC Receivers if the Plan is confirmed, (ii) in the case of any Bermuda Wind Down Asset that is an Entity, the proper classification of such Entity for U.S. federal tax purposes, and steps that must be taken to achieve such classification, and (iii) any election or elections that must be filed or other actions that must be taken by the Debtors for U.S. federal tax purposes with respect to the Bermuda Wind Down Assets. The Debtors will cooperate fully with the Joint NSSC Receivers to facilitate their determination of the Bermuda Wind Down Asset Structure and the implementation of that structure provided herein.

1.29 Business Day: Any day other than a Saturday, Sunday or a “legal holiday”, as such term is defined in Rule 9006(a) of the Federal Rules of Bankruptcy Procedure.

1.30 Cash: Legal tender accepted in the United States of America for the payment of public and private debts, denominated in United States dollars.

1.31 Cause of Action: Any: (a) Claims, causes of action, demands, rights, actions, suits, obligations, liabilities, accounts, defenses and offsets; (b) all rights of setoff, counterclaim or recoupment and Claims on contracts or for breaches of duties imposed by law; (c) rights to object to Claims or Interests; (d) Avoidance Actions; and (e) Claims and defenses such as fraud, mistake, duress and usury and any other defenses available to the Debtor under

section 558 of the Bankruptcy Code of any kind or character whatsoever, known or unknown, contingent or non-contingent, matured or unmatured, suspected or unsuspected, whether arising before, on, or after the Petition Date including through the Effective Date, in contract, sounding in tort, at law, in equity, or pursuant to any other theory of law.

1.32 Cayman Funds: Collectively, each of the exempted companies formed with limited liability under the laws of the Cayman Islands for which New Stream Capital (Cayman), Ltd. acts as the investment manager.

1.33 Cayman Notes: Collectively, each of the individual promissory notes made by NSSC to each of the Cayman Funds, as each may have been amended, restated, amended and restated, supplemented or otherwise modified from time to time, to the extent valid and enforceable.

1.34 CFI Allocation: Shall have the meaning specified in section 5.1 of the Plan.

1.35 Chapter 11 Cases: The Chapter 11 cases of the Debtors to be commenced in the Bankruptcy Court and, as to any Debtor individually, a Chapter 11 Case.

1.36 Claim: A claim as defined in section 101(5) of the Bankruptcy Code.

1.37 Class: A group of Claims or Interests as classified in a particular class under the Plan pursuant to section 1122 of the Bankruptcy Code.

1.38 Class 4(c) Distribution Amount: The sum of \$200,000 to be distributed to the Holders of Allowed Claims in Class 4(c) pursuant to section 5.6 of the Plan.

1.39 Collateral: Any property or interest in property of any of the Debtors' Estates that is subject to a Lien to secure the payment or performance of a Claim, which Lien is not subject to avoidance or otherwise invalid under the Bankruptcy Code or applicable state law.

1.40 Collateral Agent: Wilmington Trust Company, a Delaware banking company, or its successor, acting in its capacity as collateral agent pursuant to either (i) the NSI Collateral Agency Agreement, or (ii) the NSSC Collateral Agency Agreement.

1.41 Confirmation: Entry of the Confirmation Order by the Bankruptcy Court.

1.42 Confirmation Date: The date on which the Bankruptcy Court enters the Confirmation Order on its docket, within the meaning of Bankruptcy Rules 5003 and 9021.

1.43 Confirmation Hearing: The hearing held by the Bankruptcy Court to consider Confirmation of the Plan pursuant to section 1128 of the Bankruptcy Code, including any continuances thereof.

1.44 Confirmation Order: The order of the Bankruptcy Court confirming the Plan pursuant to section 1129 of the Bankruptcy Code.

1.45 Consensual Process: Shall have the meaning specified in the Introduction to the Plan.

1.46 Consummation: The occurrence of the first Business Day as of which each of the following conditions has been satisfied: (i) occurrence of the Effective Date and (ii) the Bermuda C, F and I Contribution has been deposited into the USCB Escrow.

1.47 Cramdown Process: Shall have the meaning specified in the Introduction to the Plan.

1.48 Creditor: Any Entity holding a Claim against any of the Debtors.

1.49 Debtors: Shall have the meaning ascribed in the Introduction to the Plan.

1.50 Deficiency Claim: Any portion of a Secured Claim in excess of the value of all the Collateral securing such Secured Claim, provided, however, that pursuant to section

5.11 of the Plan, Holders of Secured Claims in Class 1, Holders of Secured Claims in Class 2 and Holders of Secured Claims in Class 3 are each deemed to have waived their Deficiency Claims, if any.

1.51 DIP Credit Agreement: The Senior Secured, Super-Priority Debtor-in-Possession Credit Agreement, to be entered into shortly on or after the commencement of the Chapter 11 Cases, pursuant to which the DIP Lenders will provide financing to NSI in the aggregate principal amount of not more than \$54,000,000.

1.52 DIP Facility: The facility provided to NSI by the DIP Lender evidenced by the DIP Credit Agreement.

1.53 DIP Facility Orders: Any interim order and Final Order of the Bankruptcy Court authorizing the Debtors to enter into the DIP Facility.

1.54 DIP Lenders: The Note Lenders in their capacity as lenders under the DIP Facility.

1.55 Disclosure Statement: The written disclosure statement relating to the Plan, including all schedules and exhibits attached thereto, as it may be amended, modified or supplemented from time to time.

1.56 Disputed Claim or Disputed Interest: A Claim or Interest either (i) that is disputed or scheduled as contingent or unliquidated in the Debtors' Schedules and which has not been superseded by a timely filed proof of Claim or Interest, or (ii) proof of which has been timely and properly filed, to which a timely objection and/or request for estimation in accordance with section 502(c) of the Bankruptcy Code and Bankruptcy Rule 3018 has been interposed, which objection and/or request for estimation has not been withdrawn or determined by a Final Order.

1.57 Disputed Claims Estimated Amount: The aggregate amount estimated to become Allowed General Unsecured Claims of all Disputed General Unsecured Claims as estimated by the Bankruptcy Court for distribution purposes.

1.58 Disputed Claims Reserve: The reserve for disputed claims established pursuant to section 8.2 of the Plan.

1.59 Effective Date: A date selected by the Debtors (in the case of the Consensual Plan such date shall be selected in consultation with and subject to the approval of the Purchaser and in conformity with the terms of the Asset Purchase Agreement) that is not more than five (5) Business Days following the first date on which all conditions to the Effective Date set forth in Article 10 of the Plan have been satisfied or, if waivable, waived pursuant to section 10.2 of the Plan.

1.60 Effective Date Distribution: Shall be the distributions described in section 9.8 hereof.

1.61 Entity: An entity as defined in section 101(15) of the Bankruptcy Code.

1.62 Estates: The estates of the Debtors created pursuant to section 541 of the Bankruptcy Code by the commencement of the Chapter 11 Cases.

1.63 Exculpated Parties: Each of the Debtors, the DIP Lenders, MIO, Purchaser, the Note Lenders, the NSI Receiver, the Joint NSSC Receivers, the Bermuda Liquidators, the US-Cayman Investors that are affiliates of or controlled by MIO, all creditors who execute the Plan Support Agreements, and any of such parties' respective members, officers, directors, shareholders, employees, representatives, advisors, attorneys, financial advisors, investment bankers or agents.

1.64 Face Amount: Unless otherwise expressly set forth herein with respect to a specific Claim, (i) the “Face Amount” of a Disputed Claim means the liquidated amount (if any) set forth on the proof of Claim, unless no proof of Claim has been timely Filed or deemed Filed, in which case the Face Amount shall be zero, and (ii) the Face Amount of an Allowed Claim means the liquidated amount set forth on the proof of Claim, unless an objection has been filed to the allowance of the Claim, in which case the Face Amount shall be the amount set forth in any Final Order allowing the Claim.

1.65 File or Filed: To file, or to have been filed, with the Clerk of the Bankruptcy Court in the Chapter 11 Cases.

1.66 Final Decree: A Final Order of the Bankruptcy Court entered pursuant to section 350(a) of the Bankruptcy Code closing the Chapter 11 Cases.

1.67 Final Distribution: The final periodic payment made to the Holders of Claims in Class 3.

1.68 Final Distribution Date: The date upon which the Final Distribution is made.

1.69 Final Order: An order or judgment of the Bankruptcy Court, the Bermuda Court, or other court of competent jurisdiction, as entered on its docket, that has not been reversed, stayed, modified or amended, and as to which (a) the time to appeal, petition for certiorari or move for reargument, rehearing or a new trial has expired and no appeal, petition for certiorari or motion for reargument, rehearing or a new trial, respectively, has been timely filed (which time period shall mean, with respect to motions to correct such order under Rule 9024 of the Federal Rules of Bankruptcy Procedure, Rule 60 of the Federal Rules of Civil Procedure or otherwise, 15 days after the entry of such order), or (b) any appeal, any petition for *certiorari* or

any motion for reargument, rehearing or a new trial that has been timely filed has been resolved by the highest court (or any other tribunal having appellate jurisdiction over the order or judgment) to which the order or judgment was appealed or from which certiorari or reargument, rehearing or a new trial was sought, and the time to take any further appeal, petition for *certiorari* or move for reargument, rehearing or a new trial shall have expired without such actions having been taken.

1.70 General Unsecured Claims: All Claims against the Debtors other than Claims in Class 1, Claims in Class 2, Claims in Class 3, Intercompany Claims, Tax Claims, Administrative Claims, claims arising under the DIP Facility, or Priority Claims, provided, however, that in accordance with section 5.11 of the Plan, in the event Holders of Secured Claims in Class 1, Holders of Secured Claims in Class 2, and/or Holders of Secured Claims in Class 3 vote to accept the Plan, Deficiency Claims of the Holders of Secured Claims in Class 1, Deficiency Claims of the Holders of Secured Claims in Class 2, and Deficiency Claims of the Holders of Secured Claims in Class 3, respectively, shall not constitute General Unsecured Claims.

1.71 Global Settlement Fund: The fund held in an account established by section 12.7 of the Plan consisting of Cash contributed pursuant to section 5.2, section 10.2.7, section 10.2.8, section 10.2.10 and section 12.7 of the Plan.

1.72 Global Settlement Payment: Payment of Cash made to US-Cayman Investors pursuant to section 12.7 of the Plan.

1.73 Governmental Unit: Shall have the meaning ascribed to such term in section 101(27) of the Bankruptcy Code.

1.74 GP Administrative Reserve: The amount of \$2,000,000 to be established as a reserve on the Effective Date to be held and used by the GP Manager in its discretion pursuant to section 7.13 of the Plan solely to pay fees, expenses and costs that may be incurred in connection with any Administrative Action or pursuing any insurer or insurance policy to pay for such amounts.

1.75 GP Manager: A newly formed Entity to be organized prior to the Effective Date and jointly owned by David Bryson, Bart Gutekunst and Donald Porter, which will serve as the non-member manager of reorganized NSC.

1.76 GP Reserve Termination Date: The date upon which the GP Manager determines in its reasonable discretion that there are no longer any current or potential Administrative Actions pending.

1.77 Holder: An Entity holding a Claim or an Interest.

1.78 Impaired: When used with reference to a Claim, an Interest or a Class of Claims or Interests, “Impaired” shall have the meaning ascribed to it in section 1124 of the Bankruptcy Code.

1.79 Indemnification Claims: The obligations of the Debtors, or any one of them, pursuant to their bylaws, applicable law, any employment agreement or other agreement to indemnify any of their current or former officers and directors, on the terms and subject to the limitations described therein.

1.80 Initial Plan Support Agreement: The Initial Plan Support Agreement made and entered into as of November 9, 2010, by and among the Debtors and certain of the Debtors’ creditors and equity holders, or certain creditors or equity holders of the Bermuda Fund,

including, but not limited to each of the entities set forth on Schedules 1-3 thereto, as amended or supplemented from time to time.

1.81 Insurance Portfolio Asset Proceeds: Proceeds resulting from the Insurance Portfolio Sale.

1.82 Insurance Portfolio Sale: The sale of NSI's life insurance settlement and premium finance loan portfolio pursuant to the Asset Purchase Agreement by way of either (i) the 363 Sale or (ii) Confirmation of the Plan by Consensual Process, as applicable.

1.83 Intercompany Claim: Any Claim held by a Debtor against another Debtor, or held by a Non-Debtor Affiliate against a Debtor, that is not a Secured Claim in Class 1, Secured Claim in Class 2 or Secured Claim in Class 3.

1.84 Intercompany Interest: Interest in a Debtor held by another Debtor or a Non-Debtor Affiliate.

1.85 Interest: When used in the context of holding an equity interest (and not used to denote (i) the compensation paid for the use of money for a specified time and usually denoted as a percentage rate of interest on a principal sum of money or (ii) a security interest in property), the term "Interest" shall mean "equity security" as defined in section 101(16) of the Bankruptcy Code, and shall include (i) stock issued by a corporation, (ii) membership interests in a limited liability company or (iii) partnership interests in a general partnership or limited partnership.

1.86 Investors: Bermuda Investors and US-Cayman Investors.

1.87 Joint NSSC Receivers: Michael Morrison and Charles Thresh, of KPMG Advisory Limited, in their capacity as joint receivers for Segregated Account Classes B, E, H, K,

L, N and O of the Bermuda Fund appointed pursuant to orders of the Bermuda Court in the Bermuda Proceedings on June 18, 2010 and July 16, 2010.

1.88 Lien: has the meaning set forth in section 101(37) of the Bankruptcy Code.

1.89 Liquidation Budget Amount: The amount of Cash to be retained by the Post-Confirmation Debtors on the Effective Date pursuant to the Wind Down Budget to pay the expenses and Claims in accordance with the Plan.

1.90 McKenna: John C. McKenna of Finance and Risk Services Limited, in his capacity as NSI Receiver and/or in his capacity as Bermuda Liquidator of the Bermuda Fund.

1.91 MIO: MIO Partners, Inc., as manager, managing member, general partner, investment manager, adviser or authorized signatory, as the case may be, for each of the Note Lenders, DIP Lenders and Purchaser.

1.92 Morrison: Michael Morrison, in his capacity as Joint NSSC Receiver and/or in his capacity as Bermuda Liquidator for the Bermuda Fund.

1.93 New NSSC Manager: A newly formed Entity to be organized under Delaware law prior to the Effective Date, which will be solely owned by NSCI from and after the Effective Date.

1.94 New Stream: The Debtors, the Bermuda Fund, the US Fund and the Cayman Funds.

1.95 Non-CFI Allocation: has the meaning ascribed to that term in section 5.1 of the Plan.

1.96 Non-Debtor Affiliates: All Entities that are, directly or indirectly, owned or controlled by the Debtors other than the Bermuda Fund.

1.97 Note Lenders: The Lenders identified on Annex A of the Pre-Petition Secured Note.

1.98 NSC: New Stream Capital, LLC, a Delaware limited liability company.

1.99 NSCI: New Stream Secured Capital, Inc., a Delaware corporation.

1.100 NSCS: New Stream Capital Services, LLC, a Delaware limited liability company.

1.101 NSI: New Stream Insurance LLC, a Delaware limited liability company, formerly known as Assurance Investments, LLC.

1.102 NSI Collateral Agency Agreement: The Collateral Agency Agreement, dated as of October 5, 2006 by and among the lenders identified therein, NSI, and Wilmington Trust, as Collateral Agent, as amended, restated, amended and restated, supplemented or otherwise modified from time to time.

1.103 NSI Loan Agreement: Each of: (i) the loan and security agreement between NSI and Segregated Account Class C, (ii) the loan and security agreement between NSI and Segregated Account Class F, and (iii) the loan and security agreement between NSI and Segregated Account Class I, as each may have been amended, restated, amended and restated, supplemented or otherwise modified from time to time, to the extent valid and enforceable.

1.104 NSI Secured Lender: Each of Segregated Account Classes C, F and I of New Stream Capital Fund Ltd. (each a “NSI Secured Lender” and collectively, the “NSI Secured Lenders”).

1.105 NSI Receiver: McKenna, in his capacity as the receiver for Segregated Account Classes C, F and I of New Stream Capital Fund Ltd. appointed by Orders of the Bermuda Court in the Bermuda Proceedings on June 18, 2010 and July 16, 2010.

1.106 NSSC: New Stream Secured Capital, L.P., a Delaware limited partnership, formerly known as Porter Secured Capital Partners, L.P.

1.107 NSSC Bermuda Lenders: Segregated Account Classes B, E, H, K, L, N and O of the Bermuda Fund.

1.108 NSSC Collateral Agency Agreement: The Second Amended and Restated Collateral Agency Agreement by and among NSSC (as defined herein), the Lenders, as identified therein, the Subordinated Lenders as identified therein, and Wilmington Trust, as Collateral Agent (as amended, restated, amended and restated, supplemented or otherwise modified from time to time).

1.109 Other Priority Claim: Any Claim of a Creditor, other than an Administrative Claim, to the extent such Claim is entitled to priority pursuant to section 507(a) of the Bankruptcy Code.

1.110 Percentage Share: For purposes of sections 5.3 and 12.7 of the Plan, the ratio —expressed as a percentage— of each US-Cayman Investor’s investment to the aggregate of all US-Cayman Investors’ investment as reflected on Schedule 1 annexed to the Plan.

1.111 Person: A “person” as defined in section 101(41) of the Bankruptcy Code.

1.112 Petition Date: The date on which the Debtors’ voluntary petitions commencing their respective Chapter 11 Cases are filed with the Bankruptcy Court.

1.113 Plan: This Joint Plan of Reorganization under Chapter 11 of the Bankruptcy Code, and all exhibits annexed hereto or referenced herein, as it may be amended, modified or supplemented from time to time in accordance with the provisions of the Plan or the Bankruptcy Code and Bankruptcy Rules.

1.114 Plan Administrator: FTI Consulting, or any successor Entity selected by the Post-Confirmation Debtors with the consent of the Joint NSSC Receivers.

1.115 Plan Supplement: The compilation of documents, forms of documents, schedules, and exhibits to the Plan to be Filed by the Debtors no later than five (5) days prior to the Confirmation Hearing or such later date as may be approved by the Bankruptcy Court on notice to parties in interest, and additional documents filed with the Bankruptcy Court prior to the Effective Date as amendments to the Plan Supplement, comprised of, among other documents, the following: (a) the organizational documents for the Bermuda Wind Down Asset Structure that have been implemented by the Debtors; (b) the Wind Down Budget; (c) schedules of executory contracts and/or unexpired leases to be assumed; and, (d) the form of the Asset Management Agreement to be entered into as of the Effective Date. Any reference to the Plan Supplement in the Plan shall include each of the documents identified above as (a) through (d). The Debtors shall have the right to amend the documents contained in the Plan Supplement with the prior consent of the Joint NSSC Receivers, and add additional documents to the Plan Supplement, through and including the Effective Date, provided, however, that the written consent of Purchaser shall be required for any amendment or addition that affects the Insurance Portfolio Sale and the written consent of the DIP Lenders shall be required for any amendment or addition that affects the DIP Facility, the Plan terms or the “Milestones” set forth in the Plan Support Agreements.

1.116 Plan Support Agreement: The Plan Support Agreement entered into as of January 21, 2011, by and among the Debtors and certain of the Debtors’ creditors and equity holders, or certain creditors or equity holders of the Bermuda Fund, including, but not limited to

each of the entities set forth on Schedules 1-3 thereto, as amended or supplemented from time to time.

1.117 Plan Support Agreements: Collectively the Initial Plan Support Agreement and the Plan Support Agreement, each as amended or supplemented from time to time.

1.118 Post-Confirmation Debtors: The Debtors, or any successor thereto, by merger, consolidation, or otherwise, on or after the Effective Date.

1.119 Pre-Petition Secured Note: That certain Secured Promissory Note, dated as of August 4, 2010, as amended, made by NSI, as borrower, in favor of the Note Lenders in the original principal amount of Twenty-Five Million and No/100 Dollars (USD \$25,000,000.00), as amended by the Amended and Restated Secured Promissory Note, dated as of November 8, 2010, in the amended principal amount of Thirty-Nine Million Four Hundred Eighty Thousand Two Hundred Sixty Eight and 58/100 Dollars (USD \$39,480,268.58), made by NSI, as borrower, in favor of the Note Lenders.

1.120 Professional: A Person (a) employed in the Chapter 11 Cases pursuant to a Final Order in accordance with sections 327, 328 and 1103 of the Bankruptcy Code and to be compensated for services rendered prior to the Effective Date, pursuant to sections 327, 328, 329, 330, 331 and 363 of the Bankruptcy Code or (b) for which compensation and reimbursement has been allowed by the Bankruptcy Court pursuant to section 503(b)(4) of the Bankruptcy Code.

1.121 Professional Claim: A Claim of a Professional (a) retained in the Chapter 11 Cases pursuant to a Final Order in accordance with sections 327, 328 and 1103 of the Bankruptcy Code or otherwise, for compensation or reimbursement of actual and necessary costs

and expenses relating to services incurred after the Petition Date and prior to and including the Effective Date or (b) for compensation and reimbursement that has been allowed by the Bankruptcy Court pursuant to section 503(b)(4) of the Bankruptcy Code.

1.122 Pro Rata Portion: For purposes of section 5.6 of the Plan, the ratio that the Allowed Amount of each Claim in Class 4(c) bears to the aggregate of all Allowed Claims in Class 4(c).

1.123 Purchaser: An entity that is controlled or managed by MIO, which shall be the purchaser under the Asset Purchase Agreement.

1.124 Purchaser Contribution: The sum of \$5,000,000 to be paid by Purchaser or by the Note Lenders, into the Global Settlement Fund, solely in the event that the Plan is confirmed by the Consensual Process, which payment shall be separate, distinct and in addition to the amounts payable by Purchaser, as the purchaser under the Asset Purchase Agreement, and the amounts advanced under the DIP Facility.

1.125 Receivers: Collectively, the NSI Receiver and the Joint NSSC Receivers.

1.126 Released Parties: Each of: (a) the Bermuda Liquidators, in their capacity as such; (b) the Joint NSSC Receivers, in their capacity as such; (c) the NSI Receiver, in his capacity as such; (d) the Collateral Agent, in its capacity as such; (e) the DIP Lenders, in its capacity as such; (f) the Note Lenders, in their capacity as such; (g) Purchaser, in its capacity as purchaser under the Asset Purchase Agreement; (h) MIO, both in its individual capacity and in its capacity as manager, managing member, general partner, investment manager, adviser or authorized signatory, as the case may be, for Purchaser, the DIP Lenders and the Note Lenders; (i) the US-Cayman Investors that are affiliates of or controlled by MIO, (j) the Debtors and the Post-Confirmation Debtors; and (k) with respect to each of the foregoing entities in clauses (a)

through (j), such person's current and former officers, directors, principals, members, employees, agents, financial advisors, attorneys, accountants, investment bankers, consultants, representatives, and other professionals, in each case in their capacity as such.

1.127 Sale Order: A Final Order of the Bankruptcy Court, which is entered prior to Confirmation of the Plan, approving the Insurance Portfolio Sale on the terms set forth in the Asset Purchase Agreement and authorizing the Debtors to consummate the Insurance Portfolio Sale on the terms set forth in the Asset Purchase Agreement.

1.128 Scheduled: Information that is set forth on the Schedules.

1.129 Schedules: The Schedules of Assets and Liabilities Filed by the Debtors in accordance with section 521 of the Bankruptcy Code and Bankruptcy Rule 1007, as the same may be amended from time to time in accordance with Bankruptcy Rule 1009.

1.130 Secured Claim: A Claim that is (a) secured by a Lien on Collateral in which the Estate has an interest, which Lien is valid, perfected, and enforceable pursuant to applicable law or by reason of a Bankruptcy Court order, or that is subject to setoff pursuant to section 553 of the Bankruptcy Code, to the extent of the value of the creditor's interest in the Estate's interest in such Collateral or to the extent of the amount subject to setoff, as applicable, as determined pursuant to section 506(a) of the Bankruptcy Code; or (b) Allowed as such pursuant to the Plan.

1.131 Segregated Account: A Segregated Account of the Bermuda Fund.

1.132 Segregated Account Class C: Segregated Account Class C of the Bermuda Fund.

1.133 Segregated Account Class F: Segregated Account Class F of the Bermuda Fund.

1.134 Segregated Account Class I: Segregated Account Class I of the Bermuda Fund.

1.135 Taxes: All income, gaming, franchise, excise, sales, use, employment, withholding, property, payroll or other taxes, assessments, or governmental charges, together with any interest, penalties, additions to tax, fines, and similar amounts relating thereto, imposed or collected by any federal, state, local or foreign governmental authority on or from any of the Debtors.

1.136 Unimpaired: Any Claim, Interest, or Class of Creditors or Interests, that is not Impaired.

1.137 United States Trustee: The United States Trustee appointed under section 581(a)(3) of title 28 of the United States Code to serve in the District of Delaware.

1.138 US-Cayman Claims: All Claims, liens, rights and Interests, including all accrued but unpaid interest thereon, and any claims arising under section 507(b) of the Bankruptcy Code of any nature that (i) arise under, or in connection with, the US Fund Notes or the Cayman Notes or (ii) are held by the US Fund, the Cayman Fund, or the US-Cayman Investors, whether secured or unsecured.

1.139 US-Cayman Investors: Entities holding Claims that (i) arise in connection with, derive from or are a result of, their investment or participation in either the US Fund or any of the Cayman Funds or (ii) refer or relate in any manner to the US-Cayman Claims. For purposes of the Plan, Investors holding an Interest in the US Fund will be solicited for their indication to the manager of the US Fund on how to vote the Claim of the US Fund under the US Fund Notes to either accept or reject the Plan.

1.140 USCB Escrow: An escrow to be established by the Receivers for the benefit of the NSSC Bermuda Lenders and the US-Cayman Funds (as provided for in Article 5 of the Plan) on or before the Effective Date, into which the NSI Secured Lenders shall cause to be paid the C, F and I Contribution that is deducted from the Bermuda Liquidation Account.

1.141 USC Wind Down Assets: The common stock of North Star Financial Services Limited and the specific assets identified in Schedule 3 to the Plan, or the proceeds from any sale or disposition of the foregoing..

1.142 US Fund: New Stream Secured Capital Fund (US), LLC, a Delaware limited liability company.

1.143 US Fund Investor Ballot: The form of ballot to be provided to those US-Cayman Investors holding an Interest in the US Fund, which solicits their indication to the manager of the US Fund whether to vote the Claim of the US Fund under the US Fund Notes to either accept or reject the Plan.

1.144 US Fund Claim: The claim of the US Fund arising under the US Fund Notes, which for purposes of this Plan is deemed an Allowed Claim in Class 3 in the amount of \$319,346,652.00.

1.145 US Fund Notes: The individual promissory notes made by NSSC to the US Fund, as each may have been amended, restated, amended and restated, supplemented or otherwise modified from time to time, to the extent valid and enforceable..

1.146 Voting Classes: The Impaired Classes entitled to vote to accept or reject the Plan.

1.147 Wind Down Budget: The budget, approved by the NSSC Receivers of (i) amounts needed to pay Claims under the Plan on the Effective Date, and (ii) expenses estimated to be necessary to consummate the Plan, which shall be filed as part of the Plan Supplement.

C. Rules of Interpretation.

1. In the event of an inconsistency, the provisions of the Plan shall control over the contents of the Disclosure Statement. The provisions of the Confirmation Order shall control over the contents of the Plan.

2. For the purposes of the Plan:

(a) any reference in the Plan to a contract, instrument, release or other agreement or document being in a particular form or on particular terms and conditions means that such document shall be substantially in such form or substantially on such terms and conditions; provided, however, that any change to such form, terms or conditions that is material to a party to such document shall not be modified without such party's written consent unless such document expressly provides otherwise;

(b) any reference in the Plan to an existing document, exhibit or schedule Filed or to be Filed means such document, exhibit or schedule, as it may have been or may be amended, modified or supplemented as of the Effective Date;

(c) unless otherwise specified, all references in the Plan to "sections," "Articles," and "Exhibits" are references to sections, articles and exhibits of , or to, the Plan;

(d) the words “herein,” “hereof,” “hereto,” “hereunder” and others of similar import refer to the Plan in its entirety rather than to only a particular portion of the Plan;

(e) captions and headings to articles and sections are inserted for convenience of reference only and are not intended to be part or to affect interpretations of the Plan;

(f) the rules of construction set forth in section 102 of the Bankruptcy Code shall apply, except to the extent inconsistent with the provisions of this Article of the Plan; and,

(g) the word “including” means “including without limitation.”

3. Whenever a distribution of property is required to be made on a particular date, the distribution shall be made on such date or as soon as reasonably practicable thereafter.

4. All schedules and Exhibits to the Plan and the Plan Supplement are incorporated into the Plan and shall be deemed to be included in the Plan, regardless of when they are Filed.

5. Subject to the provisions of any contract, certificate, bylaws, instrument, release or other agreement or document entered into in connection with the Plan, the rights and obligations arising under the Plan shall be governed by, and construed and enforced in accordance with, federal law, including the Bankruptcy Code and Bankruptcy Rules.

6. The Plan is the product of extensive discussions and negotiations between and among, *inter alia*, the Debtors, the DIP Lenders, the Receivers, and certain other Creditors and constituencies. Each of the foregoing was represented by counsel who either (a) participated in

the formulation and documentation of or (b) was afforded the opportunity to review and provide comments on, the Plan, the Disclosure Statement, and the documents ancillary thereto.

D. Computation of Time. In computing any period of time prescribed or allowed by the Plan, unless otherwise expressly provided, the provisions of Rule 9006(a) of the Federal Rules of Bankruptcy Procedure shall apply.

E. Reference to Monetary Figures. All references in the Plan to monetary figures shall refer to currency of the United States of America, unless otherwise expressly provided.

F. Governing Law. Unless a rule of law or procedure is supplied by applicable federal law (including the Bankruptcy Code and Bankruptcy Rules), Bermuda law or Cayman law, or unless otherwise specifically stated, the laws of the State of Delaware, without giving effect to the principles of conflict of laws, shall govern the rights, obligations, construction, and implementation of the Plan, any agreements, documents, instruments, or contracts executed or entered into in connection with the Plan except as otherwise set forth in those agreements, in which case the governing law as set forth in such agreement shall control.

G. Required Authorization. The Confirmation Order shall provide that the NSI Receiver, the Joint NSSC Receivers, and the Bermuda Liquidators shall each have the authority to take any act, or execute any document, necessary to effectuate the provisions of the Plan, including the authority to transfer funds from the Bermuda Liquidation Account and the USCB Escrow, without the need for further authorization from, or application to, the Bankruptcy Court.

ARTICLE 2.

TREATMENT OF UNCLASSIFIED CLAIMS

2.1 DIP Claims. The DIP Facility will terminate and all obligations thereunder will be due and payable in full on the earlier to occur of: (i) the Effective Date of the

Plan if the Plan is confirmed by the Consensual Process, (ii) the date on which the Debtors receive the Insurance Portfolio Asset Proceeds if the Debtors pursue the Cramdown Process and the Insurance Portfolio Sale pursuant to the Sale Order, (iii) the occurrence of an event of default under the DIP Credit Agreement, or (iv) February 28, 2011. In the event of the occurrence of an event set forth in clauses (i) or (ii) above, the principal amount of all obligations under the Pre-Petition Secured Note and the Additional Commitment (as defined in the DIP Facility) shall be deemed satisfied as additional consideration for the Insurance Portfolio Sale pursuant to the Asset Purchase Agreement; provided, however, that notwithstanding the foregoing, all fees and expenses under the DIP Facility shall be due and payable, in full and in Cash, upon the termination of the DIP Facility.

2.2 Administrative Claims. Subject to the allowance procedures and deadlines provided herein, on the Effective Date or as soon thereafter as is practicable, each Holder of an Allowed Administrative Claim shall receive on account of such Allowed Administrative Claim and in full satisfaction, settlement and release of and in exchange for such Allowed Administrative Claim, (a) Cash equal to the unpaid portion of such Allowed Administrative Claim, or (b) such other treatment as to which the Debtors and the holder of such Allowed Administrative Claim have agreed upon in writing, provided, however, that Administrative Claims with respect to liabilities incurred by the Debtors in the ordinary course of business during the Chapter 11 Cases shall be paid in the ordinary course of business in accordance with the terms and conditions of any agreement or course of dealing relating thereto and (or such other treatment as to which the Debtors and the holder of such Allowed Administrative Claim have agreed) Professional Claims shall be paid in accordance with section 2.5 of the Plan.

2.3 Intercompany Claims. On the Effective Date, Intercompany Claims shall be deemed discharged, satisfied and released. Intercompany Claims shall not be entitled to receive any distribution under the Plan and shall be deemed to have voted against the Plan.

2.4 Statutory Fees. On or before the Effective Date, all fees due and payable pursuant to 28 U.S.C. § 1930, as determined by the Bankruptcy Court at the Confirmation Hearing, shall be paid in full, in Cash.

2.5 Professional Claims. Immediately prior to the Effective Date, the Debtors shall pay all amounts owing to the Professionals for all outstanding Professional Claims relating to prior periods and for the period ending on the Effective Date. The Professionals shall estimate Professional Claims due for periods that have not been billed as of the Effective Date. On or prior to the Administrative Claims Bar Date (or such other time as the Bankruptcy Court may permit), each Professional shall File with the Bankruptcy Court its final fee application seeking final approval of all fees and expenses from the Petition Date through the Effective Date. Within ten (10) days after entry of a Final Order with respect to its final fee application, each Professional shall remit any overpayment to the Post-Confirmation Debtors or the Post-Confirmation Debtors shall pay any outstanding amounts owed to the Professional.

2.6 Other Priority Claims. With respect to each Allowed Other Priority Claim, on the Effective Date or as soon thereafter as is practicable, the holder of an Allowed Other Priority Claim shall receive on account of the Allowed Other Priority Claim, and in full satisfaction, settlement and release of and in exchange for such Allowed Other Priority Claim, (a) Cash equal to the unpaid portion of such Allowed Other Priority Claim, or (b) such other treatment as to which the Debtors and the holder of such Allowed Other Priority Claim have agreed upon in writing.

2.7 Deadline for Filing Administrative Claims.

2.7.1 **Administrative Claims Other Than Tax Claims.** Other than with respect to Administrative Claims for which the Bankruptcy Court previously has established a Bar Date, any and all requests for payment or proofs of Administrative Claims, including Claims of all Professionals or other Entities requesting compensation or reimbursement of expenses pursuant to sections 327, 328, 330, 331, 503(b) or 1103 of the Bankruptcy Code for services rendered on or before the Effective Date (including any compensation requested by any Professional or any other Entity for making a substantial contribution in the Chapter 11 Cases), must be Filed and served on the Post-Confirmation Debtors and their counsel no later than the Administrative Claims Bar Date, or such later date as the Bankruptcy Court may permit. Objections to any such Administrative Claims must be Filed and served on the claimant no later than thirty (30) days after the Administrative Claims Bar Date or such later date as the Bankruptcy Court may permit. The Post-Confirmation Debtors shall use reasonable efforts to promptly and diligently pursue resolution of any and all disputed Administrative Claims. Holders of Administrative Claims, including all Professionals or other Entities requesting compensation or reimbursement of expenses pursuant to sections 327, 328, 330, 331, 503(b) or 1103 of the Bankruptcy Code for services rendered on or before the Effective Date (including any compensation requested by any Professional or any other Entity for making a substantial contribution in the Chapter 11 Cases), that are required to File a request for payment or proof of such Claims and that do not File such requests or proofs of Claim on or before the Administrative Claims Bar Date shall be forever barred from asserting such Claims against the any of the Debtors, their Estates, any other Person or Entity, or any of their respective property.

2.7.2 Tax Claims. All requests for payment of Claims by a Governmental Unit (as defined in section 101(27) of the Bankruptcy Code) for Taxes (and for interest and/or penalties or other amounts related to such Taxes) for any tax year or period, all or any portion of which occurs or falls within the period from and including the Petition Date through and including the Effective Date, and for which no Bar Date has otherwise been previously established, must be Filed on or before the later of: (a) sixty (60) days following the Effective Date; or (b) to the extent applicable, ninety (90) days following the filing of a tax return for such Taxes (if such Taxes are assessed based on a tax return) for such tax year or period with the applicable Governmental Unit. Any holder of a Claim for Taxes that is required to File a request for payment of such Taxes and other amounts due related to such Taxes and which does not File such a Claim by the applicable bar date shall be forever barred from asserting any such Claim against any of the Debtors, the Estates, or any other Entity, or their respective property and shall receive no distribution under the Plan or otherwise on account of such Claim. Tax Claims that are Allowed will be paid in full on the earlier of (i) the Effective Date, or (ii) the date on which the Tax Claim becomes an Allowed Claim.

2.8 Insider Claims. Unless otherwise provided in the Wind Down Budget approved by the Joint NSSC Receivers, no Administrative Claims asserted by an Insider (as that term is defined by section 101(31) of the Bankruptcy Code) in excess of \$5,000.00 shall be Allowed in the ordinary course as an Administrative Claim without the consent of the Joint NSSC Receivers, which consent shall not be unreasonably withheld. In the event the Joint NSSC Receivers do not consent to the Allowance of such Administrative Claim in the ordinary course, the Holders of such Administrative Claim may file a request for Allowance of such Administrative Claim in accordance with the provisions of the Bankruptcy Code.

ARTICLE 3.

CLASSIFICATION OF CLAIMS AND INTERESTS

A. General. Pursuant to section 1122 of the Bankruptcy Code, set forth below is a designation of the Classes of Claims and Interests in the Debtors. A Claim or Interest is placed in a particular Class only to the extent that such Claim or Interest falls within the description of that Class. A Claim or Interest is also placed in a particular Class for purposes of receiving a distribution under the Plan, but only to the extent such Claim or Interest is an Allowed Claim or Interest and has not been paid, released, or otherwise settled prior to the Effective Date. Except as otherwise expressly set forth in this Plan, a Claim or Interest which is not an Allowed Claim or Allowed Interest shall not receive any payments, rights or distributions under this Plan. In accordance with section 1123(a)(1) of the Bankruptcy Code, DIP Facility Claims, Administrative Claims of the kinds specified in section 507(a)(1) of the Bankruptcy Code and Other Priority Claims of the kind specified in section 507(a) of the Bankruptcy Code (other than section 507(a)(8)) have not been classified and are treated as set forth in Article 2 above.

B. Classification. Claims against, and Interests, in the Debtors are classified as follows:

3.1 Class 1: Bermuda C, F and I Class Claims. Class 1 shall consist of the Secured Claims against NSI, and all associated liens, rights and interests, including, without limitation, all accrued but unpaid interest thereon, of any nature, held by the Bermuda Fund on behalf of Segregated Account Class C, Segregated Account Class F and Segregated Account Class I.

3.2 Class 2: NSSC Bermuda Lender Claims. Class 2 shall consist of the Secured Claims against NSSC, and all associated liens, rights and interests, including, without

limitation, all accrued but unpaid interest thereon, of any nature, held by the NSSC Bermuda Lenders.

3.3 Class 3: US-Cayman Claims. Class 3 shall consist of all US-Cayman Claims to the extent that they are Secured Claims.

3.4 Classes 4(a) – (d): General Unsecured Claims. General Unsecured Claims against the Debtors are classified as follows:

3.4.1 Class 4(a): General Unsecured Claims against NSI.

3.4.2 Class 4(b): General Unsecured Claims against NSSC.

3.4.3 Class 4(c): General Unsecured Claims against NSC.

3.4.4 Class 4(d): General Unsecured Claims against NSCI.

3.5 Class 5 (a) – (d): Interests. Interests in the Debtors are classified as follows:

3.5.1 Class 5(a): Interest in NSI.

3.5.2 Class 5(b): Interests in NSSC.

3.5.3 Class 5(c): Interests in NSC.

3.5.4 Class 5(d): Interests in NSCI.

ARTICLE 4.

IDENTIFICATION OF CLASSES IMPAIRED AND NOT IMPAIRED BY THE PLAN

4.1 Voting Classes: Classes of Claims Entitled to Vote. The following Classes are Impaired by the Plan and Holders of Claims and/or Interests in each of these Classes are entitled to vote to accept or reject the Plan:

Class 1 (Bermuda C, F and I Classes)

Class 2 (NSSC Bermuda Lenders)

Class 3 (US/Cayman Fund Class)

Class 4(c) (General Unsecured Claims against NSC)

4.2 Unimpaired Classes of Claims and Interests Not Entitled to Vote. The

following Classes are not Impaired by the Plan and Holders of Claims and/or Interests in each of these Classes are not entitled to vote to accept or reject the Plan:

Class 4(a) (General Unsecured Claims against NSI)

Class 4(d) (General Unsecured Claims against NSCI)

Class 5(a) (Interests in NSI)

Class 5(d) (Interests in NSCI)

4.3 Impaired Classes of Claims or Interests Deemed to Reject the Plan

and Not Entitled to Vote. Holders of Claims in Class 4(b) (General Unsecured Claims against NSSC) and Holders of Interests in Class 5(b) (Interests in NSSC) and Class 5(c) (Interests in NSC) will not receive any distribution nor retain any property under the Plan on account of such Claims and Interests and, pursuant to section 1126(g) of the Bankruptcy Code, are conclusively deemed to reject the Plan. Accordingly, the Debtors will not solicit acceptance or rejections of the Plan from Holders of Claims or Interests in these Classes and will seek to confirm the Plan notwithstanding the deemed rejection of such Classes.

ARTICLE 5.

TREATMENT OF CLAIMS AND INTERESTS

The Classes of Impaired Claims and Interests shall be treated as follows, in full settlement, discharge, release and satisfaction of their Claims against, or Interests in, the Debtors:

5.1 Class 1 (Bermuda C, F and I Classes). As soon as reasonably practicable following the closing of the Insurance Portfolio Sale and the funding of the Bermuda Liquidation Account pursuant to sections 7.1 and section 7.2 of the Plan:

- (i) the Receivers shall determine which portion of the Bermuda Liquidation Account shall be allocated to the NSI Secured Lenders (the “CFI Allocation”) and which portion is to be distributed on the Effective Date to the NSSC Bermuda Lenders (the “non-CFI Allocation”); provided, however, that in the event the Receivers are unable to determine the CFI Allocation and non-CFI Allocation amounts prior to the Effective Date, (x) the Bermuda C, F and I Contribution shall be transferred directly from the Bermuda Liquidation Account to the USCB Escrow on the Effective Date, to be held and paid as provided in sections 5.2 and 12.7 of this Plan, and (y) the Receivers shall use reasonable efforts to promptly determine the CFI Allocation and non-CFI Allocation amounts from the amount remaining in the Bermuda Liquidation Account following the transfer of the Bermuda C, F, and I Contribution in accordance with clause (x) of this section 5.1(i), and the transfer of the Bermuda non-C, F and I Contribution in accordance with clause (x) of section 5.2(i) of the Plan;
- (ii) The CFI Allocation shall be distributed as follows:
- (a) On the Effective Date or as soon thereafter as practicable, the Bermuda C, F and I Contribution shall be deposited in the USCB Escrow and held and paid as provided in section 5.2 and section 12.7 of this Plan; and
 - (b) The balance of the CFI Allocation shall be distributed to the NSI Receiver in full satisfaction of the Claims of the NSI Secured Lenders.

5.2 Class 2 (NSSC Bermuda Lenders). Unless otherwise specified in this section 5.2, as soon as is reasonably practicable following the closing of the Insurance Portfolio

Sale and the funding of the Bermuda Liquidation Account pursuant to section 7.1 and section 7.2 of the Plan, in satisfaction of the Claims of the NSSC Lenders:

(i) the Receivers shall distribute the non-CFI Allocation as follows:

(a) Either:

(1) in the event that the Plan is confirmed by the Consensual Process, on or before the Effective Date or as soon thereafter as practicable, the Receivers shall pay the Bermuda non-C, F and I Consensual Process Contribution from the Bermuda Liquidation Account into the Global Settlement Fund provided, however, that in the event the Receivers are unable to determine the CFI Allocation and non-CFI Allocation amounts prior to the Effective Date (x) the Bermuda non-C, F and I Contribution shall be transferred directly from the Bermuda Liquidation Account to the Global Settlement Fund on the Effective Date, and (y) the Receivers shall use reasonable efforts to promptly determine the CFI Allocation and non-CFI Allocation amounts from the amount remaining in the Bermuda Liquidation Account following the transfer of the Bermuda non-C, F, and I Contribution in accordance with clause (x) of this Section 5.2(i)(a)(1) and the transfer of the Bermuda non-C, F and I Contribution in accordance with Section 5.2(i) of this Plan; or

(2) in the event that the Plan is confirmed by the Cramdown Process, on or before the Effective Date, the Receivers shall pay the

Bermuda non-C, F and I Cramdown Process Contribution from the Bermuda Liquidation Account into the Global Settlement Fund;

and

(b) On or after the Effective Date, in accordance with the provisions of any Allocation Order(s), the Joint NSSC Receivers shall distribute the balance of the Bermuda Liquidation Account.

(c) If any Allocation Order provides that any Bermuda Investors of Bermuda Segregated Account Class B, E, H, K, L, N or O are not entitled to participate in the distributions on a *pari passu* basis with other Bermuda Investors in that same segregated share class, then the Joint NSSC Receivers shall make payments, to be withdrawn from the USCB Escrow, to those Bermuda Investors who were found to be subordinated to other Bermuda Investors in the same segregated share class in an amount sufficient to ensure that each subordinated Bermuda Investor receives the same *pro rata* distribution as the Bermuda Investors in their respective segregated share class who received distributions in priority to them; provided, however, that in no event shall the amount withdrawn by the Joint NSSC Receivers from the USCB Escrow pursuant to this clause exceed the amount deposited into the USCB Escrow by the NSI Secured Lenders from the NSI Secured Lenders' distribution from the Bermuda Liquidation Account.

- (ii) The balance remaining in the USCB Escrow, if any, after any distributions required as a result of any Allocation Order shall be paid forthwith into the Global Settlement Fund, to be distributed in accordance with section 12.7 of this Plan.
- (iii) The Bermuda Wind Down Assets (and the Debtors' ownership interests in any Entity or Entities that hold any such asset, as the case may be) shall be transferred as provided in section 7.3.1 and section 7.3.2 of the Plan and, under the exclusive control and supervision of the Joint NSSC Receivers, or at their direction, shall be liquidated with the net proceeds of such liquidation to be paid by the Joint NSSC Receivers to the Bermuda Investors in such manner as may be directed by the Bermuda Court pursuant to an Allocation Order or other Final Order.

5.3 Class 3 (US-Cayman Funds). The Holders of Claims in Class 3 shall each receive a Percentage Share of periodic distributions of the net proceeds from the liquidation of the USC Wind Down Assets, which shall be paid by the Post-Confirmation Debtors directly to each US-Cayman Investor on dates to be determined in the reasonable discretion of the Post-Confirmation Debtors until all of the USC Wind Down Assets have been liquidated at which time the Post-Confirmation Debtors shall make the Final Distribution to the Holders of Claims in Class 3.

5.4 Class 4(a) (General Unsecured Claims against NSI) and Class 4(d) (General Unsecured Claims against NSCI). Except to the extent that a Holder of an Allowed General Unsecured Claim agrees to a less favorable treatment or has been paid prior to the Effective Date, each Allowed General Unsecured Claim in Class 4(a) (General Unsecured

Claims against NSI) and Class 4(d) (General Unsecured Claims against NSCI) shall be paid in full in Cash on Confirmation, or, otherwise rendered Unimpaired. Without limiting the generality of the foregoing, if a General Unsecured Claim arises (i) based on liabilities incurred in, or to be paid in, the ordinary course of business or (ii) pursuant to an executory contract or unexpired lease, the Holder of such General Unsecured Claim shall be paid in Cash by NSI (or, after the Effective Date, by the Post-Confirmation Debtor) pursuant to the terms and conditions of the particular transaction and/or agreement giving rise to such General Unsecured Claim. Notwithstanding the provisions of this section 5.4 of the Plan, the Debtors reserve their rights to dispute in the Bankruptcy Court, or any other court with jurisdiction, the validity of any General Unsecured Claim at any time prior to the date fixed pursuant to section 8.1 of this Plan.

5.5 Class 4(b) (General Unsecured Claims against NSSC). Holders of Class 4(b) Claims will not receive any distribution nor retain any property on account of such Claim and all such Claims will be extinguished on the Effective Date.

5.6 Class 4(c) (General Unsecured Claims against NSC). Each Allowed General Unsecured Claim in each of Class 4(c) (General Unsecured Claims against NSC) shall receive their Pro Rata Portion of the Class 4(c) Distribution Amount. In the event that the Class 4(c) Distribution Amount is in excess of the aggregate amount of the Face Amount of Allowed Class 4(c) Claims and any amount required to be reserved for Class 4(c) Claims that have not been Allowed, such excess shall be deemed to be part of the Bermuda Wind Down Assets.

5.7 Class 5(a) (Interests in NSI). On and after the Effective Date, the Interests in NSI shall continue to be held by NSSC, as a Post-Confirmation Debtor, and shall not be in any way affected by the Plan.

5.8 Class 5(b) (Interests in NSSC). All Interests in NSSC shall be extinguished on the Effective Date and the Holders of Interests in Class 5(b) shall not receive or retain any property on account of such Interest.

5.9 Class 5(c) (Interests in NSC). All Interests in NSC shall be extinguished on the Effective Date and the Holders of Interests in Class 5(c) shall not receive or retain any property on account of such Interest.

5.10 Class 5(d) (Interests in NSCI). On and after the Effective Date, the Interests in NSCI shall continue to be held by the Holders of such Interests, and shall not be in any way affected by the Plan.

5.11 Deficiency Claims. The Deficiency Claims of each accepting Class of Secured Claims are waived and released.

ARTICLE 6.

TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

6.1 Assumption; Assignment As of the Effective Date, the Debtors shall assume or assume and assign, as applicable, pursuant to section 365 of the Bankruptcy Code, each of the executory contracts and unexpired leases of the Debtors that are identified in Schedule 2 to the Plan that have not expired under their own terms prior to the Effective Date. Except as provided in section 6.2 below, the Debtors reserve the right upon consultation with the Receivers to amend Schedule 2 to the Plan not later than fourteen (14) days prior to the Confirmation Hearing either to: (a) delete any executory contract or lease listed therein and provide for its rejection pursuant to section 6.4 hereof; or (b) add any executory contract or lease to Schedule 2, thus providing for its assumption or assumption and assignment, as applicable, pursuant to this section. The Debtors shall provide notice of any such amendment of such

Schedule 2 to (i) the parties to the executory contract or lease affected thereby and (ii) the Receivers not later than fourteen (14) days prior to the Confirmation Hearing. The Receivers reserve the right to dispute any cure amount. The Confirmation Order shall constitute an order of the Bankruptcy Court pursuant to section 365 of the Bankruptcy Code approving all such assumptions or assumptions and assignments, as applicable, described in this section 6.1, as of the Effective Date.

6.2 Cure Payments; Adequate Assurance of Performance Any monetary defaults under each executory contract and unexpired lease to be assumed under the Plan shall be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code, in either of the following ways: (a) by payment of the default amount in Cash, in full on the Effective Date; or (b) by payment of the default amount on such other terms as may be agreed to by the Debtors and the non-Debtor parties to such executory contract or lease. In the event of a dispute regarding (i) the amount or timing of any cure payments, (ii) the ability of the Debtors or an assignee thereof to provide adequate assurance of future performance under the contract or Lease to be assumed or assumed and assigned, as applicable, or (iii) any other matter pertaining to assumption or assumption and assignment of the contract or lease to be assumed, the Debtors or the Post-Confirmation Debtors shall pay all required cure amounts promptly following the entry of a Final Order resolving the dispute; provided, however, notwithstanding any other provision of this Plan, (a) with the written agreement of the counterparty to an executory contract or lease or (b) upon written notice to the counterparty, the Debtors or the Post-Confirmation Debtors may add any executory contract or lease to the list of rejected contracts if the Debtors determine, in their sole discretion, that it is not in their best interests to assume the executory contract or lease considering the cure amount or

any other terms of assumption or assumption and assignment as determined by the Bankruptcy Court in a Final Order.

6.3 Objections To Assumption of Executory Contracts and Unexpired

Leases To the extent that any party to an executory contract or unexpired lease identified for assumption asserts arrearages or damages pursuant to section 365(b)(1) of the Bankruptcy Code, or has any other objection with respect to any proposed assumption, revestment, cure or assignment on the terms and conditions provided herein, all such arrearages, damages and objections must be Filed and served: (a) as to any contracts or leases identified in Schedule 2 hereto that is mailed to any party to any such contract or lease along with all other solicitation materials accompanying the Plan, within the same deadline and in the same manner established for the Filing and service of objections to Confirmation of the Plan; and (b) as to any contracts or leases identified in any subsequent amendments to Schedule 2 within fourteen (14) days after the Debtors File and serve such amendment. Failure to assert such arrearages, damages or objections in the manner described above shall constitute consent to the proposed assumption, revestment, cure or assignment on the terms and conditions provided herein, including an acknowledgement that the proposed assumption and/or assignment provides adequate assurance of future performance and that the amount identified for “cure” in Schedule 2, or any amendments thereto, hereto is the amount necessary to cover any and all outstanding defaults under the executory contract or unexpired lease to be assumed, as well as an acknowledgement and agreement that no other defaults exist under such contract or lease.

6.4 Rejection Except for those executory contracts and unexpired leases that

are (a) assumed pursuant to this Plan, (b) the subject of previous orders of the Bankruptcy Court providing for their assumption or rejection pursuant to section 365 of the Bankruptcy Code, (c)

to be conveyed pursuant to the Asset Purchase Agreement, or (d) the subject of a pending motion before the Bankruptcy Court with respect to the assumption or assumption and assignment of such executory contracts and unexpired leases, as of the Effective Date, all executory contracts and unexpired leases of the Debtors shall be rejected pursuant to section 365 of Bankruptcy Code; provided, however, that neither the inclusion by the Debtors of a contract or lease on Schedule 2 nor anything contained in this Article 6 shall constitute an admission by any Debtor that such contract or lease is an executory contract or unexpired lease or that any Debtor or its successors and assigns has any liability thereunder. To the extent any loan agreement or lease agreement pursuant to which any Debtor is lender or lessor is deemed to be an executory contract or unexpired lease within the meaning of 365 of the Bankruptcy Code, rejection of such loan agreement or lease agreement shall not, by itself, eliminate the borrower's or lessee's obligations thereunder or cause any Debtor's Liens, security interests or ownership rights to be released or extinguished. For the avoidance of doubt, the DIP Credit Agreement shall not be deemed to be an executory contract. The Joint NSSC Receiver shall have standing to object to any Claims arising from the rejection of executory contracts or unexpired leases.

6.5 Approval of Rejection; Rejection Damages Claims Bar Date The Confirmation Order shall constitute an Order of the Bankruptcy Court approving the rejection of executory contracts and unexpired leases under section 6.4 above pursuant to section 365 of the Bankruptcy Code as of the Effective Date. Any Claim for damages arising from any such rejection must be Filed within thirty (30) days after the later of (i) the Effective Date or (ii) service of a written notice deeming such contract or lease to be rejected pursuant to section 6.4 of the Plan. Any timely filed Claim for damages arising from any such rejection, if Allowed, will be as General Unsecured Claim.

6.6 Asset Purchase Agreement and Executory Contracts Related Thereto

The Debtors' rights and remedies under each section of this Article 6 and the Bankruptcy Code with regard to executory contracts are to be exercised in conformity with their obligations under the Asset Purchase Agreement. Purchaser's prior written consent is required for any action by the Debtor that may result in the rejection of the Asset Purchase Agreement or the rejection of the executory contracts to be conveyed pursuant to the Asset Purchase Agreement. The Receivers shall have standing to object to the cure amounts asserted in connection with any assumption or assignment.

6.7 Insurance Policies Notwithstanding any other the provisions of the Plan with regard to executory contracts, from and after the Effective Date, each of the Debtors' insurance policies in existence as of the Effective Date will be reinstated and continued in accordance with their terms and, to the extent applicable, will be deemed assumed by the applicable Post-Confirmation Debtor pursuant to section 365 of the Bankruptcy Code. Nothing in the Plan will affect, impair or prejudice the rights of the insurance carriers or the Post-Confirmation Debtors under the insurance policies in any manner, and such insurance carriers and Post-Confirmation Debtors will retain all rights and defenses under such insurance policies, and such insurance policies will apply to, and be enforceable by and against, the Post-Confirmation Debtors in the same manner and according to the same terms and practices applicable to the Debtors, as existed prior to the Effective Date.

6.8 Indemnification Agreements Notwithstanding any other provisions of the Plan with regard to executory contracts, from and after the Effective Date, the obligations of each Debtor or Post-Confirmation Debtor to indemnify any Person who is serving or has served as one of its managers, directors, officers or employees as of the Petition Date by reason of such

Person's prior or future service in such a capacity or as a manager, director, officer or employee of any Non-Debtor Affiliates, to the extent provided in the applicable certificates of incorporation, by-laws or similar constituent documents, by statutory law or by written agreement, policies or procedures of or with such Debtor or Non-Debtor Affiliates, will be deemed and treated as of the Effective Date, as executory contracts that are assumed by the applicable Debtor or Post-Confirmation Debtor pursuant to the Plan and section 365 of the Bankruptcy Code. Accordingly, any Indemnification Claims will survive and be unaffected by entry of the Confirmation Order, irrespective of whether such indemnification is owed for an act or event occurring before or after the Petition Date. The funding of the GP Administrative Reserve and the application of the GP Administrative Reserve, as outlined in section 7.13 hereof, is not an indemnification obligation of NSI.

ARTICLE 7.

MEANS FOR EXECUTION AND IMPLEMENTATION OF THE PLAN.

7.1 Insurance Portfolio Sale.

7.1.1 Purchaser Protection Motion. Within five (5) days of the Petition Date, the Debtors shall file or cause to be filed the Purchaser Protection Motion (as defined in the Asset Purchase Agreement).

7.1.2 Consensual Process. In the event of a Consensual Process, then in accordance with the Bankruptcy Timeline (as defined in the Asset Purchase Agreement), the Debtors shall seek entry of the Confirmation Order approving, among other things, this Plan and the transactions contemplated by the Asset Purchase Agreement. Concurrently with their motion to schedule the Confirmation Hearing, the Debtors shall move to assume, or assume and assign, as the case may be, the Asset Purchase Agreement and all executory contracts to be conveyed

pursuant to the Asset Purchase Agreement. The Debtors shall provide notice of the assumption of the Asset Purchase Agreement and all executory contracts to be conveyed pursuant to the Asset Purchase Agreement, or any amendment thereof, to (i) the parties to the executory contract or lease affected thereby and (ii) the Receivers not later than fourteen (14) days prior to the Confirmation Hearing. Any objection with respect to any proposed assumption, revestment, cure or assignment of the Asset Purchase Agreement and any executory contracts related thereto must be Filed and served within the same deadline and in the same manner established for the Filing and service of objections to Confirmation of the Plan. The Confirmation Order shall constitute an order of the Bankruptcy Court pursuant to section 365 of the Bankruptcy Code approving all such assumptions or assumptions and assignments, as applicable, relating to the Asset Purchase Agreement, as of the Effective Date.

7.1.3 **Cramdown Process.** In the event that Class 3 does not vote to accept this Plan, then the Debtors will (i) seek approval of the Insurance Portfolio Sale to Purchaser by filing a motion seeking the Sale Order and (ii) seek to confirm this Plan pursuant to section 1129(b) of the Bankruptcy Code, in which event, the Insurance Portfolio Asset Proceeds shall be utilized by the Debtors in the manner provided for in this Plan. In the event of a Cramdown Process, then in accordance with the Bankruptcy Timeline (as defined in the Asset Purchase Agreement), the Debtors shall file, or cause to be filed, a motion seeking entry of the Sale Order. Concurrently with their motion seeking entry of the Sale Order, the Debtors shall move to assume, or assume and assign, as the case may be, the Asset Purchase Agreement and all executory contracts to be conveyed pursuant to the Asset Purchase Agreement. The Debtors shall provide notice of the assumption of the Asset Purchase Agreement and all executory contracts to be conveyed pursuant to the Asset Purchase Agreement, or any amendment thereof,

to (i) the parties to the executory contract or lease affected thereby and (ii) the Receivers not later than fourteen (14) days prior to the 363 Sale hearing. Any objection with respect to any proposed assumption, revestment, cure or assignment of the Asset Purchase Agreement and any executory contracts related thereto must be Filed and served within the same deadline and in the same manner established for the Filing and service of objections to approval of the 363 Sale. The Sale Order shall constitute an order of the Bankruptcy Court pursuant to section 365 of the Bankruptcy Code approving all such assumptions or assumptions and assignments, as applicable, described herein, as of the closing of the 363 Sale; and, the Debtors may consummate the Insurance Portfolio Sale prior to Confirmation.

7.1.4 Consummation of the Insurance Portfolio Sale under the Consensual Process. As provided for in section 7.1.2 of the Plan, on or before the Effective Date, NSI shall consummate the Insurance Portfolio Sale to Purchaser free and clear of all liens, claims and encumbrances, with all such liens, claims, and encumbrances attaching to the Insurance Portfolio Asset Proceeds, which shall be transferred to the Bermuda Liquidation Account in accordance with the provisions of this Plan. The Insurance Portfolio Sale shall be pursuant to the Asset Purchase Agreement, which terms are incorporated herein by reference and made a part of this Plan. The Insurance Portfolio Asset Proceeds shall be used to fund the Bermuda Liquidation Account.

7.2 Bermuda Liquidation Account On or before the Effective Date, and in any event, upon receipt of the Insurance Portfolio Asset Proceeds, the Debtors shall deposit \$125,000,000.00 into the Bermuda Liquidation Account. Upon receipt of the Insurance Portfolio Asset Proceeds, and prior to their deposit into the Bermuda Liquidation Account, the Debtors shall hold the Insurance Portfolio Asset Proceeds in trust for the benefit of the Receivers and

such Insurance Portfolio Asset Proceeds shall at all times be free and clear of all Liens, Claims, interests and encumbrances (other than the obligation of the applicable Receivers to make the Bermuda C, F and I Contribution and the Bermuda non-C, F and I Cramdown Process Contribution or Bermuda non-C, F and I Consensual Process Contribution, as the case may be), including, without limitation, any claim or right asserted by any officer, manager, director or employee of any Debtor or Non-Debtor Affiliates pursuant to any indemnification or similar agreement assumed by any Debtor pursuant to section 6.8 of this Plan.

7.3 Bermuda Wind Down Assets.

7.3.1 Transfer Free and Clear. On the Effective Date, the Bermuda Wind Down Assets (and the Debtors' ownership interest in any Entity or Entities that own or hold any such asset, as the case may be), shall be transferred to or placed under the exclusive control of the Joint NSSC Receivers, and disposed of as provided for in this Plan, free and clear of all Liens, Claims, interests and encumbrances.

7.3.2 Administration of the Bermuda Wind Down Assets. The proceeds from the disposition of the Bermuda Wind Down Assets will be distributed by the Bermuda Wind Down Asset Structure and allocated by the Joint NSSC Receivers for distribution to the Bermuda NSSC Lenders pursuant to the provisions of this Plan and any Allocation Order.

7.4 USC Wind Down Assets. Title to all USC Wind Down Assets shall be revested in NSSC, as a Post-Confirmation Debtor, to be liquidated by the Post-Confirmation Debtors for the benefit of the US-Cayman Investors. Except as may be set forth herein, all such USC Wind Down Assets shall be owned by the Debtors free and clear of all Liens, Claims, interests and encumbrances. The proceeds of the USC Wind Down Assets, after payment of all

costs and expenses incurred by the Reorganized Debtors, will be allocated and distributed pursuant to Article 5 of this Plan.

7.5 Continuation of Automatic Stay. In furtherance of the implementation of the Plan, except as otherwise provided herein, all injunctions or stays provided for in the Chapter 11 Cases pursuant to sections 105 or 362 of the Bankruptcy Code, or otherwise, and in existence on the Confirmation Date, shall remain in full force and effect and apply to all Holders of Claims against, or Interests in, the Debtors, the Estates and the Assets until the Final Distribution Date; provided, however, that nothing herein shall be deemed to extend the scope of any such injunction or stay beyond the provisions of section 362 of the Bankruptcy Code.

7.6 Post-confirmation Operations. Following Confirmation and prior to the occurrence of the Effective Date, the then-current officers, directors, managers and managing members of each of the Debtors shall continue in their respective capacities and the Debtors shall execute such documents and take such other action as is necessary to effectuate the transactions provided for in this Plan. On and after the Effective Date, all such officers, directors, managers and managing members shall be deemed to have resigned and new officers, directors, managers and managing members, who shall be identified in the Plan Supplement, will be appointed by the Plan Administrator to serve for the Post-Confirmation Debtors in accordance with the respective organizational documents of each of the Post-Confirmation Debtors. The officers, directors, managers and managing members appointed by the Plan Administrator shall continue to serve in such roles unless a majority of the Holders of the Interests in reorganized NSCI shall vote to remove any such officer, director, manager or managing member for “cause”, in which event the Plan Administrator, in consultation with the Holders of the Interests in reorganized NSCI shall appoint a successor. Also on the Effective date, Interests in NSSC and NSC will be restructured

such that (i) New NSSC Manager, a newly formed Entity, will become the holder of all of the membership interests in reorganized NSC, (ii) GP Manager, a newly formed Entity, will become the non-member manager of reorganized NSC, to serve without compensation and exercise the management responsibilities set forth in the amended limited liability company operating agreement to be included in the Plan Supplement, (iii) reorganized NSCI will become the sole limited partner of reorganized NSSC, and (iv) reorganized NSC will become the general partner of reorganized NSSC. The organizational documents for the foregoing transactions will be included in the Plan Supplement. From and after the Effective Date, the Post-Confirmation Debtors, as restructured herein, shall (i) continue in possession, custody and control of all their respective, books, records, rights and privileges together with any Assets that are not disposed of pursuant to the provisions of this Plan, and (ii) be solely responsible for the management of their respective affairs and the operation of their respective businesses, subject only to the jurisdiction of the Bankruptcy Court to enforce the provisions of this Plan.

7.7 The Plan Administrator. Following the Effective Date and until the entry of a Final Decree, the Plan Administrator shall have the authority and right on behalf of the Post-Confirmation Debtors, and pursuant to section 1123(b)(3) of the Bankruptcy Code, without the need for Bankruptcy Court approval (unless otherwise indicated), to carry out and implement all provisions of the Plan, including, without limitation, to: (i) control and effectuate the Claims reconciliation process, including to object to, seek to subordinate, compromise or settle any and all Claims in accordance with the Plan; (ii) make Distributions to holders of Allowed Claims in accordance with the Plan; (iii) prosecute, on behalf of the Bermuda Wind Down Asset Structure, all Causes of Action, (to the extent not released in the Plan), including Avoidance Actions, and to elect not to pursue any Claims or Avoidance Actions, in which case the Causes of Action and

Avoidance Actions may be pursued by, or at the direction of, the manager of the Bermuda Wind Down Asset Structure, and whether and when to compromise, settle, abandon, dismiss, or otherwise dispose of any Claims or Avoidance Actions, as the Plan Administrator may determine is in the best interests of the Post-Confirmation Debtors and their Creditors, provided, however, that no Avoidance Actions or Causes of Action shall be abandoned, dismissed, or otherwise disposed of without the written consent of the Joint NSSC Receivers; (iv) make payments to existing professionals who may continue to perform in their current capacities; (v) retain Professionals to assist in performing its duties under the Plan; (vi) maintain the books and records and accounts of the Post-Confirmation Debtors; (vii) incur and pay reasonable and necessary expenses in connection with the performance of its duties under the Plan, including the reasonable fees and expenses of professionals retained by the Plan Administrator and the Joint Receivers; (viii) administer each Post-Confirmation Debtor's tax obligations, including (i) filing and paying tax returns, and paying taxes (ii) requesting, if necessary, an expedited determination of any unpaid tax liability of each Debtor or its estate under Bankruptcy Code section 505(b) for all taxable periods of such Debtor ending after the Commencement Date and (iii) representing the interest and account of each Debtor or its estate before any taxing authority in all matters including, without limitation, any action, suit, proceeding or audit; and (ix) prepare and file any and all informational returns, reports, statements, returns or disclosures relating to the Debtors that are required by any Governmental Unit or applicable law. The Plan Administrator shall have no liability for any acts or omissions in its capacity as Plan Administrator to the Post-Confirmation Debtors other than for gross negligence or willful misconduct of the Plan Administrator. On and after the Effective Date, the costs and expenses incurred for the preparation of tax returns, financial statements and audit reports covering any period prior to the

Effective Date shall be paid: (i) 95% by the Joint NSSC Receivers and the Bermuda Wind Down Asset Structure; and, (ii) 5% by the Post-Confirmation Debtors; provided, however, that the Plan Administrator receives approval from the Joint NSSC Receivers before commencing an audit to be funded under the terms of this provision.

7.8 Restructuring of the Post-Confirmation Debtors. On or after the Effective Date, the Post-Confirmation Debtors may merge, consolidate or reorganize any of the Debtors and/or combine any of the Debtors with any Non-Debtor Affiliates in such manner as the Post-Confirmation Debtors may deem prudent with a view toward minimizing the cost of administering their Assets or conducting their respective businesses.

7.9 Issuance of Interests in Post-Confirmation Debtors. On the Effective Date, (i) all of the memberships interests in reorganized NSC shall be issued to New NSSC Manager and (ii) NSCI shall become the sole limited partner of the reorganized NSSC.

7.10 Avoidance Actions Except to the extent released pursuant to Article 12 of this Plan, effective on and after the Effective Date, all Avoidance Actions and Causes of Action shall be preserved for the benefit of the Bermuda Investors and shall be Bermuda Wind Down Assets. The Plan Administrator and Post-Confirmation Debtors shall cooperate with the Joint NSSC Receivers and take any and all actions to facilitate the prosecution of Causes of Action and Avoidance Actions for the benefit of the Bermuda Investors. For the avoidance of any doubt, no Avoidance Actions or Causes of Action against any Released Parties shall be preserved for the benefit of the Bermuda Investors. The Confirmation Order shall provide that, from and after the Effective Date, the Plan Administrator and the manager of the Bermuda Wind Down Asset Structure shall have the right to prosecute any and all non-released Causes of Action and/or Avoidance Actions as a representative of the estate under section 1123(b)(3)(B) of the

Bankruptcy Code. The Bankruptcy Court shall retain jurisdiction over any and all Causes of Action and Avoidance Actions.

7.11 Closing of the Chapter 11 Cases. The Plan Administrator may seek the entry of a Final Decree at any time after this Plan has been substantially consummated provided that all required fees due under 28 U.S.C. § 1930 have been paid.

7.12 Post-Effective Date Reporting. As promptly as practicable after the making of any distributions that are required under the Plan to be made on the Effective Date, but in any event no later than twenty-one (21) days after the making of such distributions, the Plan Administrator shall File with the Bankruptcy Court and serve on the United States Trustee a report setting forth the amounts and timing of all such distributions and the recipients thereof. Thereafter, the Plan Administrator shall File with the Bankruptcy Court and serve on the United States Trustee quarterly reports summarizing the cash receipts and disbursements of the Debtors for the immediately preceding three-month period. Each quarterly report shall also state the Debtors' cash balances as of the beginning and ending of each such period. Quarterly reports shall be provided until the entry of a Final Decree. The Post-Confirmation Debtors shall comply with all tax withholding, reporting requirements and regulatory obligations imposed on them by any Governmental Unit, and all distributions pursuant to the Plan shall be subject to such withholding, requirements or obligations. Notwithstanding any provision in the Plan to the contrary, the Plan Administrator and the Post-Confirmation Debtors shall be authorized to take all actions necessary or appropriate to comply with such withholding, requirements or obligations.

7.13 GP Administrative Reserve. The GP Administrative Reserve shall be administered by the GP Manager until the GP Reserve Termination Date. The GP

Administrative Reserve shall not be used to pay any judgments, fines, restitution, penalties, or any similar sums in connection with any Administrative Action; provided, however, that the GP Manager shall have the right in its discretion, and with the consent of the Joint NSSC Receivers, which consent shall not be unreasonably withheld, to pay a settlement amount if it determines in its reasonable business judgment that paying such amount would avoid the cost and risk of permitting the Administrative Action to continue. The GP Administrative Reserve shall not be used to pay any amount incurred by any past, present or future manager, director, officer or employee of the GP Manager, the Debtors or the Post-Confirmation Debtors in connection with any Administrative Action that is due to be paid under any policy of insurance except that the GP Administrative Reserve may be used to advance an amount an insurer has wrongfully refused to pay or for which an insurer has, in the discretion of the GP Manager, unduly delayed payment. Such advancement shall be provided subject to the receipt of an appropriate undertaking or agreement from the insured party to repay such advancement into the GP Administrative Reserve when payment is received from the insurer and to remain liable for the advanced amount until such time. The GP Administrative Reserve shall be replenished from any insurance proceeds received by the GP Manager, Debtors or Post-Confirmation Debtors in connection with any Administrative Action. The GP Manager, Debtors or Post-Confirmation Debtors (as applicable) will pursue their insurers and use their best efforts to utilize proceeds of any available insurance policies to reimburse any amounts utilized in the GP Administrative Reserve. The amounts, if any, remaining in the GP Administrative Reserve on the GP Reserve Termination Date after all outstanding fees, expenses and costs have been paid shall be remitted to the Joint NSSC Receivers. Upon the GP Reserve Termination Date, at the request of and at the sole costs and expense of the Joint NSSC Receivers, the GP Manager shall provide accountings to the Joint

NSSC Receivers of any amounts utilized in the GP Administrative Reserve. In the event the GP Manager uses or otherwise utilizes proceeds in the GP Administrative Reserve but fails (or fails to direct the Debtors or Post-Confirmation Debtors) to use best efforts to pursue the applicable insurers and insurance policies for reimbursement of such amounts, the Joint NSSC Receivers shall be subrogated to the rights of the GP Manager (or the Debtors or Post-Confirmation Debtors as applicable) to pursue the applicable insurers and insurance policies to pay for reimbursement of such amounts at the sole cost and expense of the Joint NSSC Receivers.

7.14 Disposition of Liquidation Budget Amount. Any portion of the Liquidation Budget Amount that is not expended by the Post-Confirmation Debtors in accordance with the provisions of this Plan shall be paid to the Joint NSSC Receivers.

ARTICLE 8.

CLAIM OBJECTIONS

8.1 Objections to Claims. Prior to the Effective Date, objections to, and requests for estimation of, Claims against the Debtors may be interposed and prosecuted by the Debtors. Except to the extent released pursuant to Article 12 of this Plan or as otherwise provided herein, from and after the Effective Date, the Plan Administrator shall have the sole authority to File, settle, compromise, withdraw, arbitrate or litigate to judgment objections to Claims pursuant to applicable procedures established by the Bankruptcy Code, the Bankruptcy Rules, and this Plan. The Plan Administrator shall consult with the Joint NSSC Receivers regarding any Claim that is filed for an amount in excess of \$100,000; and, if following such consultation the Plan Administrator elects not to file an objection to any such Claim, the Joint NSSC Receivers shall have the right to file and prosecute such an objection at their sole costs and expense. Objections to any Other Priority Claim or General Unsecured Claim must be Filed

and served on the claimant no later than the later of (x) one hundred twenty (120) days after the date the Claim is Filed, (y) ninety (90) days after the Effective Date, or (z) such other date as may be ordered from time to time by the Court. The Plan Administrator shall use reasonable efforts to promptly and diligently pursue resolution of any and all disputed Other Priority Claims and General Unsecured Claims. Except with respect to Other Priority Claims, General Secured Claims, and Administrative Claims, no deadlines by which objections to Claims must be Filed have been established in these Chapter 11 Cases.

8.2 Disputed Claims Reserve. On or before the Effective Date, the Debtors shall establish a reserve, which shall be maintained by the Plan Administrator, as part of the Wind Down Budget, for all Disputed Claims, if any, in an amount equal to what would be distributed to holders of such Claims if their Disputed Claims had been Allowed Claims on the Effective Date equal to the Face Amount of such Disputed Claim or such other amount as may be determined by a Final Order of the Bankruptcy Court. With respect to such Disputed Claims, if, when, and to the extent any such Disputed Claim becomes an Allowed Claim by Final Order, the relevant portion of the Cash held in reserve therefore shall be distributed by the Plan Administrator to the Claimant in a manner consistent with distributions to similarly situated Allowed Claims. The balance of such Cash, if any, remaining after any particular Disputed Claims has been resolved and distributions made to the Holder of such Claim in accordance with the Plan, shall be released and transferred to the Bermuda Liquidation Account. No payments or distributions shall be made with respect to a Claim that is a Disputed Claim pending the resolution of the dispute by Final Order or agreement of the parties. Objections to Claims may be litigated to judgment or withdrawn, and may be settled with the approval of the Bankruptcy Court, except to the extent such approval is not necessary as provided in this section. After the

Effective Date, and subject to the terms of this Plan, the Post-Confirmation Debtor may settle any Disputed Claim where the result of the settlement or compromise is an Allowed Claim in an amount of \$10,000 or less without providing any notice or obtaining an order from the Bankruptcy Court. All proposed settlements of Disputed Claims where the amount to be settled or compromised exceeds \$10,000 shall be subject to the approval of the Bankruptcy Court after notice and an opportunity for a hearing.

8.3 Claims in Class 4(a). As of the Effective Date, each Claim in Class 4(a) shall be deemed Disputed unless and until (i) such Claim has been Allowed, (ii) has been Scheduled by the Debtors as undisputed, or (iii) has been identified in the Plan Supplement as undisputed; provided, however, that the rights of the Plan Administrator and Joint NSSC Receivers pursuant to section 8.1 of the Plan to object to the Allowance of any Claim in Class 4(a) on any grounds after the Effective Date are fully reserved.

ARTICLE 9.

DISTRIBUTIONS

9.1 No Duplicate Distributions. To the extent more than one Debtor is liable for any Claim, such Claim shall be considered a single Claim and entitled only to the payment provided therefor under the applicable provisions of the Plan.

9.2 Delivery of Distributions in General. Distributions to holders of Allowed Claims shall be made: (a) at the addresses set forth in the proofs of Claim Filed by such holders; (b) at the addresses set forth in any written notices of address change delivered after the date on which any related proof of Claim was Filed; (c) at the addresses reflected in the Schedules relating to the applicable Allowed Claim if no proof of Claim has been Filed and the

Post-Confirmation Debtors have not received a written notice of a change of address, or (d) to the Receivers for further distribution.

9.3 Cash Payments. Except as otherwise provided in the Confirmation Order, cash payments to be made pursuant to the Plan shall be made by checks drawn on a domestic bank or by wire transfer from a domestic bank, at the option of the Post-Confirmation Debtors.

9.4 Interest on Claims. Postpetition interest shall not accrue or be paid on Claims, and no holder of a Claim shall be entitled to interest accruing on or after the Petition Date on any Claim. Interest shall not accrue or be paid upon any Disputed Claim in respect of the period from the Petition Date to the date a Final Distribution is made thereon if and after such Disputed Claim becomes an Allowed Claim. To the extent that any Allowed Claim entitled to a distribution under the Plan is composed of indebtedness and accrued but unpaid interest thereon, such distribution shall, to the extent permitted by applicable law, be allocated for federal income tax purposes to the principal amount of the Allowed Claim first and then, to the extent the consideration exceeds the principal amount of the Allowed Claim, to the portion of such Allowed Claim representing accrued but unpaid interest.

9.5 No De Minimis Distributions. No payment of Cash in an amount of less than \$50.00 shall be required to be made on account of any Allowed Claim. Such undistributed amount may instead be made part of the Cash for use in accordance with this Plan.

9.6 Face Amount. Unless otherwise expressly set forth herein with respect to a specific Claim or Class of Claims, for the purpose of the provisions of this Plan, the “Face Amount” of a Disputed Claim means the amount set forth on the proof of Claim unless the

Disputed Claim has been estimated for distribution purposes or, in the alternative, if no proof of Claim has been timely Filed or deemed Filed, zero.

9.7 Undeliverable Distributions. If the distribution check to any holder of an Allowed Claim is not cashed within 90 days after issuance by the Debtors or Post-Confirmation Debtors, at the discretion of the Post-Confirmation Debtors, a stop payment order may be given with respect to the check and at the election of the Post-Confirmation Debtors, no further distributions shall be made to such holder on account of such Allowed Claim. Such Allowed Claim shall be released and the holder of such Allowed Claim shall be forever barred from asserting such Claim against the Debtors, their Estates or their respective property. In such cases, any Cash held for distribution on account of such Claim shall (i) become the property of the Debtors' estates, and (ii) be distributed to other Creditors in accordance with the terms of this Plan.

9.8 Effective Date Distributions. On the Effective Date, or as soon thereafter as practicable, the Post-Confirmation Debtors shall distribute to the holders of Allowed Administrative Claims and Allowed General Unsecured Claims in Classes 4(a), 4(c) and 4(d) Cash equal to the distributions on account of each such Claim that are provided for in this Plan.

9.9 Disputed Claims Reserve. The Post-Confirmation Debtors shall establish reserves for Disputed Claims in accordance with section 8.2 of this Plan. On and after the Effective date, the Plan Administrator shall maintain such Disputed Claims Reserve and periodically make payments out of such Disputed Claims Reserve in the manner specified in section 8.2 of this Plan.

9.10 Compliance with Tax Requirements. In connection with the Plan and the distributions made in accordance thereto, to the extent applicable, the Debtors and the Post-Confirmation Debtors shall comply with all tax withholding and reporting requirements, if any, imposed by any Governmental Unit and all distributions pursuant to the Plan shall be subject to such withholding and reporting requirements. The Post-Confirmation Debtors shall be authorized to take any and all actions that may be necessary or appropriate to comply with such withholding and reporting requirements.

ARTICLE 10.

CONDITIONS PRECEDENT

10.1 Conditions to Confirmation. The following are each conditions to entry of the Confirmation Order:

10.1.1 The Confirmation Order shall be in form and substance satisfactory to the Debtors, the Receivers, the DIP Lenders and Purchaser, in its capacity as purchaser under the Asset Purchase Agreement;

10.1.2 No uncured default shall have occurred and be continuing under the DIP Credit Agreement; and

10.1.3 The Wind Down Budget has been agreed to by the Debtors and the Joint NSSC Receivers.

10.2 Conditions to the Effective Date. The Plan shall not become effective and the Effective Date shall not occur unless and until:

10.2.1 The Bankruptcy Court shall have entered the Confirmation Order, and the Sale Order if appropriate, in form and substance satisfactory to the Debtors, the DIP Lenders and Purchaser, in its capacity as purchaser under the Asset Purchase Agreement;

10.2.2 No stay of the Sale Order, if any, or the Confirmation Order shall be in effect at the time the other conditions set forth in this Article 10 of the Plan are satisfied, or, if permitted, waived;

10.2.3 All documents, instruments and agreements provided for under this Plan or necessary to implement this Plan, including, without limitation, the Asset Management Agreement shall be in form and substance satisfactory to the Debtors, the Receivers, the DIP Lenders and Purchaser, in its capacity as purchaser under the Asset Purchase Agreement, and have been executed and delivered by the parties thereto, unless such execution or delivery has been waived by the parties benefited thereby;

10.2.5 The payments required pursuant section 2.5 of the Plan have been paid in full;

10.2.6 The Bermuda Liquidation Account shall have been funded by the Debtors in accordance with section 7.2 of the Plan;

10.2.7 The GP Administrative Reserve shall have been funded by the Debtors;

10.2.8 Solely in the event that the Plan is confirmed by the Consensual Process, the Bermuda non-C, F and I Consensual Contribution shall have been transferred to the Global Settlement Fund;

10.2.9 Solely in the event that this Plan is confirmed by the Cramdown Process, the Bermuda non-C, F and I Cramdown Contribution shall have been shall have been transferred to the Global Settlement Fund;

10.2.10 Solely in the event that this Plan is confirmed by the Consensual Process, the Purchaser Contribution shall have been transferred to the Global Settlement Fund;

10.2.11 The USCB Escrow defined in section 5.1 of this Plan shall be fully funded and paid by the Bermuda C, F and I Classes.

10.2.12 The Debtor shall hold sufficient Cash to pay all estimated Allowed Administrative Claims, Tax Claims, Allowed Other Priority Claims and Allowed General Unsecured Claims in Classes 4(a) , 4(c) and 4(d); and

10.2.13 The Confirmation Order shall have become a Final Order.

10.3 Termination of Plan for Failure To Become Effective. If the Effective Date shall not have occurred on or prior to the date that is forty-five (45) days after the Confirmation Date, then this Plan shall terminate and be of no further force or effect unless the provisions of this section 10.3 are waived in writing by the Debtors, the Receivers, the DIP Lenders and Purchaser, in its capacity as purchaser under the Asset Purchase Agreement; provided, however, that this section 10.3 shall not modify or supersede the terms of the DIP Facility or the Asset Purchase Agreement or any Event of Default thereunder, nor shall this provision in any way affect the prior completion of the sale pursuant to the Asset Purchase Agreement under a Sale Order.

10.4 Waiver of Conditions. The Debtors, with the written consent of the Receivers, the DIP Lenders and Purchaser, in its capacity as purchaser under the Asset Purchase Agreement, may waive any or all of the conditions set forth in sections 10.1 and/or 10.2 that does not affect the Debtors' ability to consummate the Plan.

10.5 Notice of Effective Date. On the Effective Date, or as soon thereafter as is reasonably practicable, the Debtors shall file with the Bankruptcy Court "Notice of Effective Date" in a form reasonably acceptable to the Debtors in their sole discretion, which notice shall constitute appropriate and adequate notice that this Plan has become effective, provided,

however, that the Debtors shall have no obligation to notify any Person other than counsel to the DIP Lenders of such fact. The Plan shall be deemed to be effective as of 12:01 a.m., prevailing Eastern time, on the Effective Date specified in such filing. A courtesy copy of the Notice of Effective Date may, but is not required to, be sent by first class mail, postage prepaid (or at the Company's option, by courier or facsimile) to those Persons who have filed with the Bankruptcy Court requests for notices pursuant to Bankruptcy Rule 2002.

ARTICLE 11.

EFFECT OF CONFIRMATION

11.1 Jurisdiction of Court. Pursuant to sections 105(a) and 1142 of the Bankruptcy Code, and notwithstanding entry of the Confirmation Order and occurrence of the Effective Date, the Bankruptcy Court shall retain exclusive jurisdiction over all matters arising out of, and related to, the Chapter 11 Cases and the Plan to the fullest extent permitted by law, including among other things, jurisdiction over the subject matters set forth in Article 12 of this Plan.

11.2 Entry of Confirmation Order. Entry of a Confirmation Order shall mean that all modifications or amendments to the Plan since the solicitation thereof are approved pursuant to section 1127(a) of the Bankruptcy Code and do not require additional disclosure or resolicitation under Bankruptcy Rule 3019.

11.3 Binding Effect. Except as otherwise provided in section 1141(d) of the Bankruptcy Code, on and after the Confirmation Date, the provisions of this Plan shall bind any holder of a Claim against or Interest in the Debtors and their respective successors and assigns, whether or not the Claim or Interest of such holder is Impaired under this Plan and whether or not such holder has accepted the Plan.

11.4 Exculpation. Except as otherwise specifically provided in this Plan, none of the Exculpated Parties shall have or incur, and are hereby released from, any obligation, Cause of Action or liability to one another or to any Creditor, or any other party in interest, for any act or omission in connection with, relating to, or arising out of, the Chapter 11 Cases, the negotiation or execution of the Plan Support Agreements, the negotiation and pursuit of confirmation of this Plan, the Consummation of this Plan, or the administration of the Estates or the property to be distributed under this Plan, except for their gross negligence or willful misconduct, and in all respects shall be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities (if any) under this Plan. Notwithstanding any other provision of this Plan, no Creditor nor other party in interest, shall have any right of action against any Exculpated Party for any act or omission in connection with, relating to, or arising out of, the Chapter 11 Cases, the negotiation or execution of the Plan Support Agreements, the negotiation and pursuit of confirmation of this Plan, the Consummation of this Plan, or the administration of the Estates or the property to be distributed under this Plan, except for such Exculpated Party's gross negligence or willful misconduct.

11.5 Limitation of Liability. Except as expressly set forth in the Plan, following the Effective Date, no Exculpated Party shall have or incur any liability to any holder of a Claim or Interest for any act or omission in connection with, related to, or arising out of, the Chapter 11 Cases, the negotiation and pursuit of confirmation of the Plan, the Consummation of the Plan or any contract, instrument, release or other agreement or document created in connection with this Plan, or the administration of the Plan or the property to be distributed under the Plan, except for such Exculpated Party's gross negligence or willful misconduct.

ARTICLE 12.
COMPROMISE, GLOBAL SETTLEMENT,
INJUNCTION AND RELATED PROVISIONS

12.1 Compromise and Settlement.

Notwithstanding anything to the contrary contained in this Plan or the Confirmation Order, the allowance, classification and treatment of all Allowed Claims, and their respective distributions and treatments hereunder, takes into account and conforms to the relative priority and rights of the Claims and the Interests in each Class in connection with any contractual, legal and equitable subordination rights relating thereto whether arising under general principles of equitable subordination, section 510 of the Bankruptcy Code, or otherwise to the extent such subordination is enforceable under applicable law. As of the Effective Date, any and all such rights described in the preceding sentence are settled, compromised, discharged and released pursuant hereto. The Confirmation Order will constitute the Bankruptcy Court's finding and determination that the settlements reflected in the Plan are (i) in the best interests of the Debtors, their estates and all Holders of Claims, (ii) fair, equitable and reasonable, (iii) made in good faith, and (iv) approved by the Bankruptcy Court pursuant to section 363 of the Bankruptcy Code and Bankruptcy Rule 9019. The Confirmation Order shall approve the releases by all Entities of all such contractual, legal and equitable subordination rights or Causes of Action that are satisfied, compromised and settled pursuant hereto. Nothing in this Article 12.1 shall compromise or settle in any way whatsoever, any Causes of Action that the Debtors, the Receivers or the Post-Confirmation Debtors, as applicable, may have against Entities that are not Released Parties or provide for the indemnity of any Entities that are not Released Parties. In accordance with the provisions of this Plan, and pursuant to section 363 of the Bankruptcy Code and Bankruptcy Rule 9019, without any further notice to or action, order or approval of the Bankruptcy Court, after the Effective Date (i) the Post-Confirmation Debtors may, in their sole

and absolute discretion and with the consent of the Joint NSSC Receivers, compromise and settle Claims against the Debtors and (ii) the Joint NSSC Receivers may, in their sole and absolute discretion, compromise and settle Causes of Action against other Entities that have been assigned to the Joint NSSC Receivers.

12.2 Satisfaction of Claims and Termination of Interests.

Pursuant to section 1141(d) of the Bankruptcy Code, and except as otherwise specifically provided in the Plan or in any contract, instrument, or other agreement or document created pursuant to the Plan, the distributions, rights, and treatments that are provided in the Plan are in complete discharge, settlement, satisfaction and release, effective as of the Effective Date, of Claims (including Intercompany Claims), Interests and Causes of Action of any nature whatsoever, including any interest accrued on Claims or Interests from and after the Petition Date, whether known or unknown, against, liabilities of, Liens on, obligations of, rights against, and Interests in, the Debtors or any of their assets or properties, regardless of whether any property shall have been distributed or retained pursuant to the Plan on account of such Claims and Interests, including demands, liabilities and Causes of Action that arose before the Effective Date, any liability (including withdrawal liability) to the extent such Claims or Interests relate to services performed by employees of the Debtors prior to the Effective Date and that arise from a termination of employment, any contingent or non-contingent liability on account of representations or warranties issued on or before the Effective Date, and all debts of the kind specified in sections 502(g), 502(h) or 502(i) of the Bankruptcy Code. The Confirmation Order shall be a judicial determination of the discharge of all Claims and Interests subject to the Effective Date occurring.

12.3 Release of Liens.

Except as otherwise provided in the Plan, or in any contract, instrument, release or other agreement or document created pursuant to the Plan, on the Effective Date and concurrently with the applicable distributions made pursuant to the Plan and, in the case of a Secured Claim, satisfaction in full of the portion of the Secured Claim that is Allowed as of the Effective Date, all mortgages, deeds of trust, Liens, pledges or other security interests against any property of the Estates shall be fully released and discharged, and all of the right, title and interest of any Holder of such mortgages, deeds of trust, Liens, pledges or other security interests shall revert to the Post-Confirmation Debtors and their successors and assigns.

12.4 Releases by the Debtors.

Pursuant to section 1123(b) of the Bankruptcy Code, for good and valuable consideration, on and after the Effective Date, the Released Parties are each deemed released and discharged by the Debtors, the Post-Confirmation Debtors and the Estates from any and all Claims, obligations, rights, suits, damages, Causes of Action, remedies and liabilities whatsoever, whether for tort, fraud, contract, violations of federal or state securities laws, or otherwise, including any derivative Claims asserted or that could possibly have been asserted on behalf of the Debtors, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, in law, equity, or otherwise, that the Debtors, the Post-Confirmation Debtors, the Estates, or their Affiliates would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the Holder of any Claim or Interest or other Entity, based on or relating to, or in any manner arising from, in whole or in part, the Debtors or their Non-Debtor Affiliates, the Chapter 11 Cases, the purchase, sale, or rescission of the purchase or sale of any security, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any

Released Party, the restructuring of Claims and Interests prior to or in the Chapter 11 Cases, the negotiation, formulation, or preparation of the Plan and related Disclosure Statement, or related agreements, instruments, or other documents, upon any other act or omission, transaction, agreement, event, or other occurrence taking place on or before the Confirmation Date of the Plan, other than Claims or liabilities arising out of or related to any contractual or fixed monetary obligation owed to the Debtors. Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the provisions of this provision of the Plan and further, shall constitute the Bankruptcy Court's finding that the provisions hereof are: (1) in exchange for the good and valuable consideration provided by the Released Parties; (2) a good faith settlement and compromise of the Claims released; (3) in the best interests of the Debtors and all Holders of Claims and Interests; (4) fair, equitable and reasonable; (5) given and made after due notice and opportunity for hearing; and (6) a bar to any of the Debtors, the Post-Confirmation Debtors or their successors asserting any claim or Claim or Cause of Action against any of the Released Parties. Notwithstanding anything to the contrary in the foregoing, the release set forth above does not release any post-Effective Date obligations of any party under the Plan or any document, instrument, or agreement executed to implement the Plan.

12.5 Releases by Holders of Claims.

Notwithstanding any other provision of this Plan or the Confirmation Order, as of the Effective Date, each Creditor or Holder of a Claim that was entitled to vote on the Plan and did not vote timely to reject the Plan shall be deemed to have unconditionally, irrevocably and forever, released each of the Released Parties from all obligations, suits, judgments, damages, demands, debts, rights, Causes of Action and liabilities, whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then existing

or thereafter arising, in law, equity, or otherwise that are based in whole or part on any act, omission, transaction, event, or other occurrence taking place on or prior to the Effective Date (including prior to the Petition Date) in any way relating to the Debtors, the NSI Receiver, the Joint NSSC Receivers, the Bermuda Liquidators, the Chapter 11 Cases, the Plan, or the Disclosure Statement, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Creditor, the restructuring of Claims and Interests prior to or in the Chapter 11 Cases, the negotiations, formulation, or preparation of the Plan, the related Disclosure Statement, or related agreements, instruments, or other documents, or upon any other act or omission, transaction, agreement, event, or other occurrence taking place before the Effective Date and that could have been asserted at any time up to immediately prior to the Effective Date; provided, however, that any rights or remedies of Purchaser pursuant to the Asset Purchase Agreement shall be deemed expressly provided for and preserved in this Plan and the Confirmation Order and shall not be subject to this release. Notwithstanding any language to the contrary contained in the Disclosure Statement, Plan, and/or Confirmation Order, no provision shall release any non-debtor, including any of the Released Parties, from liability in connection with any legal action or claim brought by the United States Securities and Exchange Commission.

12.6 Injunctions. Except as otherwise specifically provided in the Plan or the Confirmation Order, all Entities who have held, hold or may hold Claims, rights, Causes of Action, liabilities or any equity interests based upon any act or omission, transaction or other activity of any kind or nature related to the Debtors, the NSI Receiver, the Joint NSSC Receivers, the Bermuda Liquidators, or the Chapter 11 Cases that occurred prior to the Effective Date, other than as expressly provided in this Plan or the Confirmation Order, regardless of the

filing, lack of filing, allowance or disallowance of such a Claim or Interest and regardless of whether such Entity has voted to accept the Plan and any successors, assigns or representatives of such Entities shall be precluded and permanently enjoined on and after the Effective Date from (a) the commencement or continuation in any manner of any claim, action or other proceeding of any kind with respect to any Claim, Interest or any other right or claim against the Debtors, the NSI Receiver, the Joint NSSC Receivers, the Bermuda Liquidators, the DIP Lenders, MIO, the Purchaser, the Note Lenders, or the US-Cayman Investors that are affiliates of or controlled by MIO, or any assets of the foregoing, which they possessed or may possess prior to the Effective Date, (b) the enforcement, attachment, collection or recovery by any manner or means of any judgment, award, decree or order with respect to any Claim, Interest or any other right or claim against the Debtors, the NSI Receiver, the Joint NSSC Receivers, the Bermuda Liquidators, the DIP Lenders, MIO, the Purchaser, the Note Lenders, or the US-Cayman Investors that are affiliates of or controlled by MIO, or any assets of the foregoing, which such Entities possessed or may possess prior to the Effective Date, (c) the creation, perfection or enforcement of any encumbrance of any kind with respect to any Claim, Interest or any other right or claim against the Debtors, the NSI Receiver, the Joint NSSC Receivers, the Bermuda Liquidators, the DIP Lenders, MIO, the Purchaser, the Note Lenders, or the US-Cayman Investors that are affiliates of or controlled by MIO, or any assets of the foregoing which they possessed or may possess and (d) the assertion of any Claim that is released under this Plan; provided, however, that any rights or remedies of Purchaser pursuant to the Asset Purchase Agreement shall be deemed expressly provided for and preserved in this Plan and the Confirmation Order and shall not be subject to this injunction. Notwithstanding any language to the contrary contained in the Disclosure Statement, Plan, and/or Confirmation Order, no

provision thereof shall release the Joint NSSC Receivers, the NSI Receiver or the Bermuda Liquidators from any Cause of Action that may be brought by any Bermuda Investor under Bermuda law.

12.7 Global Settlement Fund. On the Effective Date, and periodically thereafter as necessary, all sums deposited in, or required to be delivered to, the USCB Escrow shall be transferred into the Global Settlement Fund, which shall be used exclusively for the purpose of making the payments provided for in this section 12.7. In addition to, and irrespective of, the amounts, if any, to be distributed to each Class 3 Creditor pursuant to section 5.3 of the Plan, on the Effective Date, each US-Cayman Investor who either (i) votes to accept the Plan or (ii) executes a ballot that consents to the acceptance of the Plan by the US Fund or any of the Cayman Funds in which such US-Cayman Investor holds an Interest (collectively, “Accepting US-Cayman Investors”), shall receive a payment from the Global Settlement Fund that is calculated based on the ratio that each such US-Cayman Investor’s Percentage Share bears to the aggregate of the Percentage Shares of all Accepting US-Cayman Investors. In consideration thereof, each Accepting US-Cayman Investor who receives a distribution from the Global Settlement Fund, solely in its capacity as such, shall be deemed to have unconditionally, irrevocably and forever, released and discharged each of the Released Parties from any and all Claims, Interests, Causes of Action, remedies and liabilities whatsoever, whether for tort, fraud, contract, violations of federal or state securities laws, or otherwise, including any derivative Claims, asserted on behalf of a Debtor, whether known or unknown, foreseen or unforeseen, existing or hereafter arising, in law, equity, or otherwise, that such entity would have been legally entitled to assert (whether individually or collectively), based on or in any way relating to, or in any manner arising from, in whole or in part, the Debtors, the Debtors’ restructuring, the

Chapter 11 Cases, the purchase, sale, or rescission of the purchase or sale of any security, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Released Party, the restructuring of Claims and Interests prior to or in the Chapter 11 Cases, the negotiation, formulation, or preparation of the Plan, the related Disclosure Statement or related agreements, instruments, or other documents, upon any other act or omission, transaction, agreement, event, or other occurrence taking place at any time on or before the Effective Date of the Plan. A vote to accept this Plan, or the acceptance of any payment or distribution made from the Global Settlement Fund, by any Investor or Creditor shall constitute, and be conclusively presumed to be, consent and acquiescence to the absolute, unconditional and irrevocable release and discharge of each of the Released Parties from any and all Claims, Interests, Causes of Action, remedies and liabilities, as set forth hereinabove. Notwithstanding anything to the contrary in the foregoing, the release set forth above does not release any post-Effective Date obligations of any party under the Plan or any document, instrument, or agreement executed to implement the Plan. In the event that any vote on the Plan by a Creditor holding an Allowed Claim in Class 3 is designated pursuant to section 1126(e) of the Bankruptcy Code or is otherwise not counted for purposes of determining whether Class 3 has accepted the Plan and such Creditor has timely returned a ballot indicating its acceptance of the Plan, then any such Creditor Holding an Allowed Claim in Class 3 shall nonetheless be entitled to receive its share of the Global Settlement Payment and shall be deemed to have consented to the release and discharge of the Released Parties set forth herein.

ARTICLE 13.

RETENTION OF JURISDICTION

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, the Bankruptcy Court shall retain jurisdiction over the Chapter 11 Cases after the Effective Date to the fullest extent legally permissible, including jurisdiction to, among other things:

(a) Allow, disallow, determine, liquidate, classify, estimate or establish the priority or secured or unsecured status of any Claim or Interest, including the resolution of any request for payment of any Administrative Claim and the resolution of any and all objections to the allowance or priority of all Claims and Interests;

(b) Hear and determine any and all causes of action against any Person and rights of the Debtors that arose before or after the Petition Date, including but not limited any Avoidance Action that is commenced on or prior to the Effective Date;

(c) Grant or deny any applications for allowance of compensation for professionals authorized pursuant to the Bankruptcy Code or the Plan, for periods ending on or before the Effective Date;

(d) Resolve any matters relating to the assumption, assumption and assignment or rejection of any executory contract or unexpired lease to which any Debtor is a party or with respect to which any of the Debtors may be liable, including without limitation the determination of whether such contract is executory or such lease is unexpired for the purposes of section 365 of the Bankruptcy Code, and hear, determine and, if necessary, liquidate any Claims arising therefrom;

(e) Enter any orders that may be required approving the Post-Confirmation Debtors' post-Confirmation sale or other disposition of Assets;

(f) Ensure that distributions to holders of Allowed Claims are accomplished pursuant to the provisions of the Plan;

(g) Decide or resolve any motions, adversary proceedings, contested or litigated matters and any other matters and grant or deny any applications involving any Debtor that may be pending in the Chapter 11 Cases on the Effective Date;

(h) Hear and determine matters concerning state, local or federal taxes in accordance with sections 346, 505 or 1146 of the Bankruptcy Code;

(i) Enter such orders as may be necessary or appropriate to implement or consummate the provisions of the Asset Management Agreement, the DIP Credit Agreement, the Plan, the DIP Facility Orders, the Asset Purchase Agreement and the Confirmation Order;

(j) Hear and determine any matters concerning the enforcement of the provisions of Article 11 and 12 of this Plan and any other exculpations, limitations of liability or injunctions contemplated by this Plan;

(k) Resolve any cases, controversies, suits or disputes that may arise in connection with the Consummation, interpretation or enforcement of the Asset Management Agreement, the DIP Credit Agreement, the Plan, the DIP Facility Orders or the Confirmation Order;

(l) Permit the Debtors, to the extent authorized pursuant to section 1127 of the Bankruptcy Code, to modify the Plan or any agreement or document created in connection with the Plan, or remedy any defect or omission or reconcile any inconsistency in the Plan or any agreement or document created in connection with the Plan;

(m) Issue injunctions, enter and implement other orders or take such other actions as may be necessary or appropriate to restrain interference by any entity with Consummation, implementation or enforcement of the Asset Management Agreement, the DIP Credit Agreement, the Plan, the DIP Facility Order, the Asset Purchase Agreement or the Confirmation Order;

(n) Enforce any injunctions entered in connection with or relating to the Plan or the Confirmation Order;

(o) Enter and enforce such orders as are necessary or appropriate if the Confirmation Order is for any reason modified, stayed, reversed, revoked or vacated, or distributions pursuant to the Plan are enjoined or stayed;

(p) Determine any other matters that may arise in connection with or relating to the Plan or any agreement or the Confirmation Order;

(q) Enter any orders in aid of prior orders of the Bankruptcy Court; and

(r) Enter a final decree closing the Chapter 11 Cases.

ARTICLE 14.

ACCEPTANCE OR REJECTION OF THE PLAN

14.1 Persons Entitled to Vote. Class 4(a), Class 4(d), Class 5(a) and Class 5 (d) are not Impaired and pursuant to section 1126(f) of the Bankruptcy Code are deemed to have accepted the Plan and these Classes will not be solicited. Holders of Claims or Interests in Class 4(b), Class 5(b) and Class 5(c) will not receive or retain any property under the Plan on account of such Claims or Interests and are deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code and these Classes will not be solicited. Only Holders of Claims or

Interests in Class 1, Class 2, Class 3 and Class 4(c) will be entitled to vote to accept or reject the Plan.

14.2 Acceptance by Impaired Classes. An Impaired Class of Claims shall have accepted the Plan if (i) the holders (other than any holder designated under section 1126(e) of the Bankruptcy Code) of at least two-thirds in amount of the Allowed Claims actually voting in such Class have voted to accept the Plan and (ii) the holders (other than any holder designated under section 1126(e) of the Bankruptcy Code) of at least one-half in number of the Allowed Claims actually voting in such Class have voted to accept the Plan.

14.3 Voting and Acceptance by US Fund. The US Fund Claim is an Allowed Claim in Class 3. The US Fund will vote that entire Claim in accordance with the indications received from the holders of a majority of the Interests in the US Fund. US-Cayman Investors holding Interests in the US Fund will be provided with the US Fund Investor Ballot, which solicits their indication to the manager of the US Fund of a preference for acceptance or rejection of the Plan. The US Fund will vote its Claim under the US Fund Notes in the manner indicated by those US-Cayman Investors who hold a majority of the value of the Interests in the US Fund and who timely return ballots. For purposes of sections 5.3 and 12.7 of the Plan, any ballots returned by the US-Cayman Investors holding Interests in the US Fund indicating the US Fund to vote its Claim under the US Fund Notes in favor of the Plan will be deemed to be a US-Cayman Investor who has voted to accept the Plan and shall be entitled to receive a *pro rata* share of the amounts in the Global Settlement Fund to be calculated and distributed in the manner provided in section 12.7 of the Plan.

ARTICLE 15.

MISCELLANEOUS PROVISIONS

15.1 Modification of the Plan. Subject to the restrictions on Plan modifications set forth in section 1127 of the Bankruptcy Code and subject to the consent of the Receivers, the DIP Lenders and Purchaser, in its capacity as purchaser under the Asset Purchase Agreement, the Debtors reserve the right to alter, amend, abandon, revoke or withdraw the Plan prior to the Confirmation Date and to file subsequent plans of reorganization. If the Debtors withdraw the Plan, or if Confirmation or Consummation does not occur, then: (1) the Plan shall be null and void in all respects; (2) any settlement or compromise embodied in the Plan (including the fixing or limiting to an amount certain of any Claim or Interest or Class of Claims or Interests), assumption or rejection of executory contracts or unexpired leases effected under the Plan and any document or agreement executed pursuant to the Plan, shall be deemed null and void; and (3) nothing contained in the Plan shall: (a) constitute a waiver or release of any Claims or Interests; (b) prejudice in any manner the rights of such Debtor or any other Entity; or (c) constitute an admission.

15.2 No Admissions. If Confirmation or the Effective Date does not occur, nothing contained in the Plan or Disclosure Statement shall be deemed as an admission by the Debtors with respect to any matter set forth herein or therein including, without limitation, liability on any Claim or the propriety of any Claims classification.

15.3 Severability of Plan Provisions. If prior to Confirmation any term or provision of the Plan that does not govern the treatment of Claims or Interests is held by the Bankruptcy Court to be invalid, void or unenforceable, at the request of the Debtors and subject to the consent of the DIP Lenders, the Bankruptcy Court shall have the power to alter and

interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void or unenforceable and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration or interpretation, the remainder of the terms and provisions of the Plan shall remain in full force and effect and shall in no way be affected, Impaired or invalidated by such holding, alteration or interpretation. The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is valid and enforceable pursuant to its terms.

15.4 Successors and Assigns. The rights, benefits and obligations of any Entity named or referred to in the Plan shall be binding on, and shall inure to the benefit of, any heir, executor, administrator, successor or assign of such Entity.

15.5 Exemption from Certain Transfer Taxes. Pursuant to section 1146(a) of Bankruptcy Code, the issuance, transfer or exchange of any security or the making or delivery of any instrument of transfer under this Plan may not be taxed under any law imposing a stamp tax or similar tax. The Insurance Portfolio Sale and any sale of any Asset occurring after or upon the Effective Date shall be deemed to be in furtherance of this Plan.

15.6 Preservation of Rights of Setoffs. The Debtors, may, but shall not be required to, set off against any Claim and the payments or other distributions to be made pursuant to this Plan in respect of such Claim, claims of any nature whatsoever that the Debtors may have against the holder of such Claims; but neither the failure to do so nor the allowance of any Claim hereunder shall constitute a waiver or release by the Debtors of any such claim that the Debtors may have against such holder; provided, however, that the Debtors shall not set off

any obligations or claims arising under the DIP Credit Agreement, the Pre-Petition Secured Note or the Asset Purchase Agreement against any obligations or claims relating to US-Cayman Investors that are controlled or managed by MIO.

15.7 Defenses with Respect to Unimpaired Claims. Except as otherwise provided in this Plan, nothing shall affect the rights and legal and equitable defenses of the Debtors with respect to any Unimpaired Claim, including all rights in respect of legal and equitable defenses to setoffs or recoupments against Unimpaired Claims.

15.8 No Injunctive Relief. Except as otherwise provided in the Plan or Confirmation Order, no Claim or Interest shall under any circumstances be entitled to specific performance or other injunctive, equitable, or other prospective relief.

15.9 Saturday, Sunday or Legal Holiday. If any payment or act under the Plan is required to be made or performed on a date that is not a Business Day, then the making of such payment or the performance of such act may be completed on the next succeeding Business Day, but shall be deemed to have been completed as of the required date.

15.10 Entire Agreement. This Plan and the Plan Supplement, together with the related agreements, exhibits and schedules, set forth the entire agreement and undertaking relating to the subject matter hereof and supersede all prior discussions and documents. The Debtors' Estates shall not be bound by any terms, conditions, definitions, warranties, understandings, or representations with respect to the subject matter hereof, other than as expressly provided for herein and in the related agreements, exhibits and schedules.

15.11 Notices. Any notice required or permitted to be provided under this Plan shall be in writing and served by either (a) certified mail, return receipt requested, postage

prepaid, (b) hand delivery, or (c) reputable overnight delivery service, freight prepaid, to be addressed as follows:

Counsel for the Debtors:

REED SMITH LLP
599 LEXINGTON AVENUE
22ND FLOOR
NEW YORK, NY 10022
ATTENTION: MICHAEL J. VENDITTO
Telephone: (212) 521 5400
Facsimile: (212) 521 5450

REED SMITH LLP
1201 MARKET STREET
SUITE 1500
WILMINGTON, DE 19801
ATTENTION: KURT F. GWYNN
Telephone: (302) 778 7512
Facsimile: (302) 778 7575

Counsel for the Joint NSSC Receivers:

DEWEY & LEBOEUF LLP
1301 Avenue of the Americas
NEW YORK, NY 10019
ATTENTION: TIMOTHY Q. KARCHER
Telephone: 212-259-6050
Facsimile: 212-259-6333

Counsel for the Debtors' post-petition lenders:

HOGAN LOVELLS US LLP
875 THIRD AVENUE
NEW YORK, NY 10022
ATTENTION: ROBIN E. KELLER
Telephone: 212-909-0640
Facsimile: 212-918-3100

Counsel for NSI Receiver:

GOODWIN PROCTER LLP
THE NEW YORK TIMES BUILDING
620 8TH AVENUE
NEW YORK, NEW YORK 10018
ATTENTION: EMANUEL C. GRILLO
Telephone: 212-813-8800
Facsimile: 212-355-3333

15.12 Closing of Chapter 11 Cases. The Post-Confirmation Debtors shall, promptly after the full administration of the Chapter 11 Cases, File with the Bankruptcy Court all documents required by Bankruptcy Rule 3022 and any applicable order of the Bankruptcy Court to close the Chapter 11 Cases.


15.13 Waiver or Estoppel. Each Holder of a Claim or an Interest shall be deemed to have waived any right to assert any argument, including the right to argue that its Claim or Interest should be Allowed in a certain amount, in a certain priority, secured or not subordinated by virtue of an agreement made with the Debtors or any other Entity, if such agreement was not disclosed in the Plan, the Disclosure Statement, or papers filed with the Bankruptcy Court prior to the Confirmation Date.

15.14 Conflicts. Except as set forth in the Plan, to the extent that any provision of the Disclosure Statement, or any orders (other than the Confirmation Order) referenced in the Plan (or any exhibits, schedules, appendices, supplements, or amendments to any of the foregoing), conflict with or are in any way inconsistent with any provision of the Plan, the Plan shall govern and control. To the extent that any provision of this Plan conflicts with, or is any manner inconsistent with, the provisions of the Confirmation Order, the Confirmation Order shall govern and control.

Dated: January 24, 2011

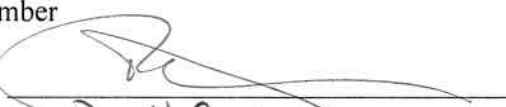
Respectfully submitted,

**NEW STREAM SECURED CAPITAL,
INC.**

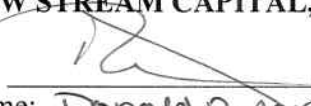
By: 
Name: Perry Gillies
Title: President

NEW STREAM INSURANCE, LLC

By: New Stream Capital, LLC, its Special
Member

By: 
Name: Donald Porter
Title: Managing Partner

NEW STREAM CAPITAL, LLC

By: 
Name: Donald Porter
Title: Managing Partner

NEW STREAM SECURED CAPITAL, L.P.

By: New Stream Capital, LLC, its General
Partner

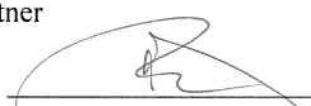
By: 
Name: Donald Porter
Title: Managing Partner

EXHIBIT A

ASSET PURCHASE AGREEMENT

by and between

NEW STREAM INSURANCE, LLC,

as Seller,

and

LIMITED LIFE ASSETS LLC

as Purchaser

Dated as of [_____,] 2010

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ASSET PURCHASE AGREEMENT

This **ASSET PURCHASE AGREEMENT**, dated as of [_____,] 2010 (this "Agreement"), is entered into by and between NEW STREAM INSURANCE, LLC, a Delaware limited liability company, as seller (in such capacity, the "Seller") and LIMITED LIFE ASSETS LLC, a Delaware limited liability company, as purchaser (in such capacity, the "Purchaser"). The Seller and the Purchaser are each sometimes referred to herein individually as a "Party" and collectively as the "Parties".

WHEREAS, the Purchaser desires to purchase from the Seller the Assets (as such term is defined in the Glossary of Defined Terms attached hereto), subject to the terms and conditions of this Agreement; and

WHEREAS, the Seller desires to sell to the Purchaser the Assets, subject to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Parties hereto, the Parties hereby agree as follows:

ARTICLE I

DEFINITIONS

SECTION 1.01 Definitions. Capitalized terms used and not otherwise defined in this Agreement have the respective meanings ascribed to them in the Glossary of Defined Terms attached hereto.

SECTION 1.02 Usage of Terms. The words "hereof," "herein" and "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement; article, section, subsection, exhibit and schedule references contained in this Agreement are references to articles, sections, subsections, exhibits and schedules in or to this Agreement unless otherwise specified; with respect to all terms in this Agreement, the singular includes the plural and the plural the singular; words importing any gender include the other genders; references to "writing" include printing, typing, lithography and other means of reproducing words in a visible form; references to agreements and other contractual instruments include all subsequent amendments, amendments and restatements and supplements thereto or changes therein entered into in accordance with their respective terms and not prohibited by this Agreement; references to Persons include their permitted successors and assigns; references to laws include their amendments and supplements, the rules and regulations thereunder and any successors thereto; and the term "including" means "including without limitation."

ARTICLE II

CONVEYANCE OF ASSETS

SECTION 2.01 Conveyance of Assets Generally.

(a) Agreement to Sell and Purchase. Subject to the terms and conditions of this Agreement, as of the Execution Date the Seller agrees to sell to the Purchaser, and the Purchaser agrees to purchase from the Seller, all right, title and interest of the Seller (i) in and to the Assets, including, without limitation (1) with respect to all Life Insurance Policies owned by the Seller, all rights possessed by Seller (directly or indirectly through the applicable securities intermediary) as owner and beneficiary of such Life Insurance Policies, (2) with respect to all other Assets, all rights possessed by Seller as owner and beneficiary of such Assets, and (3) with respect to all Assets, (i) all of Seller's right, title and interest in and to the Asset Documentation Package for each Asset that is a Conveyed Asset, and (ii) all proceeds of the foregoing, in each case, to the extent such transfer is permitted by applicable law and such transfer shall not include any rights, remedies, powers and privileges that by their nature are not transferable or will terminate or be ineffective or invalid upon any sale or transfer thereof (collectively, the property, rights and amounts described in this Section 2.01(a), the "Conveyed Property").

(b) Assumption of Assumed Liabilities. On the terms and subject to the conditions set forth in this Agreement, the Purchaser shall assume and become responsible for, from and after the Acquisition Date, all obligations and liabilities arising under, out of or in connection with the ownership, management and operation of the Conveyed Property from and after the Acquisition Date (collectively, the "Assumed Liabilities"), including the obligation to pay premiums and other related expenses (including, without limitation, trustee's fees and administrative manager's fees) with respect to each of the Life Insurance Policies and any obligations or liabilities arising under any of the operational documentation related to each of the Equity Assets. For the avoidance of doubt, such obligations and liabilities are listed in the previous clause for illustrative purposes only and in no manner shall limit the definition of Assumed Liabilities as set forth in the immediately preceding sentence.

(c) Purchase Price. In consideration for the Seller's sale and transfer of its title to and ownership of the beneficial interest in the Conveyed Property, and upon compliance by the Seller with the terms and conditions of Article IV of this Agreement, the Purchaser shall pay the Purchase Price to the Seller for such Conveyed Property at the time and in the manner specified in Article IV.

(d) Bulk Sales Laws. The Purchaser hereby waives compliance by the Seller with the requirements and provisions of any "bulk-transfer" laws of any jurisdiction that may otherwise be applicable with respect to the sale and transfer of any or all of the Conveyed Property to the Purchaser.

(e) Intent of the Parties. It is the intention of the Seller and the Purchaser that the conveyance, transfer and assignment of the Conveyed Property contemplated by this Agreement

shall constitute a sale of such Conveyed Property from the Seller to the Purchaser. As a precautionary measure, in the event that notwithstanding the contrary intention of the Seller and the Purchaser, the sale of any Conveyed Property is recharacterized as a loan, the Parties intend that this Agreement constitute a security agreement under applicable law, and the Seller hereby grants to the Purchaser a first priority perfected security interest in, to and under each such Conveyed Property and all proceeds of any of the same for the purpose of securing payment and performance of the Seller's obligations under this Agreement and the repayment of any amounts owed to the Purchaser by the Seller.

ARTICLE III

REPRESENTATIONS, WARRANTIES AND COVENANTS

SECTION 3.01 Representations and Warranties of the Seller and Purchaser.

(a) The Seller hereby represents and warrants to the Purchaser as of the Execution Date and the Acquisition Date that:

- (i) Organization, Good Standing and Licenses. It is duly organized, validly existing and in good standing under the laws of its respective state of incorporation, and is in good standing in, has all necessary organizational power and authority in, and has obtained all necessary licenses, approvals and consents in, all jurisdictions where the ownership of its properties as such properties are currently owned, the conduct of its business as such business is currently conducted, and the performance of its obligations under this Agreement require such qualifications, licenses, approvals or consents. In particular, at all relevant times, it had and has all necessary organizational power, authority and legal right to acquire and own each item of Conveyed Property, to enter into this Agreement and to sell to the Purchaser each item of Conveyed Property as contemplated by this Agreement. Other than the approval by the Bankruptcy Court of this Agreement and transactions contemplated thereby, no consent, approval, permit, license, authorization or order of or declaration or filing with any Governmental Authority is required to be obtained by the Seller for the consummation of the transactions contemplated by this Agreement, except for filings required under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and except for such as have been duly made or obtained.
- (ii) Due Authorization. Its execution and delivery of this Agreement and the performance of its obligations thereunder have been duly authorized by all necessary limited liability company and member action.
- (iii) Binding Obligation. This Agreement constitutes the legal, valid and binding obligation of the Seller enforceable against the Seller in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency,

reorganization, moratorium and other similar laws affecting creditors' rights generally or by general principles of equity.

- (iv) No Violation. The consummation of the transactions contemplated by this Agreement and the fulfillment of the terms hereof will not violate, result in the breach of any terms and provisions of, nor constitute an event of default under the certificate of formation or limited liability company agreement of the Seller, or any law or regulation to which the Seller is subject, as then in effect and as then interpreted by relevant regulators or in case law, or violate or breach any of the terms or provisions of, or constitute an event of default under any agreement to which the Seller is a party or by which it shall be bound, nor violate any order, judgment or decree applicable to the Seller of any Governmental Authority having jurisdiction over the Seller or its properties which violation, breach or default would have a Material Adverse Effect on the validity or enforceability of this Agreement, or the ability of the Seller to perform its obligations under this Agreement.
 - (v) No Proceedings. There is no action, suit or proceeding before or by any Governmental Authority, now pending, or to its Actual Knowledge, threatened in writing, against or affecting it or on the Conveyed Property: (A) asserting the invalidity of this Agreement, (B) seeking to prevent the consummation of any of the transactions contemplated by this Agreement, or (C) except as set forth in Schedule 1, seeking any determination or ruling that could reasonably be expected to materially and adversely effect the value, enforceability or transferability of the Conveyed Property or the Seller's interests therein.
 - (vi) Accredited Investor. The Seller is an "Accredited Investor" as such term is defined in the United States Securities Act of 1933.
 - (vii) Accuracy of Information. All information provided by it or on its behalf to the Purchaser in writing in connection with this Agreement or the transactions contemplated hereby is, or if provided at a later date, shall be, to the Actual Knowledge of the Seller, true, complete and correct in all material respects as of the date of such information.
- (b) The Purchaser hereby represents and warrants to the Seller as of the Execution Date and the Acquisition Date that:
- (i) Organization, Good Standing and Licenses. It is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware, and is in good standing in, has all necessary organizational power and authority in, and has obtained all necessary licenses, approvals and consents in, all jurisdictions where the ownership of its properties as such properties are currently owned, the conduct of its business as such business is currently conducted, and the performance of its obligations under this Agreement require such

qualifications, licenses, approvals or consents. In particular, at all relevant times, it had and has all necessary organizational power, authority and legal right to acquire the Conveyed Property as contemplated by this Agreement, and no consent, approval, permit, license, authorization or order of or declaration or filing with any Governmental Authority is required to be obtained by the Purchaser for the consummation of the transactions contemplated by this Agreement, except such as have been duly made or obtained.

- (ii) Due Authorization. Its execution and delivery of this Agreement and the performance of its obligations thereunder have been duly authorized by all necessary company action.
- (iii) Binding Obligation. This Agreement constitutes the legal, valid and binding obligation of the Purchaser enforceable against the Purchaser in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally or by general principles of equity.
- (iv) No Violation. The consummation of the transactions contemplated by this Agreement and the fulfillment of the terms hereof will not violate, result in the breach of any terms and provisions of, nor constitute an event of default under the certificate of formation or limited liability company agreement of the Purchaser or any material law or regulation to which the Purchaser is subject, as then in effect and as then interpreted by relevant regulators or in case law, or violate or breach any of the terms or provisions of, or constitute an event of default under any material agreement to which the Purchaser is a party or by which it shall be bound, nor violate any order, judgment or decree applicable to the Purchaser of Governmental Authority having jurisdiction over the Purchaser or its properties which violation, breach or default would have a material adverse effect on the validity or enforceability of this Agreement, or the ability of the Purchaser to perform its obligations under this Agreement.
- (v) No Proceedings. There is no action, suit or proceeding before or by any Governmental Authority, now pending, or to its Actual Knowledge, threatened in writing, against or affecting it or its assets or properties: (A) asserting the invalidity of this Agreement or (B) seeking to prevent the consummation of any of the transactions contemplated by this Agreement.
- (vi) Patriot Act. It is not, and none of its Affiliates or investors nor any other Person that has made funds available to the Purchaser in order to allow the Purchaser to fulfill its obligations under this Agreement is (A) a Person listed in the Annex to Executive Order No. 13224 (2001) issued by the President of the United States (Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism), (B) named on the List of Specially Designated Nationals and Blocked Persons maintained by the U.S.

Office of Foreign Assets Control, (C) a non-U.S. shell bank or is providing banking services indirectly to a non-U.S. shell bank, (D) a senior non-U.S. political figure or an immediate family member or close associate of such figure, or (E) otherwise prohibited from investing in the Purchaser pursuant to applicable U.S. anti-money laundering, anti-terrorist and asset control laws, regulations, rules or orders.

- (vii) Suitability. It has determined, based on such professional advice as it has deemed appropriate under the circumstances, that its acquisition of Conveyed Property pursuant to this Agreement (A) is fully consistent with the Purchaser's financial needs, objectives and condition and (B) is fit, proper and suitable for it and for its investors, notwithstanding the clear and substantial risks inherent in investing in or holding the Conveyed Property.
- (viii) Own Review and Advisors. The Purchaser, with the assistance of its own legal, regulatory, tax, insurance, business, investment, financial and accounting advisors, has carefully read and evaluated this Agreement and all information and materials delivered to the Purchaser by or on behalf of the Seller in relation to the Assets, the acquisition, ownership and sale of the Conveyed Property by the Seller and all terms of this Agreement, and in consultation with its own legal, regulatory, tax, insurance, business, investment, financial and accounting advisors, has made an informed investment decision with respect to its purchase of the Conveyed Property. The Purchaser has been afforded, to its satisfaction, reasonable opportunity to ask questions concerning the Assets, the acquisition, ownership and sale of the Conveyed Property by the Seller and all terms of this Agreement, and has had all of its questions answered to its satisfaction and has been supplied all information deemed necessary by it in order to make such an informed investment decision.
- (ix) [Reserved].
- (x) Investment Company Act. The Purchaser is not required to be registered under the Investment Company Act of 1940 (as amended).
- (xi) Accredited Investor; Securities Laws. The Purchaser is an "Accredited Investor" as such term is defined in the United States Securities Act of 1933. The Purchaser (A) may purchase and hold the Conveyed Assets, (B) may resell the Conveyed Assets or interests therein and (C) may issue securities or other instruments or certificates representing interests in Conveyed Assets or payable from the proceeds thereof, in each case only in a manner that either satisfies the requirements for, or is exempt from registration under the United States Securities Act of 1933, or comparable registration requirements of any applicable non-U.S. securities laws.

- (xii) Accuracy of Information. All information provided by it or on its behalf to the Seller in writing in connection with this Agreement or the transactions contemplated hereby is, or if provided at a later date, shall be, to the actual knowledge of the Purchaser, true, complete and correct in all material respects as of the date of such information.
- (xiii) No reliance. Independently and without reliance upon the Seller (other than its reliance on the Seller's representations, warranties and covenants set forth in the Transaction Documents) and based upon such documents and information as it has deemed appropriate, the Purchaser has made and will continue (to the extent permitted hereunder) to make its own appraisal of and investigation into the business, operations, property, prospects, financial and other conditions and creditworthiness of the Seller, and its own decision to enter into this Agreement and to take, or omit to take, action under any Transaction Document.

(c) The representations and warranties of the Seller and the Purchaser set forth in Section 3.01 shall survive for a period of one (1) year following the Acquisition Date, and neither Party (nor its successors or assigns) will have any right, remedy or cause of action in relation to any breach or alleged breach by the other Party of any such representation or warranty if such Party has not brought an action alleging such breach in a court of law or before an arbitral tribunal prior to the end of such one (1) year.

SECTION 3.02 Representations and Warranties Relating to Conveyed Property.

(a) Life Insurance Policies. With respect to each Life Insurance Policy and the related Conveyed Property that is acquired by the Purchaser on the Acquisition Date, the Seller represents and warrants to the Purchaser as of the Acquisition Date that:

- (i) the information relating thereto is the information appearing in the documentation comprising the related Asset Documentation Package and any other documents in the possession of the Seller and delivered to the Purchaser, and, to the Seller's Actual Knowledge, such information is true, accurate and complete in all material respects;
- (ii) to the Seller's Actual Knowledge, at issuance of such Life Insurance Policy the related Insured or original owner thereof was not a party to any written or oral agreement or arrangement to cause the same or interests therein to be issued, assigned, sold, transferred, or otherwise disposed of in violation of applicable law or public policy;
- (iii) other than with respect to Life Insurance Policies identified on Schedule 1 hereto as SPAR Assets or SLCM Assets (as to which the Seller does not have Actual Knowledge of whether the Insured or original owner was an Accredited Investor), to the Seller's Actual Knowledge, at the issuance of such Life Insurance Policy

the related Insured or original owner thereof the related Insured was an Accredited Investor (as defined above);

- (iv) except as disclosed on Schedule 3.02(a)(iv), and solely to the extent applicable to the Seller, the Seller has no Actual Knowledge that material medical or financial information supplied by or on behalf of the Insured or original owner of such Life Insurance Policy in the application for the issuance of such Life Insurance Policy or in any other item comprising an element of the related Asset Documentation Package is, or at the date of such application or execution of such item was, false, incomplete or misleading in any material respect;
- (v) (A) the Seller does not possess or have Actual Knowledge of the existence of any material documentation related to such Life Insurance Policy or the issuance thereof, the acquisition by the Seller thereof, or the maintenance by the Seller thereof, that has not been delivered or disclosed in writing to the Purchaser or its agents and (B) to the extent that, after the Acquisition Date, the Seller has Actual Knowledge of the existence of, or discovers that it or a third party engaged by the Seller in relation to the Life Insurance Policies possesses, any material documentation related to any Life Insurance Policy or the issuance thereof, the acquisition by the Seller thereof, or the maintenance by the Seller thereof, that has not been delivered or disclosed in writing to the Purchaser or its agents pursuant to clause (A) above, it shall and it shall use its commercially reasonable efforts to cause such third parties, if applicable, to deliver, or disclose in writing to the Purchaser or its agents such material documentation;
- (vi) prior to the sale and transfer of such Life Insurance Policy to the Purchaser, (A) the Seller has full, complete and absolute ownership thereof or of the Seller's Percentage of the beneficial interests thereof through its ownership of the applicable Equity Asset, free and clear of any encumbrances or Liens of any kind (excluding any disclosed to the Purchaser), including, to the Seller's Actual Knowledge, any claims of any spouse, heir or person previously designated as an owner or beneficiary thereof, and holds legal and beneficial title thereto (except that it does not hold legal title with respect to those Life Insurance Policies (aa) as to which legal title is held by the Securities Intermediary for the benefit of the Seller or (bb) which are owned, directly or indirectly, by an Equity Asset), and (B) to the Seller's Actual Knowledge, there are no existing proceedings brought by the spouse, heir or person previously designated as an owner or beneficiary of any such Life Insurance Policy;
- (vii) except as disclosed on Schedule 3.02(a)(vii), upon the sale and transfer of such Life Insurance Policy, the Purchaser or its designee will hold title to and ownership of such Life Insurance Policy or of the beneficial interest in the related applicable legal entity, free and clear of any claim, Lien, encumbrance or obligation in favor of the Seller, its Affiliates, and all Persons taking or claiming

an interest therein through the Seller or any such Affiliate or as a result of any grant of such interest by the Seller or any such Affiliate;

- (viii) the Seller acquired such Life Insurance Policy pursuant to the applicable transfer documents contained in the related Asset Documentation Package and in compliance with, in all material aspects, the laws, rules and regulations applicable to the purchase of life insurance policies and specified therein, as then in effect and as then interpreted by the relevant regulators or in case law;
- (ix) the Seller has not, and has no Actual Knowledge that any previous owner of such Life Insurance Policy has, waived, amended or terminated any material provision of or any material rights in relation to such Life Insurance Policy or any item comprising the related Asset Documentation Package that would have any effect on the timing or amount of the payment of the Net Death Benefit;
- (x) in accordance with the terms of the NSI-MIO Securities Account Control Agreement, the Premiums for such Life Insurance Policy have been paid such that such Life Insurance Policy will not be in a grace period as of October 30, 2010;
- (xi) except as disclosed on Schedule 3.02(a)(xi), to the Seller's Actual Knowledge, other than grace period or similar notices relating to payment of premiums, the related Issuing Insurance Company has never delivered notice of its intention to cancel, contest, rescind or refuse payment under such Life Insurance Policy;
- (xii) except as disclosed on Schedule 3.02(a)(xii), to the Seller's Actual Knowledge, there is not any pending or threatened claim, action or proceeding challenging the validity or enforceability of such Life Insurance Policy, or of the right or power of the Seller to sell such Life Insurance Policy to the Purchaser or any other person;
- (xiii) except as set forth on Schedule 3.02(a)(xiii) hereto, the related Issuing Insurance Company has never delivered a notice stating an intent to increase the cost of insurance for such Life Insurance Policy;
- (xiv) the Seller has delivered, disclosed or made available to the Purchaser or its agents the documentation utilized by the Seller to perform servicing activities in relation to the Life Insurance Policies; and
- (xv) the Seller has not and has no Actual Knowledge of any challenge or the institution of any proceedings to challenge the validity of the formation or existence of any legal entity in which any Equity Asset holds, directly or indirectly, an ownership or beneficial interest.

(b) Premium Finance Loans. With respect to each Premium Finance Loan and the related Conveyed Property that is acquired by the Purchaser on the Acquisition Date, the Seller represents and warrants to the Purchaser as of the Acquisition Date that:

- (i) the information relating thereto is the information appearing in the documentation comprising the related Asset Documentation Package and any other documents in the possession of the Seller and delivered to the Purchaser, and, to the Seller's Actual Knowledge, such information is true, accurate and complete in all material respects;
- (ii) to the Seller's Actual Knowledge, at issuance of any life insurance policy that, directly or indirectly, is collateral for such Premium Finance Loan the related Insured or original owner thereof was not a party to any written or oral agreement or arrangement to cause the same or interests therein to be issued, assigned, sold, transferred, or otherwise disposed of in violation of applicable law or public policy;
- (iii) to the Seller's Actual Knowledge, at issuance of any life insurance policy that, directly or indirectly, is collateral for such Premium Finance Loan the related Insured was an Accredited Investor (as defined above);
- (iv) except as disclosed on Schedule 3.02(b)(iv), and solely to the extent applicable to the Seller, the Seller has no Actual Knowledge that material medical or financial information supplied by or on behalf of the Insured or original owner of any life insurance policy that, directly or indirectly, is collateral for such Premium Finance Loan in the application for the issuance of such life insurance policy, or in any other item comprising an element of the related Asset Documentation Package, is, or at the date of such application or execution of such item was, false, incomplete or misleading in any material respect;
- (v) (A) the Seller does not possess or have Actual Knowledge of the existence of any material documentation related to such Premium Finance Loan, the making or maintenance of such Premium Finance Loan, the acquisition of such Premium Finance Loan by the Seller, or the issuance or the maintenance of any life insurance policy that is collateral for such Premium Finance Loan, that has not been delivered or disclosed in writing to the Purchaser or its agents and (B) to the extent that, after the Acquisition Date, the Seller has Actual Knowledge of the existence of, or discovers that it or a third party engaged by the Seller in relation to the Premium Finance Loans possesses, any material documentation related to any Premium Finance Loan, the making or maintenance of such Premium Finance Loan, the acquisition of such Premium Finance Loan by the Seller, or the issuance or the maintenance of any life insurance policy that is collateral for such Premium Finance Loan, that has not been delivered or disclosed in writing to the Purchaser or its agents pursuant to clause (A) above, it shall and it shall use its commercially reasonable efforts to cause such third parties, if applicable, to deliver or disclose in writing to the Purchaser or its agents such material documentation;
- (vi) except as disclosed on Schedule 3.02(b)(vi), prior to the sale and transfer of such Premium Finance Loan to the Purchaser, the Seller has full, complete and

absolute title to, and ownership thereof, free and clear of any encumbrances or Liens of any kind, and, to the Seller's Actual Knowledge, no spouse, heir, trust beneficiary or other Person has any Lien on or security interest in any life insurance policy that, directly or indirectly, is collateral for such Premium Finance Loan (excluding any disclosed to the Purchaser);

- (vii) upon the sale and transfer of such Premium Finance Loan, the Purchaser or its designee will hold title to and ownership of such Premium Finance Loan, free and clear of any claim, Lien, encumbrance or obligation thereon or on any collateral for such Premium Finance Loan in favor of the Seller, its Affiliates, and all Persons taking or claiming an interest therein through such Seller or any such Affiliate or as a result of any grant of such interest by the Seller or any such Affiliate;
- (viii) the Seller made or acquired such Premium Finance Loan pursuant to the applicable documents in the related Asset Documentation Package and in compliance with, the laws, rules and regulations applicable to its making or purchase of premium finance loans and specified therein, as then in effect and as then interpreted by the relevant regulators or in case law, other than any failure to comply with any such law, rule and regulation which would not result in the invalidation or cancellation of the Premium Finance Loan or any amounts due thereunder or would otherwise affect the ability of the Purchaser to collect such Premium Finance Loan or foreclose on the collateral;
- (ix) except as disclosed on Schedule 3.02(b)(ix), the Seller has not, and has no Actual Knowledge that any previous owner of such Premium Finance Loan has, waived, amended or terminated any material provision of or any material rights in relation to such Premium Finance Loan, any life insurance policy or other material collateral securing such Premium Finance Loan, or other any item comprising the related Asset Documentation Package that would have any effect on the timing or amount of the payment of the Net Death Benefit;
- (x) the Seller has not, and has no Actual Knowledge that any previous owner of any life insurance policy that, directly or indirectly, is collateral for a Premium Finance Loan has, waived, amended or terminated any material provision of or any material rights in relation to such Life Insurance Policy or any item comprising the related Asset Documentation Package that would have any effect on the timing or amount of the payment of the Net Death Benefit;
- (xi) in accordance with the terms of the Securities Account Control Agreement, the Premiums for such Premium Finance Loan have been paid such that such life insurance policy will not be in a grace period as of December 15, 2010;
- (xii) to the Seller's Actual Knowledge, other than grace period or similar notices relating to payment of premiums, the Issuing Insurance Company that issued any

life insurance policy that is collateral for such Premium Finance Loan has never delivered notice of its intention to cancel, contest, rescind or refuse payment under such life insurance policy;

- (xiii) except as disclosed on Schedule 3.02(b)(xii), to the Seller's Actual Knowledge, there is not any pending or threatened claim, action or proceeding challenging the validity or enforceability of such Premium Finance Loan or of any life insurance policy that is collateral for such Premium Finance Loan, or of the right or power of the Seller to sell such Premium Finance Loan to the Purchaser or any other person;
- (xiv) except as set forth on Schedule 3.02(b)(xiii) hereto, the related Issuing Insurance Company has never delivered a notice stating an intent to increase the cost of insurance for such Life Insurance Policy;
- (xv) the Seller has delivered, disclosed or made available to the Purchaser or its agents the documentation utilized by the Seller to perform servicing activities in relation to the Premium Finance Loans; and
- (xvi) the Seller has not and has no Actual Knowledge of any challenge or the institution of any proceedings to challenge the validity of the formation or existence of the trust or other legal entity that is the borrower under such Premium Finance Loan.

(c) Equity Assets. With respect to each Equity Asset that is acquired by the Purchaser on the Acquisition Date, the Seller represents and warrants to the Purchaser as of the Acquisition Date that:

- (i) each Equity Asset LLC is duly organized, validly existing and in good standing under the laws of the jurisdiction in which it was formed. Each such Equity Asset LLC is qualified to do business in the jurisdictions wherein the character of the properties owned, leased or operated or the nature of the business or activity currently being conducted by it make such qualification necessary or appropriate. Copies of the current Certificate of Formation and Limited Liability Company Operating Agreement of each such Equity Asset LLC have been heretofore delivered to the Purchaser and are correct, complete and in full force and effect. The current officers and directors of each such Equity Asset LLC and any Person who holds a power-of-attorney in respect of any such Equity Asset LLC are set forth on Schedule 3.02(c)(i). No bankruptcy or insolvency proceedings are pending with respect to any such Equity Asset LLC or contemplated by the Seller, nor, to the Actual Knowledge of the Seller, are such proceedings threatened in writing with respect to any such party;
- (ii) the Seller has good, valid and marketable title to the Equity Assets, free and clear of all Liens. The sale and delivery by the Seller of the Equity Assets to the Purchaser pursuant to this Agreement will vest in the Purchaser good, valid and

marketable legal and beneficial title to the Equity Assets, free and clear of all Liens of any kind or nature whatsoever;

- (iii) there is no action, suit, investigation or proceeding pending against, or to the Actual Knowledge of the Seller, threatened in writing against or affecting the business of any Equity Asset LLC before any court or arbitrator or any Governmental Authority, agency or official;
- (iv) to the Actual Knowledge of the Seller, no Equity Asset LLC is, or has ever been, in violation of any (x) material laws, rules, regulations or (y) court orders, injunctions or judgments applicable to such limited liability company and its acquisition, ownership or maintenance of its assets;
- (v) no Equity Asset LLC owns, or has ever owned, leases or has ever leased or subleases or has ever sublet any real property;
- (vi) no Equity Asset LLC has or at any time in the past had any employees;
- (vii) no Equity Asset LLC has any current, nor at any time in the past had any, employee benefit plans or is liable under any current or past employment benefit plan;
- (viii) no Equity Asset LLC owns or licenses, nor at any time has any such limited liability company, owned or licensed any intellectual property rights; and
- (ix) to the Actual Knowledge of the Seller, there are no pending or threatened claims by any Government Authority against any Equity Asset LLC with respect to payment or non-payment of tax returns.

(d) Accuracy of Information. All information provided by it or on its behalf to the Purchaser in writing in connection with this Agreement or the transactions contemplated hereby is, or if provided at a later date, shall be, to the Actual Knowledge of the Seller, true, complete and correct in all material respects as of the date of such information.

(e) Survival of Representations and Warranties. The representations and warranties set forth in Section 3.02 with respect to any Conveyed Property shall survive for a period of one (1) year following the Acquisition Date, and the Purchaser and its successors and assigns will have no right, remedy or cause of action in relation to any breach or alleged breach by the Seller of any such representation or warranty if the Purchaser has not brought an action alleging such breach in a court of law or before an arbitral tribunal prior to the end of such one (1) year.

SECTION 3.03 Excluded Representations and Warranties of the Seller as to the Conveyed Property. The Seller makes no representation or warranty as to (i) the fitness of any Conveyed Property for any particular use or business purpose of the Purchaser, (ii) the accuracy of any assessment of life expectancy or the mortality rating provided by any Medical Underwriter, or the appropriateness of the methodology used by any Medical Underwriter to assess a life

expectancy or assign a mortality rating, (iii) the accuracy of any mortality table, (iv) the amount the Purchaser ultimately will recover as proceeds of any Conveyed Property or the timing of its receipt of any such amounts, (v) the amount of the Premiums required to maintain in effect any Life Insurance Policy or any life insurance policy that is collateral for any Premium Finance Loan, (vi) that any Person that is a party to any item in any Asset Documentation Package can or will perform any of its obligations in relation thereto or has not breached or will not breach any representation, warranty, covenant or agreement thereof contained therein or (vii) any other matter other than as expressly set forth in Section 3.01(a) or Section 3.02. Any representation, warranty or covenant made herein by Seller with respect to an Asset or its related property, rights or amounts (the “Related Property”) shall not be deemed to be made with respect to such Asset or its Related Property (a) if such Asset or its Related Property is not transferred to the Purchaser hereunder for any reason and therefore is not a Conveyed Asset or Conveyed Property, as applicable, or (b) at and from such time as (i) the Life Insurance Policy has lapsed or expired by the action or inaction of the Purchaser or its designee, or for any other reason is no longer outstanding and in full force, or (ii) such Life Insurance Policy’s Net Death Benefit has been paid to the Purchaser or its designee. The Purchaser expressly acknowledges that the Seller has not made any representations and warranties other than as set forth herein and in the other Transaction Documents. Except for items specifically required to be delivered hereunder, the Seller shall not have any duty or responsibility to provide the Purchaser or any of its Affiliates any information that comes into the possession of the Seller or any of its officers, directors, employees, agents, attorneys-in-fact or Affiliates.

SECTION 3.04 Covenants of the Seller.

(a) Acknowledgement of Conveyances. The Seller hereby covenants that (i) it will take no action inconsistent with the Purchaser’s ownership of or beneficial interest in any Conveyed Property, (ii) any financial statements of the Seller or any Affiliates thereof that are published, made publicly available or delivered to creditors or investors (or potential creditors or investors) will not indicate or imply that the Seller or any Affiliate thereof has any ownership interest in any Conveyed Property, and (iii) if a third party that has a legal or equitable right to obtain such information (including any creditor, potential creditor, investor or potential investor in the Seller or any regulator or court of competent jurisdiction) should inquire, the Seller will promptly indicate that such Conveyed Property have been sold and transferred to the Purchaser and will not claim ownership interests therein and that the Seller has not retained any ownership interest therein.

(b) No Creation of Adverse Interests. Except for the conveyances hereunder and pursuant to the other Transaction Documents, prior to the transfer of any Conveyed Property to the Purchaser, the Seller will not sell, pledge, assign or transfer to any other Person, or grant, create, incur, assume or suffer to exist any Lien on any Conveyed Property (other than any Lien in favor of the Purchaser or its Affiliates), and following the Acquisition Date, the Seller shall defend the right, title, and interest of the Purchaser in, to and under the Conveyed Property against all claims of third parties claiming through or under the Seller and its Affiliates.

(c) Delivery of Records. The Seller shall deliver to the Purchaser (i) on or prior to the Acquisition Date all books, records, minutes and similar information with respect to the Equity Asset LLCs in its possession at such time, and (ii) promptly upon discovery thereof after the Acquisition Date, any further books, records, minutes and similar information with respect to the Equity Asset LLCs that the Seller comes into possession thereof; *provided*, notwithstanding the terms of this Agreement, the Purchaser shall not have the right to terminate this Agreement or any transactions hereunder due to any breach by the Seller of this Section 3.04(c).

SECTION 3.05 Covenants of the Purchaser. The Purchaser will not sell, transfer, convey or assign any Conveyed Property to a natural person or any partnership, trust, single member limited liability company or other entity whether or not formed for the purpose of owning any Conveyed Property that gives one or more natural persons any direct or indirect beneficial or ownership interest in any Conveyed Property in a transaction or series of transactions in which the transferee also receives medical, financial or personally identifying information concerning the identity of the related Insureds or other information that would or could reasonably be expected to allow or be used by such transferee to identify or contact such Insureds unless in the agreements governing such transfer the transferee expressly agrees to comply with all laws applicable to the preservation of the privacy and other rights of the Insureds.

ARTICLE IV

FUNDING PROCEDURES

SECTION 4.01 Applicable Securities Accounts. On or before the Execution Date, (i) the Seller has opened and has maintained the Seller's Securities Account for and on behalf of the Seller and deposited certain Life Insurance Policies therein; and (ii) the Purchaser, the Seller and the Bank of Utah, as securities intermediary, opened and have maintained the New Stream Securities Account pursuant to a securities account control agreement (the "NSI-MIO Securities Account Control Agreement"), dated as of August 4, 2010, pursuant to which the Seller deposited the Collateral and the Purchaser deposited the Premium Funding Amount into the New Stream Securities Account. On or before the Acquisition Date, the Purchaser shall open and maintain the Purchaser's Securities Account for and on behalf of the Purchaser. For the avoidance of doubt, the terms of the distribution of the Outstanding Premium Funding Amount and any Purchase Price Adjustment Amount shall be governed by the NSI-MIO Securities Account Control Agreement. On or before the Acquisition Date, the Seller shall open and maintain the Escrow Account for and on behalf of the Seller and the Seller Related Parties.

SECTION 4.02 Condition Precedent to the Obligations of the Purchaser.

(a) Beginning on or prior to the Execution Date and concluding prior to the Acquisition Date, the Seller will deliver to the Purchaser and the Verification Agent the Asset Documentation Package with respect to each Asset identified on Schedule 1 attached hereto. The Verification Agent shall review each Asset Documentation Packages and provide notice to the Purchaser and the Seller (such notice, the "ADP Verification Notice") as to whether such Asset Documentation Package is complete or incomplete (which, for the avoidance of doubt,

may constitute one such ADP Verification Notice that encompasses all Assets to which it is applicable) within seven (7) Business Days of receipt thereto.

(b) No Asset shall be transferred hereunder without either such delivery of an ADP Verification Notice with respect to such Asset certifying that such Asset Documentation Package is complete or waiver by both parties of such requirement.

(c) If the ADP Verification Notice provides that the applicable Asset Documentation Package is not complete, the Seller shall have ten (10) Business Days from the receipt of such ADP Verification Notice to deliver to the Purchaser and Verification Agent any documents required to complete the applicable Asset Documentation. If the Seller delivers all documents and information specified as undelivered in the ADP Verification Notice and thereby completes the applicable Asset Documentation Package within ten (10) Business Days of receipt of the ADP Verification Notice, the Verification Agent shall within two (2) Business Days of receipt of such documents provide a further ADP Verification Notice to the Seller and the Purchaser confirming that such Asset Documentation Package is complete. If the Seller does not complete the applicable Asset Documentation Package within ten (10) Business Days and the parties decline to waive the requirement as set forth in cause (b) above, then the Asset to which such Asset Documentation Package relates shall be removed from Schedule I attached hereto and the Purchase Price shall be adjusted downward by the amount in the column designated as the Adjustment Amount for such Asset on Schedule 2; provided, however, that if the Adjustment Amount for the applicable Asset is a negative amount, the downward adjustment of the Purchase Price with respect to such Asset shall be zero.

(d) On or before the Acquisition Date, the Seller shall deposit all Utah Policies into the Seller's Securities Account. On or before the Acquisition Date, the Seller shall have delivered, or shall have caused to be delivered, to the Purchaser, and the Purchaser shall have received one or more opinions of counsel to the Seller, in form and substance satisfactory to the Purchaser, addressing the due authorization, execution and delivery by, and enforceability against the Seller of this Agreement.

SECTION 4.03 Funding of Asset Purchases. Upon completion of the requirements in Section 4.01 and 4.02, and entry by the Bankruptcy Court of a Confirmation Order or Sale Order, as applicable, which is not stayed or reversed, approving this Agreement, the transactions contemplated hereby and in the other Bankruptcy Pleadings, including the sale of the Conveyed Property to the Purchaser in exchange for the Purchase Price (as the same may be adjusted), the purchases of the Assets hereunder shall be executed as follows:

(a) The Purchaser shall deposit the Purchase Price (as the same may be adjusted) into the NSI-MIO Securities Account, as such Purchase Price may have been adjusted in accordance with this Agreement or the NSI-MIO Securities Account Control Agreement.

(b) With respect to each Asset that is a Life Insurance Policy that is part of the Collateral or is a Utah Policy:

- (i) The Seller and the Purchaser shall complete an Entitlement Order for each Utah Policy and Collateral being purchased hereunder (with the NSI-MIO Securities Account Control Agreement sufficient to satisfy this requirement with respect to the Collateral if all parties consent thereto).
- (ii) Upon receipt by the Seller's Securities Intermediary of the ADP Verification Notice in Section 4.02 above (or waiver of the requirement for an ADP Verification Notice) indicating that the Asset Documentation Package in respect of each Life Insurance Policy is complete (other than any Asset Documentation Package in respect of which the Purchase Price was adjusted downward as provided in Section 4.02 above) and verification by the Seller's Securities Intermediary of the execution of the applicable Entitlement Order in clause (b)(i) above, the following shall occur simultaneously (i) Seller's Securities Intermediary shall transfer the Utah Policies and all related Conveyed Property from the Seller's Securities Account to the Purchaser's Securities Account, (ii) the New Stream Securities Intermediary shall transfer the Collateral and all related Conveyed Property from the New Stream Securities Account to the Purchaser's Securities Account and (iii) the New Stream Securities Intermediary shall transfer the Purchase Price with respect to such Life Insurance Policy from the New Stream Securities Account to the Escrow Account.
- (c) With respect to each Asset that is a Premium Finance Loan:
 - (i) The Seller and the Purchaser shall complete an Assignment Agreement for each Premium Finance Loan being purchased hereunder.
 - (ii) Upon receipt by the Seller's Securities Intermediary of the ADP Verification Notice in Section 4.02 above (or waiver of the requirement for an ADP Verification Notice) indicating that the Asset Documentation Package in respect of each Premium Finance Loan is complete (other than any Asset Documentation Package in respect of which the Purchase Price was adjusted downward as provided in Section 4.02 above) and verification by the Seller's Securities Intermediary of the execution of the applicable Entitlement Order in clause (c)(i) above, the following shall occur simultaneously (i) all rights and ownership of the Premium Finance Loan and all related Conveyed Property shall be deemed transferred to the Purchaser pursuant to the terms of the Assignment Agreement and this Agreement, and (ii), the New Stream Securities Intermediary shall transfer the Purchase Price with respect to such Premium Finance Loan from the New Stream Securities Account to the Escrow Account.
- (d) With respect to each Asset that is an Equity Asset:
 - (i) The Seller and the Purchaser shall complete an Assignment Agreement for each Equity Asset being purchased hereunder.

- (ii) Upon receipt by the Seller's Securities Intermediary of the ADP Verification Notice in Section 4.02 above (or waiver of the requirement for an ADP Verification Notice) indicating that the Asset Documentation Package in respect of each Equity Asset is complete (other than any Asset Documentation Package in respect of which the Purchase Price was adjusted downward as provided in Section 4.02 above) and verification by the Seller's Securities Intermediary of the execution of the applicable Entitlement Order in clause (d)(i) above, the following shall occur simultaneously (i) all rights and ownership of the Equity Asset owned by the Seller and all related Conveyed Property shall be deemed transferred to the Purchaser pursuant to the terms of the Assignment Agreement and this Agreement, and (ii) the New Stream Securities Intermediary shall transfer the Purchase Price with respect to such Equity Asset from the New Stream Securities Account to the Escrow Account.

SECTION 4.04 Proceeds Account. Any Net Death Benefits or any other proceeds resulting from the death of an Insured that are received on or after October 1, 2010 shall be handled as provided in the first priority, senior secured multiple draw term loan credit facility between the Seller, as borrower, and the Purchaser, as lender, as ratified and amended by the agreement between and among, inter alia, the Seller and the Purchaser.

SECTION 4.05 Distribution from Escrow Account. Upon deposit of any monies in the Escrow Account in accordance with this Article IV, the Escrow Agent shall distribute such monies in accordance with the Escrow Agreement, as provided on Schedule II hereto.

ARTICLE V

CONFIDENTIALITY

SECTION 5.01 General Duty. Each Party hereto agrees that, (a) each of the Transaction Documents and their contents (and all drafts thereof), and all written notices or instructions delivered thereunder (and the contents thereof), (b) each Asset Documentation Package and its contents (and all drafts thereof), and all written notices or instructions delivered thereunder (and the contents thereof), (c) all medical and personal information concerning the Insureds, Original Sellers and Representatives, (d) each written report delivered on the Acquisition Date or otherwise by the Seller (and the contents thereof), and (e) the identity of and information concerning payments to any third parties involved in any Origination comprise the "Confidential Information."

SECTION 5.02 Reasonable Precautions. Each Party hereto shall take such precautions as may be lawful and reasonably necessary to restrain its officers, directors, employees, agents or representatives from disclosure of Confidential Information to any other Person; provided, that Confidential Information may be disclosed by the Purchaser in accordance with the terms hereof (a) to the extent that such Confidential Information has become publicly known other than as a result of a breach by the Purchaser, or any of its officers, directors, employees, agents or advisors of any obligation to keep such Confidential Information confidential if disclosed in a manner that

does not identify any Insured and could not reasonably be expected to facilitate the identification of any Insured by any other Person that does not have a right to know the identity of such Insured, and (b) to the extent necessary for the Purchaser and its Affiliates, officers, directors, employees and agents to service and maintain the Assets, resell any Asset to another Person or negotiate or obtain any co-investment in the Assets or other funding in respect thereof, and provided further, that any Confidential Information may be disclosed (i) to the extent ordered to produce such Confidential Information by a court or other Governmental Authority having appropriate jurisdiction over such Party and the Confidential Information, but only if (to the extent lawful) such Party promptly supplies notice to the other Party of such order and the specific Confidential Information identified therein and (to the extent known by such Party and lawful) the basis and purpose of such order, so that the other Party may, at its sole cost and expense, contest such order, and (ii) to the extent necessary or appropriate in support of any claim or motion before any court of competent jurisdiction within the United States in an action including the Parties to this Agreement or the other Transaction Documents, provided that such Party (x) has petitioned the court to treat such Confidential Information confidentially to the greatest extent permissible under law and in the context of such dispute, and (y) if the Seller is not a party to such action, has given the Seller five (5) Business Days' prior written notice of the anticipated disclosure.

SECTION 5.03 Dissemination of Certain Information. Each Party hereto shall at all times comply with all laws and regulations applicable to it and affecting the Conveyed Property and the servicing thereof, including but not limited to laws and regulations regarding the privacy of any Insured, Original Seller and Representative and the maintenance of all information obtained by the Purchaser, and the Seller in the Origination, purchase, maintenance or servicing of Conveyed Assets in accordance with applicable laws and regulations concerning the dissemination of such information; provided that any Party may disclose such information to competent judicial or regulatory authorities in response to a written request therefrom for such information or as otherwise required by law; provided, however, that the Purchaser (a) shall not disclose such information to such judicial or regulatory authorities before the date set forth in such request therefor, and (b) shall provide the Seller with prompt notice to the extent permitted by law or regulation of such request, in order to permit the Seller, at its own expense, to seek judicial or other relief before such information is disclosed.

SECTION 5.04 Tax Structure. Notwithstanding anything to the contrary contained in the Transaction Documents, each Party hereto (and each employee, representative or other agent of such Party) may disclose to any and all Persons, without limitation of any kind, the U.S. tax treatment and U.S. tax structure of the transactions contemplated by the Transaction Documents, and all materials of any kind (including opinions or other tax analyses) that are provided to such Party relating to such U.S. tax treatment and U.S. tax structure, other than any information for which non-disclosure is reasonably necessary in order to comply with applicable securities law.

SECTION 5.05 Publicity. Neither the Seller nor the Purchaser shall issue any press release or public announcement concerning this Agreement or the transactions contemplated hereby without obtaining the prior written approval of the other Party, which approval will not be unreasonably withheld or delayed, unless, in the sole judgment of the Purchaser or the Seller,

disclosure is otherwise required by applicable law or by the Bankruptcy Court with respect to filings to be made with the Bankruptcy Court in connection with this Agreement, provided that the Party intending to make such release shall use its best efforts consistent with such applicable law or Bankruptcy Court requirement to consult with the other Party with respect to the text thereof.

ARTICLE VI

TERMINATION

SECTION 6.01 Termination. This Agreement shall automatically terminate upon the conveyance by the Seller to the Purchaser of all right, title and interest of the Seller in and to the Assets identified on Schedule 1 attached hereto (other than any Asset which the Parties hereto have mutually agreed to exclude). Moreover:

(a) This Agreement may be terminated on any date by mutual written agreement of the Purchaser and the Seller; or

(b) Prior to the Acquisition Date, the Purchaser, in its sole discretion, may terminate its obligation to purchase the Assets by delivery thereby of written notice to the Seller of such termination upon the occurrence of:

(i) a change in any applicable law or regulation that causes it to be illegal for the Purchaser to continue to perform its material obligations under this Agreement or would otherwise prevent the consummation of the transactions contemplated hereby;

(ii) the failure by the Seller and its applicable Affiliates to obtain Bankruptcy Court approval of this Agreement and the sale of the Assets to the Purchaser for the Purchase Price, by (a) [February 3, 2011] in the event that the Debtors (as defined below) pursue a Cram-Down Plan (as defined below), (b) March 4, 2011 if the Debtors are seeking confirmation of a Consensual Plan (as defined below), (c) such later date as may be mutually agreed upon by the Seller and the Purchaser; or

(iii) the occurrence of a breach of any representation, warranty or covenant of the Seller under any Transaction Document where such breach will have a material effect on the Seller's ability to perform its obligations hereunder, and, to the extent such breach is capable of being cured, such breach continues uncured for more than ten (10) Business Days from the date notice thereof was first delivered to the Seller.

(c) Prior to the Acquisition Date, the Seller, in its sole discretion, may terminate its obligations hereunder to sell the Assets by delivery thereby of written notice to the Purchaser of such termination upon the occurrence of:

- (i) a change in any applicable law or regulation that causes it to be illegal for the Seller to continue to perform its material obligations under this Agreement;
- (ii) the occurrence and continuance of an Insolvency Event with respect to the Purchaser; or
- (iii) the occurrence of a breach of any representation, warranty or covenant of the Purchaser under any Transaction Document where such breach will have a material effect on the Purchaser's ability to perform its obligations hereunder and, to the extent such breach is capable of being cured, such breach continues uncured for more than ten (10) Business Days from the date notice thereof was first delivered to the Purchaser.

Notwithstanding the foregoing, (1) the provisions of Article V and Article VIII shall survive the termination of this Agreement, and (2) any liability of one Party to the other arising out of any breach of any representation, warranty or covenant specified in Article III hereof shall survive the termination of this Agreement for a period of one (1) year from the Acquisition Date.

ARTICLE VII

BANKRUPTCY MATTERS

SECTION 7.01 Commencement of Cases; Procedures.

(a) Pre-bankruptcy Solicitation. As a pre-requisite to the effectiveness of this Agreement, the Seller and/or its applicable Affiliates (the "Debtors") shall have obtained the support of the requisite majority and number of the Bermuda C, F and I Classes and Bermuda non-C, F and I Classes to ensure acceptance of the Plan by those classes under the Bankruptcy Code, and shall have solicited the votes of the members of those classes in accordance with the requirements of Section 1125(g) of the Bankruptcy Code. In addition, the Debtors shall have made commercially reasonable efforts to obtain the support of the requisite majority and number of US/Cayman Class to ensure acceptance of the Plan by such class, and shall have solicited the vote of the members of such class in accordance with the requirements of Section 1125(g) of the Bankruptcy Code.

(b) If the Plan is accepted in accordance with subparagraph (a) hereof by all of the classes (a "Consensual Plan"), the Debtors shall proceed in accordance with the Bankruptcy Timeline to schedule a confirmation hearing on the Consensual Plan and the sale of the assets hereunder at the earliest possible date, but not later than the date required by the Bankruptcy Timeline. If the Plan is not accepted by the US/Cayman Class prior to the filing, but is accepted by the Bermuda C, F and I Classes and the Bermuda non-C, F and I Classes (a "Cram-down Plan"), then the Debtors shall proceed in accordance with the Bankruptcy Timeline to schedule a sale hearing with respect to this Agreement at the earliest possible date but not later than the date required by the Bankruptcy Timeline.

(c) The Debtors shall file the Bankruptcy Pleadings with the Bankruptcy Court pursuant to the Bankruptcy Timeline. In the event that the Bankruptcy Court is unable or unwilling to schedule a hearing on any required date set forth in the Bankruptcy Timeline, the applicable milestone date and each subsequent milestone date set forth in the Bankruptcy Timeline shall be deemed automatically extended by an equal number of days (or such later date as would constitute the next Business Day) up to a maximum of seven (7) Business Days. Each milestone date may also be extended with the prior written consent of the Purchaser.

(d) Within five (5) days after the Petition Date, the Debtors shall file or cause to be filed (and shall diligently pursue entry of an order on shortened time if permitted by the Bankruptcy Court) a motion (the “Purchaser Protection Approval Motion”) seeking entry of an order (the “Purchaser Protection Order”) approving the matters specified in this Article VII (Bankruptcy Matters), the Bankruptcy Timeline and Article VI (Termination) and shall at the earliest possible date, without adjournment unless consented to in writing by Purchaser, seek Court approval of such Purchaser Protection Motion. The Purchaser Protection Approval Motion and the Purchaser Protection Order shall be in forms agreed to by the Debtors and Purchaser.

(e) Scheduling Motion. Pursuant to the schedule set forth in the Bankruptcy Timeline, the Debtors shall file, or cause to be filed the Scheduling Motion.

(f) Confirmation Order. In the event the Debtors pursue a Consensual Plan, then in accordance with the Bankruptcy Timeline, the Debtors shall seek to cause the entry of the Confirmation Order. The consent of the Purchaser shall be required for any material changes to the Confirmation Order imposed or required by the Bankruptcy Court or requested by the Debtors.

(g) Sale Motion. In the event the Debtors pursue a Cram-down Plan, then in accordance with the Bankruptcy Timeline, the Debtors shall file, or cause to be filed, the Sale Motion with the Bankruptcy Court pursuant to the Bankruptcy Timeline which shall seek entry of an order (the “Sale Order”) by the Bankruptcy Court; *provided, however*, that the consent of the Purchaser shall be required for any material changes to the Sale Order imposed or required by the Bankruptcy Court or requested by the Debtors. The Debtors shall seek to cause the entry of the Sale Order in accordance with the Bankruptcy Timeline. [Reserved]

(i) Sale Order. The Sale Order will, among other things: (a) approve the sale of the Assets to the Purchaser on the terms and conditions set forth in this Agreement and authorize the Debtors to proceed with this transaction; (b) include specific findings that the Purchaser is a good faith purchaser of the Assets pursuant to Section 363(m) of the Bankruptcy Code and that the sale price for the Assets was not controlled by an agreement among potential bidders; (c) provide that the sale of the Assets to the Purchaser shall be free and clear of any and all encumbrances, including any and all liens, mortgages, claims or debts relating to the Assets which accrue or arise on or prior to the Acquisition Date or otherwise relate to any acts or omissions on or prior to the Acquisition Date (“Encumbrances”), and that upon the Acquisition Date the Purchaser shall have good and marketable title to the Assets, free and clear of any and

all Encumbrances; (d) provide for a waiver of the stays contemplated by United States Federal Rules of Bankruptcy Procedure 6004(g) and 6006(d); (e) not impose upon the Purchaser any financial obligation to provide "adequate assurances" (as such term is used in Section 365 of the Bankruptcy Code) to any person or entity in respect of any contracts assigned pursuant to this Agreement; (f) (i) provide that the Debtors are authorized and directed to assume and assign to the Purchaser all Assets which are executory contracts or unexpired leases under Section 365 of the Bankruptcy Code, (ii) provide that the Debtors shall be responsible for curing any and all breaches and/or defaults arising under or relating to Assets which are executory contracts or unexpired leases under Section 365 of the Bankruptcy Code which accrue or arise on or prior to the Acquisition Date or otherwise relate to any acts or omissions on or prior to the Acquisition Date, (iii) provide that upon entry of the Sale Order, the Debtors shall have cured, or shall be deemed to have provided adequate assurance that the Debtors will promptly cure, any and all defaults, (iv) provide that upon entry of the Sale Order, the Debtors shall have compensated, or shall be deemed to have provided adequate assurance that the Debtors will compensate, any and all parties, other than the Debtors, to any and all executory contracts or unexpired leases under Section 365 of the Bankruptcy Code which are included within the Assets, for any and all actual pecuniary losses to such parties resulting from any defaults, and (v) provide that as of the Acquisition Date, any and all defaults, including any events of default or conditions or events which with the giving of notice or passage of time, or both, could constitute a default or an event of default under any and all executory contracts or unexpired leases under Section 365 of the Bankruptcy Code which are included within the Assets shall be deemed cured; (g) provide that no bulk sales law, or similar law of any state or other jurisdiction, shall apply in any way to the transactions contemplated by this Agreement, and (h) provide that, upon closing of the sale, the sum of one hundred twenty five million dollars (\$125,000,000.00) from the Purchase Price shall be transferred by the Seller to the Bermuda Liquidation Account (as such term is defined in the Plan).

(j) Unless and until this Agreement is terminated and prior to entry of the Sale Order or Confirmation Order, as applicable, except as the Debtors may reasonably determine in good faith to be otherwise required in connection with applicable fiduciary duties after consultation with counsel, the Debtors shall not, except as otherwise required by the Bankruptcy Court, knowingly take any action, directly or indirectly, to cause, promote, authorize, or result in the purchase by any person other than Purchaser of any transaction competing, conflicting or interfering with the completion of the transactions contemplated by this Agreement (a "Competing Transaction"), including, without limitation, granting access to any third parties to the Debtors' assets, business, records, officers, directors, or employees, which access, to the Debtors' knowledge, relates to, or is reasonably expected to lead to, a Competing Transaction or a potential Competing Transaction.

(k) The Debtors shall provide drafts of any Bankruptcy Pleadings, including any exhibits thereto and any notices or other materials in connection therewith, to be filed in the Bankruptcy Court to Purchaser prior to filing for Purchaser's review and comments. Any Bankruptcy Pleadings filed by the Debtors in connection with this Agreement, including any exhibits thereto and any notices or other materials in connection therewith, must be in form and substance acceptable to Purchaser.

(l) The Debtors shall comply (or obtain an order from the Bankruptcy Court waiving compliance) with all requirements (including all notice requirements) under the Bankruptcy Code and the United States Federal Rules of Bankruptcy Procedure in connection with obtaining approval of this Agreement, the Bankruptcy Pleadings and the transactions contemplated hereby.

(m) The Purchaser shall have no obligation or duty to accept any substantive modifications to this Agreement, the Bankruptcy Pleadings, any related agreements and any related court documents mandated by the Bankruptcy Court that are not acceptable to Purchaser.

(n) The Debtors will cooperate with the Purchaser to promptly take such actions as are requested by the Purchaser to assist in obtaining entry of any orders related to the Bankruptcy Pleadings, including furnishing affidavits or other documents or information for filing with the Bankruptcy Court for purposes, among others, of (i) demonstrating that the Purchaser is a “good faith” purchaser under Section 363 of the Bankruptcy Code and (ii) establishing adequate assurance of future performance within the meaning of Section 365 of the Bankruptcy Code.

(o) In the event that the Bankruptcy Court’s approval of the Sale Order or the Confirmation Order, as applicable, are appealed, the Debtors shall use their best efforts to pursue such appeal in a manner not inconsistent in any material respect with the transactions contemplated by this Agreement; *provided, however*, that so long as the applicable orders are not stayed or reversed, the Debtors shall proceed promptly to effectuate the transactions as approved by the Court and shall not await the outcome of any such appeals.

(p) Upon the termination of this Agreement for the reasons specified in Section 6.01(b)(ii), or if the Purchaser is not the successful bidder to purchase the Assets at an auction mandated by the Bankruptcy Court, and the offer of a third party accepted at such auction is subsequently approved by the bankruptcy court, or if the Debtors accept any Competing Transaction, then the Purchaser will be entitled to receive from the Debtors, without deduction or offset of any nature, a flat fee payment (not dependent on amounts actually expended or incurred by Purchaser) in immediately available funds in the amounts of \$3,187,500.00 (the “Break-Up Fee”).

ARTICLE VIII

MISCELLANEOUS PROVISIONS

SECTION 8.01 Amendment. This Agreement may be amended from time to time with the mutual consent of the Purchaser and the Seller as evidenced by a writing executed by the Purchase and the Seller.

SECTION 8.02 Governing Law. (a) THIS AGREEMENT SHALL IN ALL RESPECTS BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF NEW YORK, WITHOUT REFERENCE TO ITS CONFLICTS OF

LAWS PROVISIONS (OTHER THAN SECTION 5-1401 OF THE NEW YORK GENERAL OBLIGATIONS LAW), AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS.

(b) EACH OF THE PARTIES HERETO IRREVOCABLY SUBMITS TO THE NON-EXCLUSIVE JURISDICTION OF ANY FEDERAL OR STATE COURT SITTING IN THE COUNTY AND STATE OF NEW YORK IN RESPECT OF ANY ACTION OR PROCEEDING ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT. EACH PARTY TO THIS AGREEMENT IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY SUCH PROCEEDINGS IN ANY SUCH COURT AND ANY CLAIM THAT ANY PROCEEDING BROUGHT IN ANY SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

(c) EACH PARTY HERETO HEREBY WAIVES THE RIGHT THAT IT MAY HAVE TO A TRIAL BY JURY ON ANY CLAIM, COUNTERCLAIM, SETOFF, DEMAND, ACTION OR CAUSE OF ACTION (i) ARISING OUT OF OR IN ANY WAY RELATED TO THIS AGREEMENT OR ANY OTHER TRANSACTION DOCUMENTS, OR (ii) IN ANY WAY IN CONNECTION WITH OR PERTAINING OR RELATED TO OR INCIDENTAL TO ANY DEALINGS OF THE PARTIES TO THIS AGREEMENT WITH RESPECT TO THE TRANSACTION DOCUMENTS OR IN CONNECTION WITH THIS AGREEMENT OR THE EXERCISE OF ANY PARTY'S RIGHTS AND REMEDIES UNDER THIS AGREEMENT OR OTHERWISE, OR THE CONDUCT OR THE RELATIONSHIP OF THE PARTIES HERETO, IN ALL OF THE FOREGOING CASES WHETHER NOW EXISTING OR HEREAFTER ARISING AND WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE.

SECTION 8.03 Notices. All demands, notices, reports and communications hereunder shall be in writing and shall be deemed to have been duly given if personally delivered at, delivered by electronic mail to, mailed by certified mail, return receipt requested, mailed by a nationally recognized overnight courier or sent via facsimile, to (a) in the case of the Seller, to New Stream Insurance, LLC, 38C Grove Street, Ridgefield, CT 06877 Attention: John Collins; and (b) in the case of the Purchaser, to c/o MIO Partners, Inc., 55 East 52nd Street, New York, NY 10055, Attention: Chief Financial Officer and Casey Lipscomb; or, as to any of such Persons, at such other address or facsimile number as shall be designated by such Person in a written notice to the other Persons party hereto. Notices, demands and communications hereunder given by facsimile shall be deemed given when received.

SECTION 8.04 Severability of Provisions. If any one or more of the covenants, agreements, provisions or terms of this Agreement shall for any reason whatsoever be held invalid or unenforceable, then such covenants, agreements, provisions or terms shall be deemed severable from the remaining covenants, agreements, provisions and terms of this Agreement and shall in no way affect the validity or enforceability of the other provisions of this Agreement.

SECTION 8.05 Further Assurances. Each Party hereto agrees to do and perform, from time to time, any and all acts and to execute any and all further instruments required or reasonably requested by any other Party hereto more fully to effect the purposes of this Agreement, including, without limitation, the execution of any financing statements, amendments, continuation statements or releases relating to the Conveyed Property for filing under the provisions of the UCC or other law of any applicable jurisdiction.

SECTION 8.06 No Waiver; Cumulative Remedies. No failure to exercise and no delay in exercising, on the part of the Purchaser or the Seller, of any right, remedy, power or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative and not exhaustive of any rights, remedies, powers and privileges provided by law.

SECTION 8.07 Counterparts. This Agreement may be executed in two or more counterparts (and by different Parties on separate counterparts), each of which shall be an original, but all of which together shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page to this Agreement by telecopier or by electronic message shall be effective as delivery of a manually executed counterpart of this Agreement.

SECTION 8.08 Third-Party Beneficiaries. This Agreement will inure to the benefit of and be binding upon the Parties signatory hereto. No Person that is not a Party to this Agreement will have any right hereunder and there shall be no third-party beneficiaries to this Agreement; provided that, to the extent any interest in an Asset is assigned or sold by a Party (for purposes of this Section, the “Assigning Party”) to any Person (the “Assignee”), any rights and obligations of the Assignee with respect to such Asset and the non-Assigning Party hereunder shall inure solely to the benefit of the Assigning Party.

SECTION 8.09 Merger and Integration. Except as specifically stated otherwise herein and the other Transaction Documents to which the Parties hereto are a party, this Agreement sets forth the entire understanding of the Parties hereto relating to the subject matter hereof, and all prior understandings, written or oral, are superseded by this Agreement. This Agreement may not be modified, amended, waived or supplemented except as provided herein.

SECTION 8.10 Headings. The headings herein are for purposes of reference only and shall not otherwise affect the meaning or interpretation of any provision hereof.

SECTION 8.11 Tax Classification. Nothing contained in this Agreement is intended to or shall be deemed or construed by the Parties hereto or by any third person to create the relationship of principal and agent (including dependent agent) or of a partnership or joint venture. The Parties hereto agree that they will not take any action contrary to the foregoing intention and agree to report the transaction for all tax purposes consistent with the foregoing intention unless and until determined to the contrary by an applicable tax authority.

SECTION 8.12 Tax Consequences. Each Party hereto (for purposes of this Section 7.12, each, an “Initial Party”) acknowledges that no other Party hereto, and in each case none of the partners, shareholders, members, owners, managers, agents, officers, employees, Affiliates, investors therein or consultants of such other Party (in each case, whether direct or indirect), will be responsible or liable for the tax consequences to such Initial Party or any of such Initial Party’s partners, shareholders, members, owners, managers, agents, officers, employees, Affiliates, investors or consultants (in each case, whether direct or indirect), with regard to the tax consequences of the transactions covered by this Agreement, and that such Initial Party (and each of such Initial Party’s partners, shareholders, members, owners, managers, agents, officers, employees, Affiliates, investors and consultants (in each case, whether direct or indirect)) will look solely to, and rely upon, such Initial Party’s own advisors with respect to such tax consequences.

SECTION 8.13 Indemnification. The Seller shall indemnify and hold harmless the Purchaser and its Affiliates and their successors and assigns (collectively, the “Purchaser Indemnified Persons”) from and against any and all damages, losses, claims (whether or not the Purchaser Indemnified Person is a party to any action or proceeding that gives rise to any indemnification obligation), actions, suits, demands, judgments, liabilities (including penalties), obligations, disbursements of any kind or nature and related costs and expenses, including reasonable attorney’s fees and other professional fees and expenses incurred in connection with collection efforts or the defense of any suit or action in an amount not to exceed the fees and expenses of counsel or equivalent professionals retained by such Party in connection with such suit or action (such amounts, in the aggregate, the “Losses”), awarded against or incurred by any Purchaser Indemnified Person arising out of or as a result (a) the breach of any of the representations and warranties made by the Seller herein, and (b) the failure by the Seller to perform any activities for delivery of the Conveyed Property expressly contained in the Purchase Agreement. For the avoidance of doubt, the Seller shall not indemnify and hold harmless any Purchaser Indemnified Person for any Losses awarded against or incurred by such Purchaser Indemnified Person arising out of or as a result of any Asset or Related Property (a) if such Asset or its Related Property is not transferred to the Purchaser hereunder for any reason and therefore is not a Conveyed Asset or Conveyed Property, as applicable, or (b) under which (i) the Life Insurance Policy has lapsed or expired by the action or inaction of the Purchaser or its designee, or for any other reason is no longer outstanding and in full force, or (ii) such Life Insurance Policy’s Net Death Benefit has been paid to the Purchaser or its designee.

SECTION 8.14 Assignment. This Agreement may not be assigned by (i) the Purchaser without the prior written consent of the Seller, or (ii) the Seller without the prior written consent of the Purchaser.

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IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed by their respective officers as of the day and year first above written.

NEW STREAM INSURANCE, LLC

By its Special Member
New Stream Capital, LLC

By: _____
Name:
Title:

LIMITED LIFE ASSETS LLC

By: _____
Name:
Title:

SCHEDULE OF ASSETS AND PURCHASE PRICES

[See attached]

BANKRUPTCY TIMELINE

I. Consensual Plan

<u>Date</u>	<u>Action/Milestone</u>
(i) November [19], 2010	Borrower shall commence solicitation of votes of creditors to accept or reject the Plan.
(ii) December [15], 2010	Borrower shall deposit \$30,000,000 of additional NSI Life Portfolio Collateral into the SACA.
(iii) December [19], 2010	Borrower shall conclude solicitation of votes of creditors to accept or reject the Plan.
(iv) December [20], 2010	Borrower shall file with the Bankruptcy Court the Required Bankruptcy Pleadings, which, in each case, shall be in form and substance satisfactory to the Administrative Agent.
(v) December [21-22], 2010	Bankruptcy Court shall enter (i) the Interim Order, (ii) orders approving the “first day” pleadings, and (iii) an order approving the expedited scheduling of the Confirmation Hearing not later than March [4], 2011, which, in each case, shall be in form and substance satisfactory to the Administrative Agent.
(vi) January [21], 2011	Bankruptcy Court shall enter the Final Order, which shall be in form and substance satisfactory to the Administrative Agent.
(vii) March [4], 2011	Bankruptcy Court shall hold the Confirmation Hearing and enter the Confirmation Order approving the Plan, which shall be in form and substance satisfactory to the Administrative Agent. As confirmed, the Plan shall, among other things, (a) provide for the sale of the NSI Life Portfolio to Newco under the APA, and (b) terminate the Total Commitment and provide for the repayment in full, in cash of all Obligations.
(viii) No later than March [14], 2011	Closing of sale on NSI Life Portfolio to Newco pursuant to the APA and Plan.

(ix) March [14], 2011 Plan shall become effective (unless effective date has already occurred).

II. 363 Sale / Cram-down Plan

Date

Action/Milestone

(i) December [15], 2010 Borrower shall deposit \$30,000,000 of additional NSI Life Portfolio Collateral into the SACA.

(ii) December [20], 2010 Debtors shall file with the Bankruptcy Court the Required Bankruptcy Pleadings.

(iii) December [21-22], 2010 Bankruptcy Court shall enter (i) the Interim Order, (ii) orders approving the “first day” pleadings, and (iii) an order approving the scheduling of the 363 Sale hearing not later than January [24], 2011, which, in each case, shall be in form and substance satisfactory to the Administrative Agent.

(iv) No later than

December [23], 2010 Debtors shall file the Sale Motion seeking entry of the Sale Order approving the 363 Sale.

(v) January [21], 2011 Bankruptcy Court shall enter the final order approving the DIP Motion, which shall be in form and substance satisfactory to the Administrative Agent.

(vi) No later than

January [24], 2011 Bankruptcy Court shall hold the hearing on Sale Motion to approve the 363 Sale and enter the Sale Order approving the 363 Sale, which shall be in form and substance satisfactory to the Administrative Agent and Purchaser.

(vii) No later than

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February [3], 2011

Closing of 363 Sale to Purchaser pursuant to the APA and Sale Order.

In the event that (a) the Petition Date occurs after December [15], 2010, or (b) the Bankruptcy Court is unable or unwilling to schedule a hearing on the required date, the milestone dates set forth above shall be deemed automatically extended by an equal number of days (or such later date as would constitute the next business day) up to a maximum of seven (7) business days. The milestone dates may also be extended with the prior written consent of the Administrative Agent.

SCHEDULE OF ADJUSTED POLICY VALUES

[See attached]

GLOSSARY OF DEFINED TERMS

“Acquisition Date” means with respect to the Conveyed Property, that certain date on which the Seller or the designee thereof receives the Purchase Price therefor in accordance with this Agreement, which date shall not occur prior to the date on which the Bankruptcy Court approves of the Bankruptcy Petition, including, without limitation, the sale of the Assets to Purchaser and the terms and provisions of the Purchase Agreement.

“Actual Knowledge” means, with respect to Seller, the actual knowledge of any officer or director of the Seller.

“Affiliate” means, with respect to any Person, any other Person controlling or controlled by or under common control with such specified Person. For purposes of this definition, “control,” when used with respect to a specific 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 term “controlling” and “controlled” have meanings correlative to the foregoing.

“Asset” means a Life Insurance Policy (whether owned directly by the Seller or related Selling Party or owned by a Trust, the related trust beneficial interests of which are owned by the Seller or the related Selling Party), Premium Finance Loan or other Equity Asset, in each case as identified on Schedule I of the Agreement.

“Asset Documentation Package” means the documents provided by the Seller to the Buyer with respect to each Asset, as listed on Schedule I hereto.

“Asset Purchase Agreement” or “Purchase Agreement” means that certain Asset Purchase Agreement dated as of the Execution Date, entered into by and between the Seller and the Purchaser.

“Bank of Utah” means the Bank of Utah, a Utah banking corporation, with offices located at 200 E. South Temple, Suite 210 Salt Lake City, Utah 84111 and tax id 27-6630093.

“Bankruptcy Code” means, as amended, Title 11 of the United States Code, 11 U.S.C. §§101 - 1532).

“Bankruptcy Court” means a United States bankruptcy court or United States appellate court of competent jurisdiction and acceptable to the Purchaser.

“Bankruptcy Pleadings” means any of the following documents, each of which shall be in form and substance satisfactory to the Purchaser:

- a) a voluntary chapter 11 bankruptcy petition;
- b) the Plan;
- c) the Disclosure Statement;
- d) the Confirmation Order;
- e) the Scheduling Motion;

- f) the Scheduling Order;
- g) the Sale Motion;
- h) the Sale Order;
- i) [IF USING DIP] [the DIP Motion;
- j) interim and final orders approving the DIP Motion]; and
- k) any other necessary, required or related pleadings and documentation to be filed before the Bankruptcy Court.

“Bankruptcy Timeline” means the dates and milestones set forth on Schedule 2 of the Asset Purchase Agreement.

“Bermuda C, F and I Classes” shall mean Bermuda Segregated Account Classes C, F and I of New Stream Capital Fund Ltd.

“Bermuda non-C, F and I Classes” shall mean Bermuda Segregated Account Classes B, E, H, K, L, N and O of New Stream Capital Fund Ltd.

“Break-Up Fee” shall have the meaning assigned to such term in Section 7.01(p) of the Asset Purchase Agreement.

“Business Day” means a day other than a Saturday or Sunday on which commercial banks in New York, New York or Salt Lake City, Utah are not authorized or required to be closed for business.

“CFC of Delaware Assets” means the equity interests owned by the Seller in CFC of Delaware LLC described on Schedule I of the Asset Purchase Agreement.

“CFC Policy” means any Life Insurance Policy designated as a CFC Policy on Schedule I to the Asset Purchase Agreement.

“Collateral” shall have the meaning assigned to such term in the NSI-MIO Securities Account Control Agreement.

“Competing Transaction” shall have the meaning assigned to such term in Section 7.01(j) of the Asset Purchase Agreement.

“Confidential Information” shall have the meaning assigned to such term in Section 6.01 of the Asset Purchase Agreement.

“Confirmation Hearing” shall mean a hearing before the Bankruptcy Court on the adequacy of the Seller’s Disclosure Statement and confirmation of the Seller’s Plan under the Bankruptcy Code.

“Confirmation Order” means a final order of the Bankruptcy Court in the form attached as Exhibit A to the Asset Purchase Agreement; *provided, however*, that the Purchaser shall have the sole ability to waive the requirement that such order be final.

“Conveyed Asset” means each Asset purchased by the Purchaser from the Seller pursuant to the Asset Purchase Agreement.

“Conveyed Property” shall have the meaning assigned to such term in Section 2.01(a) of the Asset Purchase Agreement.

“Consensual Plan” shall have the meaning assigned to such term in Section 7.01(b) of the Asset Purchase Agreement.

“Cram-down Plan” shall have the meaning assigned to such term in Section 7.01(b) of the Asset Purchase Agreement.

“Custodian” shall mean Deutsche Bank AG, Dublin Branch, a German limited liability company, acting through its Dublin branch, and its successors and assigns.

“DIP Agreement” shall mean that certain [INSERT EXACT NAME OF DIP AGREEMENT] between the [Seller] and the [Purchaser] in form and substance satisfactory to the Purchaser to be filed with the Bankruptcy Court.

“DIP Motion” shall mean a motion for entry of an interim and final order approving the DIP Agreement and all related documentation.

“Disclosure Statement” shall mean the Seller’s disclosure statement under the Bankruptcy Code accompanying the Plan, which shall, among other things, disclose the transactions contemplated by this Asset Purchase Agreement.

“Equity Asset” means, collectively or individually as the context may require, the Seller’s respective ownership rights, interests and obligations with respect to the Seller’s equity interests in (i) the Georgia Premium Funding I Assets, (ii) the Georgia Premium Funding II Assets, (iii) the National Life Funding Assets, (iv) the Vantage Funding I Assets, (v) the Vantage Funding II Assets, (vi) the UNFCH Assets, (vii) the CFC of Delaware Assets, and (viii) the SLCM Assets (which, for the avoidance of doubt, shall include SLCM’s interest in the SLCM Securities Account).

“Equity Asset LLC” means, collectively or individually as the context may require, (i) Georgia Premium Funding Company I, LLC, (ii) Georgia Premium Funding II, LLC, (iii) National Life Funding, LLC, (iv) Vantage Funding, LLC, (v) Vantage Funding II, LLC, (vi) UNFCH, (vii) CFC of Delaware LLC, and (viii) SLCM.

“Encumbrances” shall have the meaning assigned to such term in Section 7.01(i) of the Asset Purchase Agreement.

“Escrow Account” means the escrow account established and maintained by the Seller with the Escrow Agent with account number [_____], in accordance with the terms of the Escrow Agreement.

“Escrow Agent” means the Bank of Utah, not in its individual capacity, but solely in its capacity as escrow agent with respect to the Escrow Account pursuant to the Escrow Agreement.

“Escrow Agreement” means the escrow agreement dated as of [_____], 2010, by and between the Seller and the Escrow Agent.

“Execution Date” means the date on which the Purchase Agreement is executed.

“Funding Documents” means the Seller’s Securities Account Control Agreement, the NSI-MIO Securities Account Control Agreement, the Purchaser’s Securities Account and all other documents related thereto.

“Georgia Premium Funding I Assets” means the equity interests owned by the Seller in Georgia Premium Funding Company I, LLC described on Schedule I of the Asset Purchase Agreement.

“Georgia Premium Funding II Assets” means the equity interests owned by the Seller in Georgia Premium Funding II, LLC on Schedule I of the Asset Purchase Agreement.

“Governmental Authority” means the government of the United States of America, any state or other political subdivision thereof and any entity of competent jurisdiction exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

“Initial Party” shall have the meaning assigned to such term in Section 8.12 of the Asset Purchase Agreement.

“Insolvency Event” means that any of the following has occurred: a party shall generally not pay its debts as such debts become due, or shall admit in writing its inability to pay its debts generally, or any formal corporate action, legal proceedings or other procedure or step is taken in relation to (i) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the party other than a solvent liquidation or reorganisation of the party; (ii) a composition, assignment or arrangement with the creditors of the party as a whole; (iii) the appointment of a liquidator (other than in respect of a solvent liquidation of the party), receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of the party; provided, that any such event arising by reason of currency restrictions or foreign political restrictions or regulations beyond the control of the party shall not be deemed an “Insolvency Event” hereunder.

“Insured” means, with respect to any Life Insurance Policy, the person (or each one of the persons) whose life (lives) is (are) insured by such Life Insurance Policy.

“Issuing Insurance Company” means, with respect to any Life Insurance Policy, the insurance company that is obligated to pay the related Net Death Benefit upon the death of the related Insured by the terms of such Life Insurance Policy (or the successor to such obligation).

“Lien” means any interest in property securing an obligation owed to, or a claim by, a Person, whether such interest is based on the common law, statute or contract, and including but not limited to the security interest lien arising from a mortgage, encumbrance, judgment, pledge, conditional sale or trust receipt for a lease, consignment or bailment for security purposes, but, with respect to an Asset, does not include the interest of the Issuing Insurance Company therein if such interest arises solely from or with respect to a related Policy Loan.

“Life Insurance Policy” means an entire policy of life insurance, or, as indicated by the context, a specific life insurance policy which is an Asset under this Agreement.

“Material Adverse Effect” means (a) a material adverse effect on the Conveyed Property (taken as a whole), or (b) a material adverse effect on the ability of the Seller to consummate the transactions contemplated by this Agreement or perform its obligations under this Agreement other than an effect resulting solely from an Excluded Matter. “Excluded Matter” means any one or more of the following: (i) the announcement of the signing of the Purchase Agreement or the filing of the Bankruptcy Petition, compliance with the express provisions of this Agreement or the consummation of the transactions contemplated hereby, (ii) reasonably anticipated events, conditions, circumstances, developments, changes or effects arising out of the filing of the Bankruptcy Petition, (iii) actions or omissions taken or not taken by or on behalf of the Seller or any of its Affiliates at the express request, or with the consent, of the Purchaser or its Affiliates, (iv) actions taken by the Purchaser or its Affiliates, other than as contemplated by this Agreement, (v) changes or proposed changes in applicable law or interpretations thereof by any Governmental Authority (other than changes that would prohibit the consummation of the transactions contemplated by the Purchase Agreement), (vi) changes which generally affect the national or regional markets for life insurance, (vii) changes in general economic conditions, currency exchange rates or United States or international debt or equity markets and (viii) national or international political or social conditions or any national or international hostilities, acts of terror or acts of war; *provided* that, in the case of clauses (vi) through (viii), inclusive, such events, changes, conditions, circumstances, developments or effects shall be taken into effect in determining whether any such material adverse effect has occurred to the extent that any such events, changes, conditions, circumstances, developments or effects have a material and disproportionate adverse effect on the Conveyed Property, the Assumed Liabilities or the Seller as compared to other similarly affected Persons.

“Medical Underwriter” means AVS Underwriting Services or Dr. Barry Reed, MD, or any other nationally recognized life expectancy provider approved by the Purchaser in writing, that is identified by the Seller as having supplied the applicable mortality rating.

“National Life Funding Assets” means the equity interests owned by the Seller in National Life Funding, LLC described on Schedule I of the Asset Purchase Agreement.

“Net Death Benefit” means, with respect to any Life Insurance Policy, as of any date of determination, the face amount payable under such Life Insurance Policy net of any Policy Loan (and accrued Policy Loan interest not yet paid on or capitalized into any related Policy Loan) and, with respect to any Equity Asset, net of payments to Equity Asset Co-Owners or

other payments pursuant to documentation governing such Equity Asset, as of such date of determination.

“New Stream Securities Account” means the securities account established and maintained by the Seller and the Purchaser with the New Stream Securities Intermediary with account number 8000563, in accordance with the terms of the NSI-MIO Securities Account Control Agreement.

“New Stream Securities Intermediary” means Bank of Utah, not in its individual capacity, but solely in its capacity as securities intermediary with respect to the New Stream Securities Account pursuant to the NSI-MIO Securities Account Control Agreement.

“NSI-MIO Securities Account Control Agreement” shall have the meaning assigned to such term in Section 4.01 of the Asset Purchase Agreement.

“Original Seller” means the direct or indirect owner of an Asset that first sells or otherwise transfers such Asset pursuant to an Asset Documentation Package to the Seller.

“Origination”, “Originate” or “Originated” means the process conducted by an Originator of soliciting the sale by the Original Seller of and purchase by such Originator, directly or indirectly, of an Asset, including the negotiation, execution and delivery of the agreements, documents and instruments evidencing such transaction and/or evidencing consents, acknowledgements and waivers delivered in connection therewith by the related Insured, any spouse of the Insured, any related beneficiary, any Original Seller or any third party, and the acquisition and verification by such Originator of information concerning the related Insured, Original Seller and Asset.

“Originator” with respect to any Asset, the Person that Originated such Asset.

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

“Petition Date” means the date on which the Seller filed its voluntary chapter 11 bankruptcy petition with the Bankruptcy Court.

“PFG Policy” means and Life Insurance Policy designated as a PFG Policy on Schedule I to the Asset Purchase Agreement.

“Plan” shall mean the Seller’s plan of reorganization under chapter 11 of the Bankruptcy Code, which shall, among other things, seek approval of the transactions contemplated by this Asset Purchase Agreement.

“Policy Loan” means, with respect to any Life Insurance Policy, any loan or other cash advances against, or cash withdrawals from, the cash value of such Life Insurance Policy, pursuant to the terms and conditions of such Life Insurance Policy.

“Premium” means, with respect to any Life Insurance Policy, as indicated by the context, any due or past due premiums required to be paid in order to maintain such Life Insurance Policy in force in general or for the period indicated by the context.

“Premium Finance Loan” means a loan evidenced by an Asset Documentation Package and secured by one or more Life Insurance Policies.

“Premium Funding Amount” means \$25,000,000.

“Proceeds Account” means an Escrow Account established by the Seller with deposits and distributions in accordance with Section 4.04 of the Purchase Agreement.

“Purchase Price” means \$127.5 million.

“Purchaser” means [_____].

“Purchaser Indemnified Person” shall have the meaning assigned to such term in Section 8.13 of the Asset Purchase Agreement.

“Purchaser Protection Approval Motion” shall have the meaning assigned to such term in Section 7.01(d) of the Asset Purchase Agreement.

“Purchaser Protection Order” shall have the meaning assigned to such term in Section 7.01(d) of the Asset Purchase Agreement.

“Purchaser’s Securities Account” means the securities account established by the Purchaser’s Securities Intermediary pursuant to the Purchaser’s Securities Account Control Agreement for the benefit of the Purchaser.

“Purchaser’s Securities Account Control Agreement” means that certain securities account control agreement with respect to the Purchaser’s Securities Account entered into between the Purchaser’s Securities Intermediary and the Purchaser, dated as of the [_____].

“Purchaser’s Securities Intermediary” means Bank of Utah, not in its individual capacity, but solely in its capacity as securities intermediary with respect to the Purchaser’s Securities Account pursuant to the Purchaser’s Securities Account Control Agreement.

“Related Property” shall have the meaning assigned to such term in Section 3.03 of the Asset Purchase Agreement.

“Representative” means, with respect to each Insured, the natural person or persons designated by the Insured as persons with whom the Seller or its designee may make contact for the purposes of obtaining updated information concerning the health and residency of the Insured and/or communicating information concerning the related Asset.

“Responsible Officer” when used with respect to (i) [the Purchaser’s Securities Intermediary, means any officer assigned to the principal corporate office thereof, including any

Vice President, Assistant Vice President, Assistant Treasurer, Assistant Secretary, trust officer and any other officer thereof that customarily performs functions similar to those of the above-designated officers and that has direct responsibility for the administration of the Transaction Documents as Purchaser's Securities Intermediary, and also, with respect to a particular matter, any other officer thereof to whom such matter is referred because of such officer's knowledge of and familiarity with the particular subject], (iii) the Purchaser, means [_____] and (iv) the Seller, means Anthony Giobbi or John Collins.

"Sale Motion" a motion for entry of an order approving the Asset Purchase Agreement and the transactions contemplated thereunder pursuant to, among other section, Section 363 of the Bankruptcy Code.

"Sale Order" shall have the meaning assigned to such term in Section 7.01(g) of the Asset Purchase Agreement.

"Scheduling Motion" means the Seller's motion submitted to the Bankruptcy Court (i) scheduling the Confirmation Hearing on the adequacy of the Seller's Disclosure Statement and confirmation of the Seller's Plan for not later than sixty (60) days after the Petition Date; (ii) approving procedures for filing objections thereto; (iii) approving the form and manner of notice of the Confirmation Hearing; and (iv) granting other related relief.

"Seller" means New Stream Insurance LLC.

"Seller's Percentage" means the percentage ownership of a Life Insurance Policy held by the Seller, either directly or through an Equity Asset, which shall be (i) if such Life Insurance Policy is not listed on Schedule 3.02(a)(vi), 100%, or (ii) if such Life Insurance Policy is listed on Schedule 3.02(a)(vi), the percentage specified for such Life Insurance Policy on such Schedule.

"Seller Related Parties" means the parties entitled to receive distributions from the Escrow Account in accordance with the Escrow Agreement, which shall include (i) Guggenheim Capital Markets, (ii) Reed Smith LLP, (iii) O'Melveny & Myers LLP, (iv) [other NSI related parties]

"Seller's Securities Account" means the securities account held in the name of the Seller at the Bank of Utah with account number 8000503.

"Seller's Securities Account Control Agreement" means that certain securities account control agreement with respect to the Seller's Securities Account entered into between the Seller's Securities Intermediary and the Purchaser, dated as of the [_____].

"Seller's Securities Intermediary" means Bank of Utah, not in its individual capacity, but solely in its capacity as securities intermediary with respect to the Seller's Securities Account pursuant to the Seller's Securities Account Control Agreement.

["Servicer" means [_____], in its capacity as such under the Servicing Agreement, and its successors and assigns in such capacity.]

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“Servicing Agreement” means that certain Servicing and Monitoring Agreement dated as of the Execution Date, entered into by and between the Purchaser and the Servicer.

“SLCM” means Secondary Life Capital Management, LLC.

“SLCM Assets” means the Life Insurance Policies contained in the SLCM Securities Account.

“SLCM Securities Account” means the securities account held in the name of the SLCM at the Bank of Utah with account number 8000504.

“SPAR Asset” means any Asset designated as a SPAR Asset on Schedule I to the Asset Purchase Agreement.

“Transaction Documents” means the Asset Purchase Agreement and the Escrow Agreement, as the same may be amended, supplemented or modified from time to time and all other instruments, financing statements, documents and agreements executed in connection with any of the foregoing.

“UCC” means the Uniform Commercial Code as in effect in any applicable jurisdiction.

“UNF Policy” means any Life Insurance Policy designated as a UNF Policy on Schedule I to the Asset Purchase Agreement.

“UNFCH” means United National Funding Collateral Holdings, LLC.

“UNFCH Assets” means the equity interests owned by the Seller in UNFCH described on Schedule I of the Asset Purchase Agreement.

“Utah Policies” means the Life Insurance Policies owned by the Seller that are not Collateral and, on or before the Acquisition Date pursuant to Section 4.02 of the Asset Purchase Agreement, such Life Insurance Policies are to be transferred to the Seller’s Securities Intermediary, as securities intermediary for the Seller pursuant to the Seller’s Securities Account Control Agreement, with the Issuing Insurance Company to record the Seller’s Securities Intermediary as the owner and beneficiary thereof.

“Vantage Funding I Assets” means the equity interests owned by the Seller in Vantage Funding, LLC described on Schedule I of the Asset Purchase Agreement.

“Vantage Funding II Assets” means the equity interests owned by the Seller in Vantage Funding II, LLC described on Schedule I of the Asset Purchase Agreement.

SCHEDULE 1

Schedule 1

(Percentage Share of each Investor's Claim in the US Fund)

Investor Identification Number	Percentage of Ownership¹
131	1.80%
132	7.23%
133	3.15%
134	1.27%
135	3.40%
136	1.73%
137	0.03%
138	1.11%
139	1.23%
140	13.75%
141	15.15%
142	2.65%
143	1.59%
144	1.52%
145	4.14%
146	8.24%
147	0.39%
148	22.44%
149	0.40%

¹ Percentage share for each investor of the US Fund, as defined in the Plan, as of April 30, 2010.

150	0.40%
151	0.11%
152	0.38%
153	0.06%
154	0.56%
155	0.28%
156	2.29%
157	0.86%
158	0.60%
159	0.84%
160	0.82%
161	0.40%
162	0.79%
163	0.40%
Total	100.00%

SCHEDULE 2

Schedule 2

(Assumed Executory Contracts)

Contract No.	Type of Contract	Date of Contract	Title of Contract
061610	Brokerage Agreement	June 16, 2010	Brokerage Agreement by and between Grant Heller, a licensed life insurance settlement broker in the State of Georgia, and Vantage Funding, LLC
072710	Consulting Agreement	July 27, 2010	Consulting Agreement by and between South Cove Capital, LLC, a consultant, and Vantage Funding, LLC

SCHEDULE 3

Loan Name	Type
NORTHSTAR (common)	Insurance
COHEN, JAYSON (1)	Commercial
VAN LEEUWEN	Real Estate
BEATIE & OSBORN	Commercial
M. BERNSTEIN (2)	Commercial
THE KELLY GROUP (1)	Commercial
CHRIS A. PAYNE	Commercial
ERWIN & BALINGIT (2)	Commercial
ERWIN & BALINGIT (1)	Commercial
THE KELLY GROUP (2)	Commercial
G. SMITH	Commercial
ELIC ANBAR (4)	Commercial
C. SNYDER	Commercial
CALIFOR PRIVATE	Commercial
CRAMPTON	Commercial
ELIC ANBAR (1)	Commercial
ELIC ANBAR (2)	Commercial
ELIC ANBAR (3)	Commercial
FREDDAVIDJAMES	Real Estate
GR SOLUTIONS	Commercial
M. BERNSTEIN (1)	Commercial
M. BERNSTEIN (3)	Commercial
P. RIVERA (2)	Commercial
RD LEGAL FUNDING	Commercial
W. D. WOODS	Commercial
HARTFORD/HABANA	Real Estate
HOSPITALITY ASSO	Real Estate