

CLAWBACK AGREEMENT

THIS CLAWBACK AGREEMENT (this "Agreement") is made as of this 22nd day of December, 2006, among **VESTA INSURANCE GROUP, INC.** ("Vesta"); **J. GORDON GAINES, INC.** ("Gaines"; collectively with Vesta, the "Debtors"); and the Receivership Estates of Vesta Fire Insurance Corp., Vesta Insurance Corp., Shelby Casualty Insurance Co., The Shelby Insurance Co., Texas Select Lloyd's Insurance Co., and Select Insurance Services, Inc. (collectively, the "Receivership Estates") acting through **PRIME TEMPUS, INC.**, as the Special Deputy Receiver appointed to oversee the Receivership Estates.

Recitals:

In June, 2006, Vesta Fire Insurance Corp., Vesta Insurance Corp., Shelby Casualty Insurance Co., The Shelby Insurance Co., Texas Select Lloyd's Insurance Co., and Select Insurance Services, Inc. became subjects of state court receivership proceedings in Texas, in connection with which Prime Tempus, Inc. was appointed as the Special Deputy Receiver ("SDR") to oversee the Receivership Estates.

Vesta and Gaines are chapter 11 debtors in jointly administered bankruptcy cases pending in the United States Bankruptcy Court for the Northern District of Alabama, Southern Division (the "Bankruptcy Court"), being Case No. 06-02517-TBB11. In their respective chapter 11 cases, each Debtor has filed its Third Amended Chapter 11 Plan of Liquidation (each, a "Plan").

Vesta and the Receivership Estates each has requested Gaines to provide post-confirmation access to various records prepared by Gaines and various electronic information contained on the Gaines computer system and to provide post-confirmation certain services to Vesta and the Receivership Estates, and Gaines has agreed to provide such access and services on the terms and conditions of that certain Post-Confirmation Access and Services Agreement of even date herewith (the "Access Agreement"). The Debtors and the Receivership Estates desire to ensure that access to the records and electronic information that are the subject of the Access Agreement does not result in a waiver of any privilege applicable to such records (the "Privileges", and each, a "Privilege") including, without limitation, any attorney-client privilege and attorney work product privilege.

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants and conditions contained herein, the parties hereto, intending to be legally bound hereby, agree as follows:

1. Each of Vesta, Gaines and the Receivership Estates (collectively, the "Parties") shall produce records and electronic information (collectively, the "Information") to each other in accordance with the Access Agreement and such access shall not act as a waiver of any of the Privileges applicable to any portion of the Information.
2. None of the Parties will assert or argue before any court, panel, tribunal or arbiter that access to the Information pursuant to the Access Agreement constitutes a waiver of any applicable Privilege.

3. If any Party believes or has reasonable cause to believe that it has received, is in possession of, or otherwise has access to Information that is subject to a Privilege (“Privileged Information”) as a result of the access allowed under the Access Agreement, such party (the “Receiving Party”) shall promptly notify the other Parties in writing of the existence of the Privileged Information, including a brief description of the Information sufficient to allow one or both of the other Parties to determine if the Information is subject to a Privilege. The Receiving Party shall then make no further use of the Privileged Information for a period of fourteen (14) days after delivery of its notice to the other Parties. If prior to the expiration of such fourteen (14) day period, the Receiving Party receives written notice from either of the other Parties that it asserts a Privilege as to such Information, the Receiving Party shall:

- (a) promptly return or destroy all copies of the Privileged Information;
- (b) make no further use of the Privileged Information; and
- (c) if the Receiving Party has disclosed the Privileged Information to any other persons or entities, take all reasonable steps to retrieve and destroy all copies of the Privileged Information.

If no such notice is timely delivered to the Receiving Party by either of the other Parties hereto, then the Receiving Party may use such Information as if no Privilege is applicable to it.

4. Should a Party become aware that another Party is in possession of or has access to Privileged Information, the Party asserting such Privilege may notify the other Parties in writing of the Privilege and identify the Information over which a Privilege is asserted. After receiving such notification, the Parties receiving such notice shall:

- (a) promptly return or destroy all copies of the Privileged Information;
- (b) make no further use of the Privileged Information; and
- (c) if Receiving Party has disclosed the Privileged Information to any other persons or entities, take all reasonable steps to retrieve and destroy all copies of the Privileged Information.

5. If any Party disagrees with the assertion of a Privilege over any portion of the Information, it may (or the Party asserting the privilege may) submit the dispute to a court of competent jurisdiction for a determination as to the validity of the claimed Privilege.

Agreed and Effective on as of December 22, 2006.

VESTA INSURANCE GROUP, INC.

By: _____
Lloyd Whitaker, in his capacity as
Plan Trustee

J. GORDON GAINES, INC.

By: _____
Kevin T. O'Halloran, in his capacity as
Plan Trustee

**THE RECEIVERSHIP ESTATES OF VESTA
FIRE INSURANCE CORPORATION, VESTA
INSURANCE CORPORATION, SHELBY
CASUALTY INSURANCE COMPANY THE
SHELBY INSURANCE COMPANY TEXAS
SELECT LLOYD'S INSURANCE COMPANY
AND SELECT INSURANCE SERVICES, INC.**

By: PRIME TEMPUS, INC. AS SPECIAL
DEPUTY RECEIVER

By: _____
Craig A. Koenig
Its President