TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1
Stylesheet Version v1.2

ETAS ID: TM447118

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	ASSIGNMENT OF THE ENTIRE INTEREST AND THE GOODWILL

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
Hanratty & Associates, Inc.		04/15/2016	Corporation: MINNESOTA
H & A Administrators, Inc.		04/15/2016	Corporation: MINNESOTA
Timothy J. Hanratty		04/15/2016	INDIVIDUAL: UNITED STATES
Justin Hanratty		04/15/2016	INDIVIDUAL: UNITED STATES

RECEIVING PARTY DATA

Name:	USI Insurance Services, LLC
Street Address:	100 Summit Lake Drive
Internal Address:	Ste 400
City:	Valhalla
State/Country:	NEW YORK
Postal Code:	10595
Entity Type:	Limited Liability Company: DELAWARE

PROPERTY NUMBERS Total: 1

Property Type	Number	Word Mark
Registration Number:	3317234	SELECT105

OP $40.00 3317234

CORRESPONDENCE DATA

Fax Number:

Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent using a fax number, if provided; if that is unsuccessful, it will be sent via US Mail.

Email: joanna.crosby@hklaw.com
Correspondent Name: Joanna Crosby
Address Line 1: 800 17th Street, NW
Address Line 2: Suite 1100
Address Line 4: Washington, D.C. 20006

NAME OF SUBMITTER:	Joanna D. Crosby
SIGNATURE:	/joannadcrosby/
DATE SIGNED:	10/13/2017

Total Attachments: 45
source=NAI_1500968747_1_01 Asset Purchase Agreement (002)#page1.tif

source=NAI_1500968747_1_01 Asset Purchase Agreement (002)#page2.tif
source=NAI_1500968747_1_01 Asset Purchase Agreement (002)#page3.tif
source=NAI_1500968747_1_01 Asset Purchase Agreement (002)#page4.tif
source=NAI_1500968747_1_01 Asset Purchase Agreement (002)#page5.tif
source=NAI_1500968747_1_01 Asset Purchase Agreement (002)#page6.tif
source=NAI_1500968747_1_01 Asset Purchase Agreement (002)#page7.tif
source=NAI_1500968747_1_01 Asset Purchase Agreement (002)#page8.tif
source=NAI_1500968747_1_01 Asset Purchase Agreement (002)#page9.tif
source=NAI_1500968747_1_01 Asset Purchase Agreement (002)#page10.tif
source=NAI_1500968747_1_01 Asset Purchase Agreement (002)#page11.tif
source=NAI_1500968747_1_01 Asset Purchase Agreement (002)#page12.tif
source=NAI_1500968747_1_01 Asset Purchase Agreement (002)#page13.tif
source=NAI_1500968747_1_01 Asset Purchase Agreement (002)#page14.tif
source=NAI_1500968747_1_01 Asset Purchase Agreement (002)#page15.tif
source=NAI_1500968747_1_01 Asset Purchase Agreement (002)#page16.tif
source=NAI_1500968747_1_01 Asset Purchase Agreement (002)#page17.tif
source=NAI_1500968747_1_01 Asset Purchase Agreement (002)#page18.tif
source=NAI_1500968747_1_01 Asset Purchase Agreement (002)#page19.tif
source=NAI_1500968747_1_01 Asset Purchase Agreement (002)#page20.tif
source=NAI_1500968747_1_01 Asset Purchase Agreement (002)#page21.tif
source=NAI_1500968747_1_01 Asset Purchase Agreement (002)#page22.tif
source=NAI_1500968747_1_01 Asset Purchase Agreement (002)#page23.tif
source=NAI_1500968747_1_01 Asset Purchase Agreement (002)#page24.tif
source=NAI_1500968747_1_01 Asset Purchase Agreement (002)#page25.tif
source=NAI_1500968747_1_01 Asset Purchase Agreement (002)#page26.tif
source=NAI_1500968747_1_01 Asset Purchase Agreement (002)#page27.tif
source=NAI_1500968747_1_01 Asset Purchase Agreement (002)#page28.tif
source=NAI_1500968747_1_01 Asset Purchase Agreement (002)#page29.tif
source=NAI_1500968747_1_01 Asset Purchase Agreement (002)#page30.tif
source=NAI_1500968747_1_01 Asset Purchase Agreement (002)#page31.tif
source=NAI_1500968747_1_01 Asset Purchase Agreement (002)#page32.tif
source=NAI_1500968747_1_01 Asset Purchase Agreement (002)#page33.tif
source=NAI_1500968747_1_01 Asset Purchase Agreement (002)#page34.tif
source=NAI_1500968747_1_01 Asset Purchase Agreement (002)#page35.tif
source=NAI_1500968747_1_01 Asset Purchase Agreement (002)#page36.tif
source=NAI_1500968747_1_01 Asset Purchase Agreement (002)#page37.tif
source=NAI_1500968747_1_01 Asset Purchase Agreement (002)#page38.tif
source=NAI_1500968747_1_01 Asset Purchase Agreement (002)#page39.tif
source=NAI_1500968747_1_01 Asset Purchase Agreement (002)#page40.tif
source=NAI_1500968747_1_01 Asset Purchase Agreement (002)#page41.tif
source=NAI_1500968747_1_01 Asset Purchase Agreement (002)#page42.tif
source=NAI_1500968747_1_01 Asset Purchase Agreement (002)#page43.tif
source=NAI_1500968747_1_01 Asset Purchase Agreement (002)#page44.tif
source=NAI_1500968747_1_01 Asset Purchase Agreement (002)#page45.tif

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement ("**Agreement**") is dated as of 12:01 a.m. on April 15, 2016 and is by and among (i) Hanratty & Associates, Inc., a Minnesota corporation ("**Hanratty Seller**"), (ii) H & A Administrators, Inc., a Minnesota corporation ("**H & A Seller**") (collectively, the "**Seller**") (iii) Justin Hanratty, an individual and a shareholder of Seller, (iv) Timothy J. Hanratty, an individual and a shareholder of Seller (collectively, the "**Seller Shareholders**" and each, individually, a "**Seller Shareholder**"), and (v) USI Insurance Services LLC, a Delaware limited liability company ("**Purchaser**"). Seller and the Seller Shareholders are sometimes referred to individually herein as a "**Seller Party**" and collectively as the "**Seller Parties**." Purchaser and the Seller Parties are sometimes referred to herein individually as a "**Party**" and collectively as the "**Parties**." Capitalized terms not otherwise defined herein have the meaning assigned to such terms in Article 21.

RECITALS

WHEREAS, Seller is engaged in providing the Company Business within the Restricted Territory;

WHEREAS, the Seller Shareholders are the direct owners of all of the issued and outstanding equity interests of Hanratty Seller and H & A Seller is wholly-owned subsidiary of Hanratty Seller;

WHEREAS, the Seller Parties desire that Seller sell the Acquired Assets to Purchaser, and Purchaser desires to purchase the Acquired Assets from Seller, on the terms and subject to the conditions hereinafter set forth; and

WHEREAS, to induce Purchaser to enter into this Agreement and consummate the transactions contemplated hereunder, each of the Seller Parties agrees to be bound by the Restrictive Covenants applicable to such Seller Party contained herein.

NOW, THEREFORE, in consideration of the representations, warranties, covenants, and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to become legally bound, agree as follows:

ARTICLE 1. SALE OF ASSETS; ASSUMPTION OF LIABILITIES

1.1 Sale of Assets. Subject to the terms and conditions of this Agreement, at the Closing, Seller hereby sells, conveys, transfers and irrevocably assigns and delivers to Purchaser, and Purchaser hereby purchases and accepts from Seller, all right, title and interest in and, to the Acquired Assets free and clear of all Security Interests.

1.2 Excluded Assets. Property or assets of Seller that are not expressly included in the Acquired Assets are excluded from the sale and shall be retained by Seller. All such assets excluded from the sale and to be retained by Seller are referred to as "**Excluded Assets**," which shall include: (a) those excluded assets of Seller set forth on Schedule 1.2 (including cash on hand and in bank accounts, the property, real or personal and mixed, tangible and intangible of

Seller, including equipment (including any leased copier equipment), personal computers, office furniture and artwork), and (b) all abandoned or unclaimed property reportable under any state or local unclaimed property, escheat or similar applicable Law where the dormancy period elapsed prior to the Closing Date.

1.3 Assumed Liabilities. From and after the Closing Date and on the terms and subject to the conditions contained in this Agreement, Purchaser shall assume, perform, pay and discharge only the Assumed Liabilities and no other liabilities or obligations of any Seller Party whatsoever.

1.4 Excluded Liabilities. None of Purchaser or any other USI Company shall assume or be required to perform, pay or discharge any, and the Seller Parties shall remain unconditionally liable for all, of the Seller Parties' debts, obligations, liabilities and commitments, paid or unpaid, including any and all debts, obligations, liabilities or commitments relating to or arising out of the operation of the Company Business or the ownership of the Acquired Assets prior to the Closing Date (and including any liabilities or obligations of Seller for Taxes relating to the ownership or operation of the Acquired Assets prior to the Closing Date and any debts, obligations, liabilities or commitments that may be imposed on Purchaser under a de facto merger, successor transferee, bulk sale or similar theory, absolute, contingent or otherwise), other than those that are expressly and specifically included in the Assumed Liabilities and only to the extent so included. All such debts, obligations, liabilities and commitments that are not Assumed Liabilities, including those liabilities described above and those set forth on Schedule 1.4 and any liabilities arising out of or attributable to any Excluded Asset, are referred to as "**Excluded Liabilities**."

ARTICLE 2. PURCHASE PRICE

2.1 Closing Consideration; Note. In consideration of the purchase and sale of the Acquired Assets and the Seller Parties entering into the Restrictive Covenants, Purchaser hereby assumes and agrees to pay, perform and discharge the Assumed Liabilities as and when such Assumed Liabilities come due, and Purchaser shall pay to Seller the aggregate of the following (the "**Purchase Price**"):

(a) Cash in the amount of $14,880,000.00, less $30,243.00 (the actual cost of the Tail Coverage), less $290,000.00 (the "operating cash"), less $827,198.18 (the amount of any Indebtedness of Seller assumed by Purchaser or paid to the applicable holder of such Indebtedness from such cash payment at Closing) (the "**Closing Consideration**") by wire transfer of immediately available funds to an account designated by Seller; provided, however, if the Preliminary Net Working Capital reflected in the Preliminary Net Working Capital Certificate given pursuant to Section 2.2(a) is less than $0, then the Closing Consideration shall be adjusted downward "dollar for dollar" at the Closing in an amount equal to such shortfall (the "**Shortfall Amount**"), and if such Preliminary Net Working Capital exceeds $0, then the Closing Consideration shall be adjusted upward "dollar for dollar" in an amount equal to such excess and shall be paid upon the later of (i) ninety (90) days from the Closing Date and (ii) within ten (10) business days of the determination of Final Net Working Capital; which amount shall be subject to adjustment pursuant to Sections 2.2(b)–(g);

(b) A two-year promissory note in the aggregate amount of $1,200,000 issued by Purchaser's parent, USI, Inc., in the form attached hereto as the **Seller Note Exhibit** (the "**Seller Note**"); and

(c) The Parties have agreed to target Revenues equal to $6,697,600 in respect of the First Measurement Period, $6,965,500 in respect of the Second Measurement Period and $7,244,100 in respect of the Third Measurement Period (collectively, the "**Target Revenues**"). For each Measurement Period, in the event that the Final Revenues equals or exceeds the applicable Target Revenues, Purchaser will pay an aggregate cash payment (each an "**Earn-Out Payment**" and collectively, the "**Earn-Out Payments**") in an amount equal to the product of (i) the aggregate Final Revenues during the applicable Measurement Period multiplied by (ii) .1783, which shall be paid as set forth in Section 2.3 below. In the event the Target Revenues is not met in any Measurement Period, no payment shall be made for such Measurement Period. In no event shall the sum of any Earn-Out Payments and any Additional Payments (as defined below) to Seller exceed $7,610,375.

(i) If Seller did not achieve an Earn-Out Payment in any of the First Measurement Period, the Second Measurement Period or the Third Measurement Period because the Target Revenues was not met in respect of such Measurement Period, and the Final Revenues in respect of the Fourth Measurement Period is equal to or exceeds $7,533,889, subject to adjustment in accordance with Section 2.1(c)(ii) below (the "**Additional Payment Threshold**"), Seller will be eligible to receive an additional payment (an "**Additional Payment**") in an amount equal to the product of (A) the aggregate Final Revenues in respect of such First, Second or Third Measurement Period in which no Earn-out Payment(s) were made, as applicable, multiplied by (B) .1783, which shall be paid at the end of the Fourth Measurement Period and as set forth in Section 2.3 below.

(ii) Purchaser and Seller acknowledge that the management team of the Seller will, following the closing, be actively sourcing other potential acquisitions in Minnesota and the Upper Midwest and it is Purchaser's intent to include the effect of these acquisitions in the determination of the Earn-Out Payments due to Seller hereunder, subject to mutually agreed-upon changes in Target Revenues and the Additional Payment Threshold, as applicable. By mutual agreement of Purchaser and Seller, the Target Revenues and Additional Payment Threshold may be adjusted upward in order to account for any such acquisitions consummated after the date hereof and the revenue from such acquisitions included in the Revenues, Estimated Revenues and Final Revenues. However, if Purchaser and Seller are unable to agree on the adjustment to Target Revenues and the Additional Payment Threshold within sixty (60) days after such consummation, the Target Revenues and the Additional Payment Threshold shall remain the same and any revenues related to such acquisition shall be excluded from the calculation of the Estimated Revenues and Final Revenues.

2.2 Closing Consideration Adjustment.

(a) Prior to the Closing, Seller prepared and delivered to Purchaser a statement (the "**Preliminary Net Working Capital Certificate**") setting forth in reasonable detail its estimate of the Net Working Capital (the "**Preliminary Net Working Capital**") and

the calculations supporting Seller's estimate, for the purposes of calculating the Closing Consideration. The Preliminary Net Working Capital has been calculated on a basis consistent with the principles set forth on Schedule 2.2(a) and includes only the components of the Net Working Capital calculation as have been agreed to by the Parties for the purpose of Closing as reflected on Schedule 2.2(a).

(b) Within sixty (60) days following the Closing Date, Purchaser shall prepare and deliver to Seller a statement (the "**Proposed Net Working Capital Certificate**") setting forth in reasonable detail its calculation of Net Working Capital (the "**Proposed Net Working Capital**"). The Proposed Net Working Capital shall be calculated on a basis consistent with the principles set forth on Schedule 2.2(a). If within thirty (30) days after the delivery of the Proposed Net Working Capital Certificate to Seller (the "**Objection Period**"), Purchaser has not received an Objection Notice (as defined herein), then such Proposed Net Working Capital shall be deemed the Final Net Working Capital (as defined below) and the Closing Consideration shall be adjusted if at all, in accordance with Section 2.2(g); however, if an Objection Notice (as defined herein) has been delivered, then Section 2.2(c) and Section 2.2(d) hereof shall apply.

(c) If Seller in good faith disagrees with any portion of the Proposed Net Working Capital, Seller may, within the Objection Period, deliver a written notice to Purchaser setting forth Seller's objections thereto (the "**Objection Notice**"). Any Objection Notice shall specify in detail any good faith and reasonable disagreement as to the amount of the Proposed Net Working Capital and Seller's calculation of the Proposed Net Working Capital (the "**Alternative Proposed Net Working Capital**").

(d) If an Objection Notice is timely received by Purchaser within the Objection Period, the Parties shall, during the thirty (30) days following Purchaser's receipt of such Objection Notice (the "**Net Working Capital Settlement Deadline**"), use their good faith, reasonable efforts to reach an agreement on the disputed items. If such an agreement is reached prior to the Net Working Capital Settlement Deadline, the Net Working Capital as so agreed shall be deemed the Final Net Working Capital and the Closing Consideration shall be adjusted, if at all, in accordance with the provisions of Section 2.2(g). If the Parties are unable to reach such an agreement prior to the Net Working Capital Settlement Deadline, Purchaser and the Seller Parties shall jointly retain a mutually acceptable independent accounting firm (the "**Accountant**") to resolve any remaining disagreements. Purchaser and the Seller Parties shall execute, if requested by the Accountant, a reasonable engagement letter, including customary indemnification provisions in favor of the Accountant. Purchaser and the Seller Parties shall direct the Accountant to render a determination in writing as promptly as practicable and in any event within thirty (30) business days after its retention and the Parties shall cooperate with the Accountant during its engagement and make available the records and workpapers necessary for its review. The Accountant shall consider only those items and amounts set forth in the Objection Notice that Purchaser and the Seller Parties have been unable to resolve, and the Accountant shall review only the records and workpapers submitted and base its determination solely on such submissions and the related computational materials. In resolving any disputed item, the Accountant may not assign a value to any item greater than the greatest value of such item claimed by either Party or less than the smallest value for such item claimed by either Party. The Accountant's determination shall be based on the definitions included herein and shall

otherwise be made in accordance with this Agreement. The determination of the Accountant shall be conclusive and binding upon the Parties, and the Closing Consideration shall be adjusted, if at all, in accordance with the provisions of Section 2.2(g). Purchaser and the Seller Parties shall each bear a percentage of the fees and expenses of the Accountant in the inverse proportion to which the Accountant determines such Party is correct in its calculation of the Proposed Net Working Capital. For example, if the Accountant determines that Purchaser is 75% correct in its calculation of the Proposed Net Working Capital, the Seller Parties shall bear 75% of the Accountant's fees and expenses. Purchaser and the Seller Parties shall each bear 100% of their own related expenses other than expenses related to the Accountant.

(e) The Net Working Capital (either as agreed to by the Seller Parties and Purchaser, as deemed final pursuant to Section 2.2(b) above or as adjusted pursuant to Section 2.2(d) above) shall be final and binding on the Parties and will be referred to as the "**Final Net Working Capital**."

(f) Purchaser and the Seller Parties shall cooperate and assist in good faith in the determination of the Final Net Working Capital and in the conduct of the reviews referred to in this Section 2.2, including making available, to the extent reasonably necessary, books, records, work papers and personnel at such reasonable times as any Party shall request and permitting (at the expense of the requesting Party) the copying of any records or extracts thereof reasonably requested.

(g) If the Closing Consideration was adjusted at Closing by a Shortfall Amount and the Final Net Working Capital is less than (i.e., more negative than) the Preliminary Net Working Capital, then Seller shall, or the Seller Shareholders shall cause Seller to, promptly pay the amount of such shortfall to Purchaser. If the Closing Consideration was adjusted at Closing by a Shortfall Amount and the Final Net Working Capital is greater than (i.e., less negative than) the Preliminary Net Working Capital, then Purchaser shall promptly pay the amount of such excess to Seller. If the Preliminary Net Working Capital equaled $0 such that the Closing Consideration was not adjusted at Closing and the Final Net Working Capital is less than zero, then Seller shall, or the Seller Shareholders shall cause Seller to, promptly pay to Purchaser the amount by which the Final Net Working Capital is less than zero. If the Preliminary Net Working Capital exceeded $0 such that the Closing Consideration was not adjusted at Closing and the Final Net Working Capital is greater than zero, then Purchaser shall promptly pay to Seller the amount by which the Final Net Working Capital exceeds zero. Such payment, if any, shall be made within five (5) business days after the Final Net Working Capital is determined and shall be payable by wire transfer of immediately available funds to an account designated by the Party receiving payment; provided that any payment by Purchaser pursuant to this Section 2.2(g) shall not be made prior to ninety (90) days after the Closing Date. By way of examples: (a) if the Preliminary Net Working Capital was negative $100,000 and the Closing Consideration was correspondingly reduced by $100,000 at Closing and the Final Net Working Capital was negative $50,000, Purchaser would pay Seller $50,000; (b) if the Preliminary Net Working Capital was positive $50,000 such that no adjustment to the Closing Consideration was made at Closing, but the Final Net Working Capital was negative $25,000, Seller would pay Purchaser $25,000.

2.3 Earn-Out Payments and the Additional Payment.

(a) Within forty-five (45) days after the end of each Measurement Period, Purchaser shall prepare and deliver to Seller a statement setting forth Purchaser's calculation of the Revenues for such Measurement Period (the "**Estimated Revenues**"). For illustrative purposes only, Schedule 2.3(a) is attached hereto as an example of the calculation of the Estimated Revenues.

(b) If Seller in good faith disagrees with Purchaser's calculation of the Estimated Revenues for the applicable Measurement Period, Seller may, within thirty (30) days after receipt of such statement (the "**Earn-Out Payment Objection Period**"), deliver a written notice to Purchaser setting forth Seller's objections thereto (the "**Earn-Out Payment Objection Notice**"). The Earn-Out Payment Objection Notice shall specify in detail any good faith and reasonable disagreement as to the amount of the Estimated Revenues and Seller's calculation of the Estimated Revenues (the "**Alternative Estimated Revenues**").

(c) If an Earn-Out Payment Objection Notice is timely received by Purchaser within the Earn-Out Payment Objection Period, the Parties shall, during the thirty (30) days following Purchaser's receipt of such notice (the "**Earn-Out Payment Settlement Deadline**"), use their good faith, reasonable efforts to reach an agreement on the disputed items. If such an agreement is reached prior to the Earn-Out Settlement Deadline, the Revenues as so agreed shall be deemed the Final Revenues for the applicable Measurement Period. If the Parties are unable to reach such an agreement prior to the Earn-Out Settlement Deadline, Purchaser and the Seller Parties shall jointly retain an Accountant to resolve any remaining disagreements and shall follow the same procedures, requirements and duties as set forth in Section 2.2(d) with respect to Net Working Capital.

(d) The Estimated Revenues for each Measurement Period (either as agreed to by Seller and Purchaser, as deemed final pursuant to Section 2.3(c) above or as adjusted pursuant to Section 2.3(c) above) and the resulting Earn-Out Payment, if any, shall be final and binding on the Parties and will be referred to as the "**Final Revenues**" for the applicable Measurement Period.

(e) Purchaser and the Seller Parties shall cooperate and assist in good faith in the preparation of the Estimated Revenues for each Measurement Period, the determination of the Final Revenues for each Measurement Period and the resulting Earn-Out Payment (if any) and Additional Payment (if any) and in the conduct of the reviews referred to in this Section 2.3, including making available, to the extent reasonably necessary, books, records, work papers and personnel at such reasonable times as any Party shall request and permitting (at the expense of the requesting Party) the copying of any records or extracts thereof reasonably requested. The Parties agree that, after the Closing Date, Purchaser may operate the Company Business in its sole discretion; provided that it will not take any action for the purpose of reducing any Earn-Out Payment.

(f) If the Final Revenues for a Measurement Period is equal to or exceeds the Target Revenues applicable to such Measurement Period, following the determination of the Final

Revenues for each Measurement Period, Purchaser shall pay to Seller within five (5) business days, an amount calculated in accordance with Section 2.1(c). If applicable, Purchaser will pay any Additional Payment as required and as calculated in accordance with Section 2.1(c)(i) to Seller within five (5) business days of the determination of the Final Revenues in respect of the Fourth Measurement Period. Such payments shall be made by wire transfer of immediately available funds to an account designated by Seller.

2.4 Acknowledgment of Restrictive Covenants. Each of the Seller Parties hereby agrees to abide by its, and to cause its Affiliates' or successors' or assigns' to abide by their, Restrictive Covenants and acknowledges and agrees that the payments described in this Article 2 shall constitute, among other things, full consideration for its Restrictive Covenants, and the associated Goodwill included in the Acquired Assets.

2.5 Tax Allocation. The Parties shall allocate two and one-half percent (2.5%) of the Closing Consideration to the Restrictive Covenants and the remainder of the Purchase Price to the Acquired Assets for Tax purposes in a manner mutually agreed upon by the Parties, and consistent with Section 1060 of the Code, and shall file all Tax Returns consistent therewith. The Parties acknowledge and agree that the Tax allocation, if any, of Purchase Price to Restrictive Covenants shall not, in any way, limit any remedy available to Purchaser for any breach by any Seller Party of any Restrictive Covenants. The Earn-Out Payments and the Additional Payment, if any, will be treated in accordance with Sections 453 and 483 of the Code.

ARTICLE 3. REPRESENTATIONS AND WARRANTIES OF PURCHASER

3.1 Representations Regarding Purchaser. Purchaser represents and warrants to the Seller Parties the following:

(a) Organization; Authority; Enforceability. Purchaser is duly organized and validly existing under the Laws of its jurisdiction of organization. Purchaser has the necessary limited liability company power and authority, and has taken all limited liability company actions necessary, to execute and deliver this Agreement, and all other documents and agreements executed or to be executed by it under or in connection with this Agreement, and to perform its obligations hereunder and thereunder. The execution and delivery by Purchaser of this Agreement and all other documents and agreements to be executed by Purchaser as contemplated hereunder, the performance by Purchaser of its obligations hereunder and thereunder and the consummation by Purchaser of the transactions contemplated hereby and thereby have been duly authorized by all requisite limited liability company action on the part of Purchaser. This Agreement and all other documents and agreements to be executed by Purchaser as contemplated hereunder have been duly executed and delivered by Purchaser and constitute the legal, valid and binding obligation of Purchaser, enforceable against Purchaser in accordance with its terms, subject to the effect of receivership, conservatorship or supervisory powers of insurance regulatory agencies and subject to the effect of bankruptcy, insolvency, reorganization, moratorium or similar Laws now or hereafter in effect relating to or affecting the enforcement of creditors' rights generally and subject, as to enforceability, to general principles of equity (regardless of whether enforcement is sought in a proceeding at Law or in equity).

(b) No Conflicts. The execution and delivery of this Agreement and the other documents and agreements to be executed by Purchaser as contemplated hereunder, the consummation of the transactions contemplated hereby or thereby, and the compliance with the terms and conditions hereof or thereof will not (i) contravene any provision of Law or any Order or other restriction binding upon Purchaser, or contravene any Order or permit applicable to Purchaser; (ii) conflict with or result in any breach of any terms, covenants, conditions or provisions of, or constitute a default (with or without the giving of notice or passage of time or both) under the articles or certificate of formation, limited liability company agreement, or similar constitutional document of Purchaser, or (iii) conflict with, result in a breach of, constitute a default under, result in the acceleration of any obligation under, create in any party the right to accelerate, terminate, modify or cancel, or require any notice under, any Contract or other arrangement to which Purchaser is a party or by which it or its assets or properties is bound.

(c) Required Filings and Consents. The execution and delivery of this Agreement and the other documents and agreements to be executed by Purchaser as contemplated hereunder and the taking of any action by Purchaser in connection with this Agreement require no authorizations, consents or approvals of, or exemptions by, or notice to, or filings with, any Governmental Entity, including any insurance regulatory authorities.

(d) Litigation and Claims. There is no pending or, to Purchaser's Knowledge, threatened claim, charge, complaint, demand, hearing, action, suit, arbitration, inquiry, proceeding or investigation by or before any Governmental Entity to which Purchaser is a party, which seeks to restrain, condition or prohibit the transactions contemplated herein.

(e) Brokers, Finders and Agents. Purchaser has no liability or obligation to pay any fees or commissions to any broker, finder, advisor or agent with respect to the transactions contemplated hereunder for which Seller may become liable.

ARTICLE 4. REPRESENTATIONS AND WARRANTIES OF THE SELLER PARTIES

4.1 Representations Regarding Seller Parties. Each of the Seller Parties, jointly and severally, represents and warrants the following to Purchaser with respect to the Seller Parties:

(a) Capitalization. The Company Business is conducted entirely through Seller. Schedule 4.1(a) sets forth a true and complete statement of the capitalization of each of Hanratty Seller and H & A Seller, including, with respect to the issued and outstanding shares (the "**Equity**"): (i) all classes of such Equity, (ii) the authorized Equity, (iii) the outstanding Equity, and (iv) opposite each shareholder's name, the number, class and type of Equity held by such shareholder. All of the Equity of Hanratty Seller is owned by the Seller Shareholders and all of the Equity of H & A Seller is owned by Hanratty Seller. All such Equity has been duly authorized and validly issued, is fully paid and non-assessable and was issued in compliance with all applicable securities Laws and any preemptive rights or rights of first refusal of any Person. The issued and outstanding Equity of Seller reflected on Schedule 4.1(a) represents the only issued and outstanding Equity of Seller. With respect to Seller, there are no (w) voting trusts, proxies, options, offers, warrants, conversion rights, Contracts or other agreements or

understandings with respect to the voting of the Equity; (x) Contracts that require or may require Seller to grant, extend or enter into any Contract for the issuance, transfer or sale of any Equity; (y) Contracts that require or may require Seller to repurchase any Equity or interest or other securities of Seller; or (z) preemptive or similar rights with respect to any Equity. Seller does not own, directly or indirectly, any outstanding voting securities or other interests in or control any other corporation, partnership, joint venture, or other business entity.

(b) No Conflicts. Except as disclosed on Schedule 4.1(b), the execution and delivery of this Agreement, the other documents and agreements to be executed by each Seller Party as contemplated hereunder, the consummation of the transactions contemplated hereby and thereby, and compliance with the terms and conditions hereof or thereof will not (i) contravene any provision of Law or any Order or other restriction binding upon such Seller Party or contravene any Order or permit applicable to such Seller Party, (ii) conflict with or result in any breach of any terms, covenants, conditions or provisions of, or constitute a default (with or without the giving of notice or passage of time or both) under the articles or certificate of incorporation, bylaws or similar constitutional document of such Seller Party, (iii) conflict with, result in a breach of, constitute a default under, result in the acceleration of any obligation under, create in any party the right to accelerate, terminate, modify or cancel, or require any notice under, any Contract to which such Seller Party is a party, or by which such Seller Party is bound, or to which such Seller Party's assets are subject, or (iv) result in the attachment, creation or imposition of any Security Interest upon any of the assets, rights, Contracts or other property of such Seller Party.

(c) Required Filings and Consents. The execution and delivery of this Agreement and the other documents and agreements to be executed by each Seller Party as contemplated hereunder and the taking of any action by each Seller Party in connection with this Agreement require no authorizations, consents or approvals of, or exemptions by, or notice to, or filings with any Governmental Entity, including any insurance regulatory authorities.

(d) Litigation and Claims. There is no pending or, to Seller's Knowledge, threatened claim, charge, complaint, demand, hearing, action, suit, arbitration, inquiry, proceeding, investigation, suspension, cease-and-desist order or consent agreement, memorandum of understanding or other regulatory enforcement action by or before any Governmental Entity to which any Seller Party is a party, which seeks to restrain, condition or prohibit the transactions contemplated herein.

(e) Organization; Authority; Enforceability. Seller is duly incorporated and validly existing under the Laws of its jurisdiction of incorporation. Seller has the requisite power and authority to own or lease its properties and to conduct the Company Business as heretofore conducted. Seller has the necessary corporate power and authority, and has taken all corporate actions necessary, to execute, deliver and perform this Agreement and all other documents and agreements executed or to be executed by it under or in connection with this Agreement, and to perform its obligations hereunder and thereunder. Each Seller Shareholder is a natural person who is over eighteen (18) years of age and of sound mind and has all requisite power, authority and legal capacity to execute and deliver this Agreement and all other documents and agreements executed or to be executed by him or her under or in connection with this Agreement, and to

perform his or her obligations hereunder and thereunder, and to consummate the transactions contemplated hereby and thereby.

(f) Capacity; Execution and Delivery. This Agreement does, and all other documents and agreements to be executed by each Seller Party as contemplated hereunder shall, constitute the legal, valid and binding obligation of such Seller Party, enforceable in accordance with their terms and conditions, subject to the effect of receivership, conservatorship or supervisory powers of insurance regulatory agencies and subject to the effect of bankruptcy, insolvency, reorganization, moratorium or similar Laws now or hereafter in effect relating to or affecting the enforcement of creditors' rights generally and subject to general principles of equity (regardless of whether enforcement is sought in a proceeding at Law or in equity).

4.2 Representations Regarding Seller. Each of the Seller Parties jointly and severally represents and warrants the following to Purchaser with respect to Seller:

(a) Litigation and Claims; Compliance with Law.

(i) Except as disclosed on Schedule 4.2(a)(i), there is no pending or, to Seller's Knowledge, threatened claim, charge, complaint, demand, hearing, action, suit, arbitration, inquiry, proceeding, investigation, suspension, cease-and-desist order or consent agreement, memorandum of understanding or other regulatory enforcement action by or before any Governmental Entity to which Seller is a party and is related to the Company Business or which affect the Acquired Assets and/or Assumed Liabilities. There are no judgments or outstanding Orders or awards (whether rendered by a court or Governmental Entity or by arbitration) against Seller related to the Company Business or which affect the Acquired Assets and/or Assumed Liabilities.

(ii) Except as disclosed on Schedule 4.2(a)(ii), Seller has conducted the Company Business in all material respects in compliance with all applicable Laws and Orders promulgated by any Governmental Entity. Without limiting the foregoing, no Seller Party has engaged in price fixing, bid rigging or any other anticompetitive activity. In connection with the conduct of the Company Business, no Seller Party has, nor, to Seller's Knowledge, has any director, officer, employee, independent contractor, agent or Producer of Seller, (A) directly or indirectly given or agreed or offered to give any illegal gift, contribution, payment or similar benefit to any supplier, Client, governmental official or employee or other Person who was, is or may be in a position to help or hinder Seller (or assist in connection with any actual or proposed transaction) or made or agreed or offered to make any illegal contribution, or reimbursed or agreed or offered to reimburse any illegal political gift or contribution made by any other Person, to any candidate for federal, state, local or foreign public office or exert any illegal influence or (B) established or maintained any unrecorded fund or asset or made any false entries on any books or records for any purpose related to or otherwise affecting Seller.

(b) Title. Seller has sole, good and marketable title in and to all of the Acquired Assets (including all Client Accounts and Clients and Active Prospective Clients relationships used or required in connection with the conduct of Company Business, and all

records, files, data and other records related thereto) and may sell, transfer and assign such Acquired Assets to Purchaser pursuant to this Agreement and vest in Purchaser good and marketable title in and to such Acquired Assets. Seller has not previously sold, transferred or assigned any of its rights in or to any of the Acquired Assets. The Acquired Assets are free and clear of Security Interests and no shareholder, employee, independent contractor, Producer or any other Person or entity has any ownership interest, claim, right to solicit, or other present or contingent right or interest in or to any of the Acquired Assets (including all Client Accounts and Clients and Active Prospective Clients relationships used or required in connection with the conduct of Company Business, and all records, files, data and other records related thereto). The Acquired Assets include all assets necessary to conduct Company Business in the Ordinary Course of Business.

(c) Real Property. Seller does not own any real property used for the Company Business. Schedule 4.2(c) sets forth all real estate leased by Seller for the Company Business (the "**Leases**"). Except as set forth on Schedule 4.2(c), with respect to each Lease: (i) the agreement is the legal, valid, binding, enforceable obligation of Seller and the lessor thereto and is in full force and effect in all material respects and has not been amended or supplemented in any manner since a copy thereof was delivered to Purchaser; (ii) Seller has duly performed in all material respects all of its obligations to the extent such obligations to perform have accrued; (iii)(A) neither Seller nor, to Seller's Knowledge, the lessor thereto is in breach or default thereof, and (B) no event has occurred which, with notice or lapse of time, would constitute a default, or give rise to a right of offset or a defense by Seller or, to Seller's Knowledge, the lessor thereto; (iv) neither Seller nor, to Seller's Knowledge, the lessor thereto has repudiated any material provision of such Lease; (v) such Lease is assignable by Seller to Purchaser without the consent or approval of the lessor thereto or such lessor's consent to assignment has been obtained; (vi) Seller enjoys quiet enjoyment of the premises subject to such Lease; and (vii) no employee or independent contractor of Seller or any of its Affiliates owns any portion of the premises subject to such Lease. Seller and each of its Affiliates have complied in all material respects with all Environmental, Health, and Safety Laws, and no proceeding has been filed, commenced or, to Seller's Knowledge threatened against Seller alleging any failure so to comply, with respect to any real property owned, leased or used by Seller in connection with the Company Business. Seller has not had an office or place of business other than as identified on Schedule 4.2(c). Seller's principal place of business and chief executive office is indicated on Schedule 4.2(c), and all locations where the equipment, inventory, chattel paper, and books and records of Seller are located as of the Closing Date are fully identified on Schedule 4.2(c).

(d) Software. The current software applications used by Seller in the operation of the Company Business are set forth and described on Schedule 4.2(d) hereto (the "**Seller's Software**"). Except as disclosed on Schedule 4.2(d), Seller's Software, to the extent it is licensed from any third party licensor or it constitutes "off the shelf" software, is held by Seller under valid, binding and enforceable licenses and is fully transferrable to Purchaser without any third party's consent. All of Seller's computer hardware has validly licensed software installed therein. Seller has not sold, assigned, licensed, distributed or in any other way disposed of or encumbered the Seller's Software.

(e) Insurance. Seller is and has been covered by insurance in scope and an amount that is customary and reasonable for the Company Business. Schedule 4.2(e) hereto contains a description of all policies of insurance maintained by Seller, including fire and casualty, property, workers' compensation, errors and omission coverage and business interruption. All premiums in respect of such policies have been paid when due, Seller has not failed to give any notice or to present any claim under any insurance policy in a due and timely fashion and no default exists with respect to any of such policies and all of such policies are in full force and effect. Seller has not received written notice of cancellation of any such insurance policies. All such policies have been made available, together with all endorsements, amendments and riders, to Purchaser for examination and inspection.

(f) Taxes and Tax Returns. All Tax Returns that are required to have been filed on or prior to the Closing Date by or with respect to Seller or the Acquired Assets have been timely filed, and all Taxes (regardless of whether shown on such Tax Returns) have been timely paid or will be timely paid and satisfied prior to the Closing Date. All such Tax Returns are true, correct and complete in all material respects. Seller has withheld all Taxes required by applicable Law to have been withheld and paid in connection with amounts paid or owing to any employee, Producer or contractor, creditor, shareholder, equityholder, or other third party. Any Taxes withheld by Seller have been paid to the appropriate Governmental Entity. There are no Security Interests with respect to Taxes upon any of the assets or properties of Seller, other than with respect to Taxes not yet due and payable. No deficiency for any Taxes has been proposed, or is expected to be proposed, against Seller or with respect to the Acquired Assets, which deficiency has not been paid in full. There is no audit, litigation or arbitration or administrative proceeding or claim asserted, pending or, to Seller's Knowledge, threatened respecting or involving Seller, the Company Business, or any of the Acquired Assets with respect to any Tax.

(g) Financial Statements.

(i) Attached hereto as Schedule 4.2(g)(i) are true, correct and complete copies of the following financial statements with respect to the Company Business (collectively the "**Financial Statements**"): (A) the internally prepared balance sheet of Seller as of each of the years ended December 31, 2013, 2014 and 2015, together with the related internally prepared statements of income for the applicable the 12-month period then ended, and (B) the internally prepared balance sheet of Seller as of February 29, 2016 together with the related internally prepared statement of income for the three (3) months then ended. The Financial Statements: (A) are true, complete and correct in all material respects; (B) have been prepared in accordance with the books and records of Seller; (C) present fairly the financial position and results of operations of Seller as of the dates and for the periods indicated; and (D) have been prepared in accordance with a comprehensive basis of accounting.

(ii) The applicable Accounts Payable and Accounts Receivable are accurately reflected in Seller's books and records, including the Financial Statements, as of the Closing, including, with respect to the Accounts Payable, the names and addresses of the creditors and the outstanding amount of Accounts Payable as of immediately prior to the Closing and, with respect to the Accounts Receivable, a true, complete and correct list and aging thereof, as of the Closing. All Accounts Payable have been incurred and paid in the Ordinary Course of

Business. All Accounts Receivable (A) have been invoiced on or before the Closing; (B) have not been collected by Seller as of the Closing; and (C) are good and collectible receivables, and will be collected in full in accordance with the terms of such Accounts Receivable, without setoff or counterclaims, subject to the allowance for doubtful accounts, if any, set forth in the Financial Statements. Except as disclosed on Schedule 4.2(g)(ii), no Accounts Receivable is more than thirty (30) days old. Prior to the Closing, Seller has properly applied all cash and other amounts collected from its Clients and otherwise to the applicable account.

(h) Production Statements. Attached hereto as Schedule 4.2(h) are Seller's production statements for the twelve month period ended February 29, 2016 related to the Company Business (the "**Production Statements**"), including for each of the Client Accounts, the net commissions and/or fees received from or with respect to each such Client Account. The Production Statements were produced from the books and records of Seller (which books and records are true, correct and complete in all material respects) and are true, correct and complete in all material respects. Except as disclosed on Schedule 4.2(h), since January 1, 2015, no Client Account contained in the Production Statements has discontinued or materially reduced its business relationship with Seller. No Seller Party has any reason to believe that any Client with a Client Account reflected in the Production Statements intends to discontinue or materially reduce its business relationship with Seller (or with Purchaser, following the Closing). The Client Accounts of Seller represent insurance placed through Seller for the commissions and/or fees set forth on the Production Statements. There are no oral or written agreements, commitments or understandings with respect to any Client Account whereby any of the commissions or fees received by Seller are being returned directly or indirectly to any Client or any other Person. Seller has made available for inspection by Purchaser all insurance accounts, dailies, Client lists, policy expirations and renewals and all records, files and other information pertaining thereto prepared and maintained by Seller for all of its Clients and its Active Prospective Clients related to the Company Business.

(i) Absence of Changes. Except as disclosed on Schedule 4.2(i), since January 1, 2015, there have been no events, changes or conditions which, individually or in the aggregate, have had or would reasonably be expected to have a material adverse effect on Seller, the Company Business or any of the Acquired Assets or the Assumed Liabilities; (ii) Seller has in all material respects conducted the Company Business in the Ordinary Course of Business; and (iii) neither the Acquired Assets nor the Company Business have incurred any liabilities except in the Ordinary Course of Business.

(j) No Undisclosed Liabilities. Other than the Assumed Liabilities, Seller has no liability (including, any liability that may arise in the future from past errors, omissions or other events or existing circumstances or any liability which may arise under an alter ego, de facto control, de facto merger, successor, transferee or other similar theory), whether absolute, contingent or otherwise relating to the Company Business for which Purchaser, the Acquired Assets or the Transferred Employees may become liable.

(k) Employees. Schedule 4.2(k) sets forth a true, complete and accurate list showing all officers, directors, consultants and employees of Seller, and the rate of compensation (and the portions thereof attributable to salary, bonus and other compensation, respectively) and

any accrued sick leave and accrued vacation of each of such Persons as of the Closing. Seller has complied in all material respects and is in compliance in all material respects with all applicable employment Laws (including the classification of employees and independent contractors) and Seller is not liable for any arrears of wages, Taxes or penalties for failure to comply, in all material respects, with any of the foregoing. Seller is not a party to any labor or collective bargaining agreement or any union Contracts. Seller has not incurred, and, to the Seller's Knowledge, no circumstances exist under which Seller would reasonably be expected to incur, any material liability arising from the misclassification of employees as consultants or independent contractors, from the misclassification of consultants or independent contractors as employees, from Seller being treated as or deemed the employer, joint-employer or co-employer of any current or former employee, subcontractor or other service provider of any independent contractor, and/or from the misclassification of employees as exempt from the requirements of the Fair Labor Standards Act. No employee of Seller is subject to any Contract containing restrictive covenants that remain in effect with any Person other than Seller.

(l) Employee Benefit Plans.

(i) With respect to each "employee benefit plan" within the meaning of Section 3(3) of ERISA, and each other compensation and benefit plan, Contract, policy, program and arrangement in effect as of the date hereof which is maintained, sponsored or contributed to by Seller (other than routine administrative procedures) in which any of the employees, independent contractors or their dependents participate (each an "**Employee Plan**"), each Employee Plan has been operated and administered in all material respects in accordance with its terms and applicable Law, including ERISA and the Code, except to the extent any noncompliance would not reasonably be expected to result in any liability imposed upon Purchaser. Schedule 4.2(l) sets forth a complete list of all Employee Plans.

(ii) Each Employee Plan which is intended to be "qualified" within the meaning of Section 401(a) of the Code has received a favorable determination letter or opinion letter, as applicable, from the IRS and, to Seller's Knowledge, no event has occurred and no condition exists which would reasonably be expected to result in the revocation of any such determination.

(iii) Neither Seller nor any member of the Controlled Group currently has, and at no time in the past has had, an obligation to contribute to a "defined benefit plan" as defined in Section 3(35) of ERISA, a pension plan subject to the funding standards of Section 302 of ERISA or Section 412 of the Code, a "multiemployer plan" as defined in Section 3(37) of ERISA or Section 414(f) of the Code or a "multiple employer plan" within the meaning of Section 210(a) of ERISA or Section 413(c) of the Code.

(iv) With respect to each group health plan benefiting any current or former employee of Seller or any member of the Controlled Group that is subject to Section 4980B of the Code, Seller and each member of the Controlled Group has complied with the continuation coverage requirements of Section 4980B of the Code and Part 6 of Subtitle B of Title I of ERISA.

(m) Material Contracts. Schedule 4.2(m) lists the following Contracts and other agreements related to the Company Business (the "**Material Contracts**") to which any Transferred Employee (in the conduct of the Company Business), Seller or any Affiliate of Seller is a party: (i) any written Contract for the provision to any Client of the Company Business; (ii) any Contract which provides for the sharing of commissions, including with any third-party or any Affiliate, or which requires any Seller Party (in connection with the Company Business) to guarantee any amount or make a minimum payment; (iii) any Contract (or group of related Contracts) with any insurance carrier, broker or agency relating to the provision of the Company Business; (iv) any Contract involving the acquisition, disposition or transfer of material assets relating to the Company Business within twelve months prior to the date hereof or pursuant to which any party thereto has any remaining material obligations; (v) any Contract (or group of related Contracts) under which it has created, incurred, assumed, or guaranteed any Indebtedness, or under which a Security Interest has been imposed on any of Seller's assets, tangible or intangible; (vi) any employment or independent producer Contract; (vii) any Contract forming a partnership or joint venture; (viii) any Contract which requires a Seller Party, or any employee or independent contractor of Seller, to maintain the confidentiality of Confidential Information, or to refrain from competing with, or soliciting or accepting business from the clients or customers of, a Person other than Seller; (ix) any license for the software applications listed on Schedule 4.2(d); and (x) any other Contract which is material to the Company Business. Except as set forth on Schedule 4.2(m), the Seller Parties have made available to Purchaser either an original or a true, correct and complete copy of each written Material Contract described on Schedule 4.2(m). With respect to each Material Contract described on Schedule 4.2(m): (1) the Contract is the legal, valid, binding, enforceable obligation of the applicable Seller Party and, to such Seller Party's Knowledge, the other party thereto and is in full force and effect and has not been terminated, cancelled, amended or supplemented in any manner since being delivered to Purchaser, subject to bankruptcy and equitable remedies exceptions; (2) the applicable Seller Party has duly performed in all material respects all of its obligations to the extent such obligations to perform have accrued; (3)(A) neither the applicable Seller Party nor, to such Seller Party's Knowledge, any other party thereto is in breach or default thereof, and (B) no event has occurred which, with notice or lapse of time, would constitute a material breach or default of, or permit termination, modification, or acceleration under, the Material Contract; (4) neither the applicable Seller Party nor, to such Seller Party's Knowledge, any other party thereto has repudiated any material provision of the Contract; and (5) except as set forth on Schedule 4.2(m), the Material Contract is assignable by such Seller Party to Purchaser without the consent or approval of any other party. Except as disclosed on Schedule 4.2(m), there exist no oral Contracts or agreements with respect to the Company Business or Acquired Assets.

(n) Transactions with Affiliates. Except as disclosed on Schedule 4.2(n), no officer, director, shareholder, member, employee, Producer or Affiliate of a Seller Party, or any party related to any such officer, director, shareholder, member, employee, Producer or Affiliate, or any entity in which any such Person or individual owns any beneficial interest, is a party to any Contract or transaction with Seller or has any interest in any of the Acquired Assets.

(o) Underwriting Risk. No Seller Party owns, or has any investment or interest in, any captive insurance company or insurance carrier or underwriter. No Seller Party is a party to any Contract which would require such Seller Party to assume any underwriting risk.

(p) Producers.

(i) Schedule 4.2(p) is a list of all employees and independent contractors who are responsible for sales or business development of the Company Business (the "**Producers**"). For avoidance of doubt, "**Producer**," as defined herein, includes account executives and employees with other titles that are responsible for business development and serve as the principal contact with any Client Account. Except as set forth on Schedule 4.2(p), each Producer is a party to a Contract that is in full force and effect and each such Contract contains restrictive covenants regarding maintaining the confidentiality of Seller and non-solicitation/non-acceptance of Client Accounts post-termination of employment for a minimum of two (2) years post-termination.

(ii) To the Knowledge of Seller, during the twenty four (24) month period preceding the date of this Agreement, (A) neither Seller nor any Affiliate of Seller has hired any employee or independent contractor in violation of any restrictive covenant, non-compete agreement or non-solicitation agreement to which such employee or independent contractor is a party, and (B) no Person has made an allegation or asserted a claim that Seller or any of its Affiliates has hired any employee or independent contractor in violation of any such restrictive covenant, non-compete agreement or non-solicitation agreement.

(q) Licenses. Except as disclosed on Schedule 4.2(q), Seller and each of its Producers possess all insurance and other material licenses and sublicenses, permits and other authorizations and approvals required by Law and issued by any Governmental Entity or any applicable industry regulating organization that are necessary for Seller to conduct the Company Business as presently conducted or represented to Purchaser (collectively, the "**Licenses**"). Schedule 4.2(q) sets forth all of the Licenses. Except as set forth on Schedule 4.2(q), the Licenses are in good standing, Seller has complied, and is in compliance with the terms and conditions of the Licenses, and there are no disciplinary proceedings or investigations pending or threatened against any of Seller's employees or Producers with respect to the Licenses. There has been no occurrence or set of circumstances that may give rise to any such disciplinary proceeding or investigation. No additional license or permit is required to be obtained by Seller, its Producers or its employees from any Governmental Entity in connection with the Company Business or the Acquired Assets.

(r) Client Service Contracts. There are no guarantees of performance at pre-defined service levels under any Contracts relating to Client Accounts. Except as set forth on Schedule 4.2(r), Seller has in place written Contracts with any and all Clients for which it performs services for a fee paid directly by the Client. There are no service Contracts with Clients whereby Seller would be required to continue providing services, without additional compensation, to such Client after the termination effective date of the applicable service Contract.

(s) Appointments.

(i) Seller and each of its Producers have an appointment to act as an agent for each insurance company from which such an appointment is used to conduct Company

Business; each such appointment is valid and binding in accordance with its terms on the parties thereto; and there has been no indication that any such appointment will be, and to Seller's Knowledge no grounds exist which may reasonably result in any such appointment being revoked, limited, rescinded or terminated. Neither Seller nor any of its Producers is a party to any Contract (oral or written) which prevents it from doing business with any insurance company, agent, or broker. Neither Seller nor any of its Producers has bound, or committed to bind, any insurance coverage for any liability, risk, cost, or expense, or in any amount of liability, risk, cost, or expense, or upon any terms or conditions, which exceeds its binding authority in any respect. Neither Seller nor any of its Producers is in default under any of its material obligations to any insurance company, agent or broker through which it places insurance. Schedule 4.2(s) is a true and complete schedule of: (A) each insurance company, agent and broker through which Seller and its Producers have placed insurance in 2014, 2015 and 2016 (through March 31, 2016); (B) for the top ten (10) companies, agents or brokers through which Seller and its Producers placed the largest premium volume, the name of each such company, agent or broker and the total gross premiums written by each such company, agent or broker during the applicable period; and (C) each insurance company that paid Ten Thousand ($10,000) Dollars or more of contingent commissions to Seller or any of its Producers in 2014, 2015 and 2016 (through March 31, 2016) along with the amount of the contingent commissions paid by each such insurance company to Seller or to such Producer.

(ii) Except as set forth on Schedule 4.2(m), Seller has delivered to or made available for inspection by Purchaser true and complete copies of the appointments and Contracts (or, in the case of any insurance company, agent or broker with which Seller has no written agreement, a true and complete written description of the arrangement between such entity and Seller) currently in effect between Seller or its Producers and each insurance company, agent and broker listed on Schedule 4.2(s) and each such appointment, Contract or written description materially sets forth the terms and provisions of the agreement between Seller or its Producers and such insurance company, agent or broker as currently in effect.

(t) Internal Controls; Event of Fraud. Since January 1, 2015, no Seller Party has been advised of or become aware of: (i) any material deficiencies in the design or operation of internal controls affecting Seller's ability to record, process, summarize and report financial data; or (ii) any fraud, whether or not material, that involves management or other employees who have a role in Seller's internal controls. No material weaknesses in internal controls have been identified by Seller; and there have been no significant changes in internal controls or other factors, including any corrective actions with regard to significant deficiencies and material weaknesses. The Seller Parties are aware of no event or attempted event of fraud, whether or not material, that involved Seller or any of its Affiliates in respect of the Company Business.

(u) Brokers, Finders and Agents. No Seller Party has any liability or obligation to pay any fees or commissions to any broker, finder, advisor or agent with respect to the transactions contemplated hereunder for which Purchaser may become liable.

(v) Solvency. Seller is and, after giving effect to the transactions contemplated by this Agreement, will be, Solvent.

(w) In-Force Business. The annualized net Revenues of Seller, as of the Closing Date, exceeds $6,164,400.

(x) Company Business. The Acquired Assets include only the business and services described in the definition of Company Business and no Transferred Employees conduct any business or services other than the business and services described therein.

(y) Interests in Client Accounts. Except as set forth on Schedule 4.2(y), no Seller Shareholder owns any beneficial interest in, is a party to any Contract or transaction with, or otherwise has a financial interest in any Client Account.

(z) Other Representations and Warranties. No representation and warranty made by the Seller Parties, nor any statement, documents or certificate furnished by a Seller Party, contains or will contain any untrue statement of material fact or omits or will omit to state any material fact necessary to make the statements contained herein or therein not misleading. The disclosure of an exception by a Seller Party shall not relieve such Seller Party from its obligations described in Section 6.3(d) hereof with respect to such disclosure. Nothing in any Schedule of the Seller Parties attached hereto shall be deemed adequate in and of itself to disclose an exception to a representation or warranty made herein, however, unless the Schedule identifies the exception with reasonable particularity and describes the relevant facts in reasonable detail.

ARTICLE 5. CLOSING; CONDITIONS TO CLOSING

5.1 Closing. The closing of the transaction contemplated by this Agreement (the "**Closing**") shall take place as of 12:01 a.m. on the date hereof (the "**Closing Date**") via the electronic exchange of counterpart signature pages, and the delivery of the original documents shall be made promptly following the Closing Date.

5.2 Seller Party Deliverables. At or prior to the Closing and as a condition to Closing, the Seller Parties shall deliver or cause to be delivered:

(a) Certificates dated as of a recent date from the Secretary of State of the State of Minnesota to the effect that each of Hanratty Seller and H & A Seller validly exists and is in good standing in such jurisdiction.

(b) Certificates executed on behalf of Hanratty Seller and H & A Seller by an officer of such Seller, authenticating such Seller's formation documents, certifying as to the incumbency, and authenticating the signatures of, those Persons executing this Agreement and the other documents and agreements contemplated hereby, and certifying as to the adoption and continuing effect of appropriate resolutions by the directors and shareholders as required under such Seller's formation documents and Law, authorizing such Seller's execution, delivery, and performance of this Agreement and the other documents and agreements contemplated hereby.

(c) An executed Bill of Sale in the form attached as the **Bill of Sale Exhibit**.

(d) Executed Executive Employment Agreements with each of Justin Hanratty and John Chabot.

(e) Executed Producer Agreements, each in a mutually agreeable form, with the individuals listed on the **Producer Exhibit**.

(f) Executed Confidentiality & Non-Solicitation Agreements, each in a mutually agreeable form, with the individuals listed on the **Confidentiality & Non-Solicitation Agreement Exhibit**.

(g) Executed Independent Contractor Agreements, each in a mutually agreeable form, with the individuals listed on the **Independent Contractor Exhibit**.

(h) An executed Assignment and Assumption Agreement in the form attached as the **Assignment and Assumption Agreement Exhibit**.

(i) Copies of all consents, approvals and waivers necessary to assign the contracts listed on Schedule 5.2(i).

(j) Evidence that all Security Interests relating to the Acquired Assets have been released.

(k) Certification of non-foreign status for Hanratty Seller dated as of the Closing Date and complying with the requirements of Treasury Regulation Section 1.1445-2(b)(2).

(l) Evidence that all Indebtedness by and between Seller, on the one hand, and any Seller Shareholder or any Affiliate of Seller, or the other hand, has been paid in full and satisfied.

(m) Evidence of Tail Coverage to be effective immediately following Closing.

(n) An executed Lease Assignment in the form attached as the **Lease Assignment Exhibit**.

(o) All such other good and sufficient instruments of conveyance and transfer, all in forms reasonably satisfactory to Purchaser as shall be effective to vest in Purchaser all right, title and interest in and to all of the Acquired Assets, to be transferred at the Closing, free and clear of all Security Interests (including duly endorsed certificates of title for any titled Acquired Assets).

All actions to be taken by the Seller Parties in connection with the consummation of the transactions contemplated hereby and all certificates, instruments, and other documents reasonably required to effect the transactions contemplated hereby, will be reasonably satisfactory in form and substance to Purchaser. Purchaser may waive any condition specified in this Section 5.2.

5.3 Purchaser Deliverables. At or prior to the Closing and as a condition to Closing, Purchaser shall deliver the following:

(a) The Closing Consideration, including the payment of any Indebtedness of Seller to the party or parties set forth in Section 5.2(l) above.

(b) An executed Seller Note.

(c) Evidence of the authority and incumbency of the persons acting on behalf of Purchaser in connection with the execution of this Agreement and any document delivered pursuant to this Agreement.

(d) Executed Executive Employment Agreements with each of Justin Hanratty and John Chabot.

(e) Executed Producer Agreements, each in a mutually agreeable form, with the individuals listed on the **Producer Exhibit**.

(f) Executed Confidentiality & Non-Solicitation Agreements, each in a mutually agreeable form, with the individuals listed on the **Confidentiality & Non-Solicitation Agreement Exhibit**.

(g) Executed Independent Contractor Agreements, each in a mutually agreeable form, with the individuals listed on the **Independent Contractor Exhibit**.

(h) An executed Assignment and Assumption Agreement in the form attached as the **Assignment and Assumption Agreement Exhibit**.

(i) An executed Lease Assignment in the form attached as the **Lease Assignment Exhibit**.

(j) An Acquisition Retention Bonus Plan in the form attached as the **Acquisition Retention Bonus Plan Exhibit**.

(k) An executed Bill of Sale in the form attached as the **Bill of Sale Exhibit**.

All actions to be taken by Purchaser in connection with consummation of the transactions contemplated hereby, and all certificates, instruments, and other documents required to effect the transactions contemplated hereby, will be reasonably satisfactory in form and substance to Seller. Seller may waive any condition specified in this Section 5.3.

ARTICLE 6. INDEMNIFICATION

6.1 Survival.

(a) All of the representations and warranties of the Parties set forth in this Agreement shall survive the Closing for two (2) years following the Closing Date; provided, however, that (i) the representations and warranties contained in Sections 4.1(a), (b), (c), (e) and

(f), and Sections 4.2(b), (u) and (x) shall survive the Closing indefinitely (the "**Fundamental Representations**"), and (ii) the representations and warranties contained in Section 4.2(f) shall survive the Closing until ninety (90) days following the expiration of the statute of limitations applicable to matters covered thereby. Notwithstanding the preceding sentence, any claim related to an alleged breach of a representation or warranty in respect of which indemnity may be sought under this Agreement shall survive the time at which the applicable representation or warranty would otherwise terminate pursuant to the preceding sentence if written notice of the claim thereof giving rise to such right of indemnity has been given to the Party against whom such indemnification may be sought prior to the expiration of such time.

(b) Any covenant or agreement of any party hereto that is to be performed after the Closing Date shall survive the Closing indefinitely or, if sooner, for the time period provided in this Agreement with respect to such covenant or agreement.

(c) Any covenant or agreement of any Party hereto that is to be performed on or prior to the Closing Date and which cannot be or is not fully performed prior to the Closing Date shall survive the Closing until the earlier of (i) the date on which such covenant or agreement is fully performed and (ii) twenty-four (24) months following the Closing Date.

6.2 Indemnification by Purchaser. Purchaser shall defend, indemnify and hold the Seller Parties and their Affiliates and their respective directors, partners, officers, shareholders, members and employees (the "**Seller Indemnitees**"), and each of them, harmless from any Adverse Consequences resulting from or arising out of or otherwise relating to (a) any inaccurate representation or warranty made by Purchaser in this Agreement, (b) any breach or default in the performance of any of the covenants or agreements made by Purchaser in this Agreement, (c) any claim, action or cause of action or other liability arising out of or resulting from or relating to the Assumed Liabilities or Purchaser's ownership and operation of the Company Business and/or Acquired Assets on/or after the Closing, and (d) Purchaser's ownership and operation of the Company Business and the Acquired Assets following the Closing.

6.3 Indemnification by the Seller Parties. The Seller Parties shall defend, indemnify and hold Purchaser and the other USI Companies and their respective directors, officers, shareholders, members and employees (the "**Purchaser Indemnitees**") harmless from any Adverse Consequences resulting from, arising out of or otherwise relating to (a) any inaccurate representation or warranty made by the Seller Parties, or any of them, in this Agreement, (b) any breach or default in the performance of any of the covenants or agreements made by the Seller Parties, or any of them in this Agreement, (c) any claim, action or cause of action or other liability arising out of or resulting from or relating to the Excluded Liabilities, and (d) Seller's ownership and operation of the Company Business and the Acquired Assets prior to the Closing.

6.4 Indemnification Matters.

(a) The representations and warranties of the Seller Parties contained in Article 4, and the covenants of the Seller Parties contained herein, are joint and several obligations. Accordingly, each Seller Party will be responsible, to the extent provided

hereunder, for the entirety of any Adverse Consequences suffered by any Purchaser Indemnitee as a result of a breach by any Seller Party of any such representation and warranty.

(b) Without limiting any statutory, equitable or common law remedy that Purchaser may have for a breach of this Agreement by any Seller Party, any amounts owing from the Seller Parties pursuant to Section 6.3 may, at the sole discretion of Purchaser, be satisfied by (i) exercising rights of set-off against any amounts due and payable under the Seller Note by reducing the amount of interest and principal (in that order) then outstanding on the Seller Note, until the amount of interest and principal then outstanding on the Seller Note has been reduced to zero, at which point Purchaser shall have the option, in its sole discretion, to satisfy any further amounts owing from the Seller Parties pursuant to Section 6.3 by requiring the Seller Parties to directly fund such amounts, or (ii) exercising rights of set-off against any amounts due and payable pursuant to Section 2.3 by reducing the amount of the Earn-Out Payment or the Additional Payment, if any, until the amount of such Earn-Out Payment or such Additional Payment has been reduced to zero, at which point Purchaser shall have the option, in its sole discretion, to satisfy any further amounts owing from the Seller Parties pursuant to Section 6.3 by requiring the Seller Parties to directly fund such amounts.

(c) The Seller Parties specifically acknowledge and agree that monetary damages will not be an adequate remedy for a breach of any of the Restrictive Covenants, and that irreparable injury will result to Purchaser and/or the other USI Companies and their respective successors in interest in the event of any such breach. Accordingly, the Seller Parties agree that Purchaser or such other USI Company (as applicable) shall be entitled to equitable relief in any court of competent jurisdiction, including a temporary or permanent injunction, restraining and enjoining such Party, or any Person with which such Party is associated or by which such Party is employed, from further violations of such provisions.

(d) With respect solely to breaches of the representations and warranties contained in Article 3 or Article 4 (excluding the Fundamental Representations), the aggregate liability of either Purchaser or any Seller Party, absent fraud, for indemnification pursuant to Sections 6.2(a) or 6.3(a) (as applicable) hereof shall not exceed an amount equal to fifty percent (50%) of the Purchase Price. Seller Parties shall have no liability for indemnification with respect to breaches of the representations and warranties contained in Article 3 or Article 4 (excluding the Fundamental Representations), as provided for pursuant to Sections 6.2(a) and 6.3(a), until the aggregate liability with respect to claims and/or any indemnification obligations under this Section 6.4(d) exceeds $150,000.00. For the avoidance of doubt, the limitations contained in this Section 6.4(d) will not apply to claims for indemnification under Sections 6.2(b), (c) or (d) or Sections 6.3(b), (c) or (d).

6.5 Matters Involving Third Parties.

(a) If any Seller Indemnitee or Purchaser Indemnitee (an "**Indemnitee**") entitled to seek indemnification under this Article 6 receives notice of the assertion, commencement or institution of a claim, suit, action or proceeding, or the imposition of a penalty or assessment by a third party that is not an Indemnitee (a "**Third-Party Claim**"), and the Indemnitee intends to seek indemnification hereunder for such Third-Party Claim, then the

Indemnitee shall promptly provide the Party against whom such indemnification may be sought (the "**Indemnifying Party**") with written notice of such Third-Party Claim (including any written demand, complaint, petition, summons or similar document relating thereto that is then in the Indemnitee's possession), but in any event not later than thirty (30) calendar days after receipt of notice of such Third-Party Claim. Any delay in providing, or the failure to provide such notification, shall not affect the right of the Indemnitee to indemnification hereunder except in the event that such delay or failure extends past the applicable survival expiration date set forth in Section 6.1, or to the extent that the Indemnifying Party is materially prejudiced by the delay or failure.

(b) In connection with any Third-Party Claim, the Indemnifying Party may elect, by written notice to the Indemnitee, to assume and control, at its sole expense, the defense of any such Third-Party Claim, and shall, at its sole expense, retain counsel (reasonably satisfactory to the Indemnitee) in connection therewith; provided that the Indemnifying Party has (i) acknowledged in writing, within twenty (20) days following the Indemnifying Party's receipt of notice of the Third-Party Claim, to such Indemnitee the election of the Indemnifying Party to assume the defense of the Third-Party Claim and (ii) has provided to such Indemnitee reasonable evidence that the Indemnifying Party has sufficient financial resources to defend such Third-Party Claim; provided, however, that the Indemnifying Party will not have such right: (x) if such Indemnitee reasonably and in good faith believes that such Third-Party Claim would be reasonably detrimental to the reputation, relations with insurance carriers, brokers, Clients or suppliers, or business of the Indemnitee or any of its Affiliates or such Third Party Claim involves relief other than monetary damages; (y) if such Third-Party Claim involves criminal allegations; or (z) if an outside counsel advises the Indemnifying Party and the Indemnitee that there are actual unresolvable conflicting interests between the Indemnifying Party and the Indemnitee with respect to the Third-Party Claim.

(c) After the assumption of such defense by the Indemnifying Party, the Indemnifying Party shall not be responsible for the payment of legal fees or expenses incurred thereafter by the Indemnitee (who may, however, continue to participate in, but not control, the defense of such Third-Party Claim with separate counsel and at its own expense other than as provided in Section 6.5(b)).

(d) In the event that the Indemnifying Party shall assume the defense of the Third-Party Claim, it shall not settle or compromise such Third-Party Claim unless (i) the Indemnitee gives its prior written consent, which consent shall not be unreasonably conditioned, withheld or delayed, or (ii) the terms of settlement or compromise of such Third-Party Claim provide that the Indemnitee shall have no responsibility for the discharge of any settlement amount and impose no other obligations or duties on the Indemnitee (including any admission of culpability), and the settlement or compromise discharges all claims against the Indemnitee with respect to such Third-Party Claim. The Indemnitee shall cooperate with the defense of any such Third-Party Claim and shall provide such personnel, technical support and access to information as may be reasonably requested by the Indemnifying Party in connection with such defense.

(e) If the Indemnifying Party does not have the right to or does not elect to undertake the defense, compromise or settlement of a Third-Party Claim in accordance with

Section 6.5(b), the Indemnitee will have the right to control the defense or settlement of such Third-Party Claim with counsel of its choosing (reasonably satisfactory to the Indemnifying Party) but shall not settle or compromise such Third-Party Claim without the consent of the Indemnifying Party (such consent not to be unreasonably withheld, delayed or conditioned). The Indemnifying Party will be entitled to participate in, but not control, the defense of any Third-Party Claim with separate counsel and at its own expense. The Indemnifying Party shall cooperate with the defense of any such Third-Party Claim and shall provide such personnel, technical support and access to information as may be reasonably requested by the Indemnitee in connection with such defense.

6.6 Notice of Direct Claims. Any claim for indemnification of Adverse Consequences under this Article 6 that is not a Third-Party Claim (a "**Direct Claim**") by an Indemnitee shall be asserted by giving the Indemnifying Party prompt written notice thereof; provided, however, that any delay in providing, or the failure to provide such notification, shall not affect the right of the Indemnitee to indemnification hereunder except in the event that such delay or failure extends past the applicable survival expiration date set forth in Section 6.1, or to the extent that the Indemnifying Party is materially prejudiced by the delay or failure. Such notice shall describe the Direct Claim in reasonable detail, including (to the extent practicable) copies of any written evidence thereof and indicate the estimated amount of Adverse Consequences, if reasonably practicable, that has been sustained by the Indemnitee. The Indemnifying Party will have a period of thirty (30) calendar days within which to respond in writing to such Direct Claim. If the Indemnifying Party does not so respond within such 30-day period, the Indemnifying Party will be deemed to have rejected such claim, in which event the Indemnified Party will be free to pursue such remedies as may be available to the Indemnified Party on the terms and subject to the provisions of this Article 6.

6.7 Survival. The provisions of this Article 6 will survive the Closing.

ARTICLE 7. CERTAIN COVENANTS

7.1 Cooperation. Purchaser and Seller shall cooperate with each other to facilitate the orderly transfer of the Acquired Assets and the Company Business to Purchaser, including certifying, executing or transferring all necessary documents and information to Purchaser as may be reasonably required by Purchaser. After the Closing, each of the Parties agrees to give access to the other and to provide and/or execute such documents as may be reasonably requested by the other in order to consummate the transactions contemplated hereby and hereunder, file any Tax Return or defend any audit or other proceeding related to Taxes.

7.2 Post Closing Payments; Bank Accounts. If, and to the extent that, at any time on or after the Closing Date, any Seller Party receives any payments for any Accounts Receivable or with respect to any other Acquired Assets (including any such payment that is made into the accounts of Seller with any bank, broker, or other depository institution (the "**Bank Accounts**"), such Seller Party promptly will: (i) pay to Purchaser such amounts; and (ii) provide Purchaser with any documents received with such payments. Any such amounts received by such Seller Party will be held in trust for Purchaser. Any cash (including any cash with respect to Accounts Receivable or any of the other Acquired Assets) paid or deposited into the Bank Accounts by or

on behalf of Purchaser is and will remain property of Purchaser and will be held in trust for the benefit of Purchaser. Notwithstanding the foregoing, following the determination of Final Net Working Capital and payment of any amounts due pursuant to Section 2.2(g) and ending on December 31, 2016, Purchaser shall track any additional payments received by Purchaser with respect to Accounts Receivable that were uncollected by Seller at Closing and included as an allowance for bad debts in the calculation of Final Net Working Capital, and shall remit the total amount of such payments by ACH transfer of immediately available funds to an account designated by Seller on a quarterly basis.

7.3 Employee Matters.

(a) Purchaser shall offer employment effective as of the Closing Date to all persons listed on the **Transferred Employees Exhibit** on such terms and conditions of employment as Purchaser may determine. All such employees accepting said offer of employment shall be referred to herein as "**Transferred Employees**."

(b) Purchaser will use its commercially reasonable efforts to credit the Transferred Employees with service for time employed by Seller for purposes of (i) vesting for and eligibility to participate in any "employee benefit plan" within the meaning of Section 3(3) of ERISA maintained by Purchaser in which the Transferred Employees are eligible to participate, but not for purposes of benefit accruals; (ii) any waiting periods, eligibility or pre-existing condition limitations for any health and welfare plan of Purchaser; and (iii) eligibility and benefit computation for paid time off plans of Purchaser.

(c) Seller shall retain all liabilities and obligations (i) arising from or relating to the employment of any Transferred Employees for periods prior to the Closing, (ii) arising from or relating to the employment of any employees of Seller or any of its Affiliates who do not become Transferred Employees, whether such liabilities and obligations arise on, prior to or after the Closing and (iii) under or relating to any Employee Plan or any other employee benefit plan, program or arrangement of Seller or any member of the Controlled Group.

(d) No provision in this Section 7.3 shall (i) create any third-party beneficiary or other rights in any employee or former employee (including any beneficiary or dependent thereof) of Seller or any other Person other than the parties hereto and their respective successors and permitted assigns, (ii) create any rights to continued employment with Purchaser or any USI Company or (iii) constitute or be deemed to constitute an amendment to any employee benefit plan sponsored or maintained by Purchaser or any USI Company.

(e) From the Closing Date through April 30, 2016, Seller shall ensure that the Transferred Employees will continue to participate in all of Seller's existing health and welfare plans (excluding Seller's 401(k) Plan) on the same basis that they participated in such plans immediately prior to the Closing Date, and the cost of Seller's portion of the premiums with respect thereto for such period shall be reflected as a current asset of Seller for purposes of the calculation of Preliminary Net Working Capital and Net Working Capital.

7.4 Office Equipment. Following Closing, the Seller Parties shall provide Purchaser with access and the right to use the office equipment and other personal property used in the Company Business and located within the business premises of Seller (the "**Office Equipment**"). Purchaser shall provide Seller with written notice when it no longer needs access to the Office Equipment. Thirty (30) days after Seller receives such notice, all of Purchaser's rights and obligations with respect to the Office Equipment will terminate and Seller shall have no further obligation to provide access to or the right to utilize the Office Equipment. Until Purchaser provides Seller with such notice, Purchaser will reimburse Seller for all documented out-of-pocket costs in respect of such Office Equipment, including, but not limited to, all rent paid in connection with any leased Office Equipment and any and all maintenance fees, insurance premiums and other costs and expenses incurred in connection with the use, operation and maintenance of the Office Equipment. Purchaser shall not reimburse Seller for any expenses incurred in connection with the early termination of equipment leases or other third party contracts related to such Office Equipment.

ARTICLE 8. TAXES

8.1 (a) Tax Returns. The Parties acknowledge and agree that the Seller Parties shall be responsible for and shall prepare all Tax Returns of Seller for all periods ending before, on, or after the Closing Date, and Purchaser shall be responsible for and shall prepare the Tax Returns of Purchaser for all periods ending before, on, or after the Closing Date.

(b) Indemnification of Tax Claims. Any other provision of this Agreement notwithstanding: (i) each Seller Party shall jointly and severally indemnify the USI Companies and hold them harmless from and against any loss, claim, liability, expense, or other damage attributable to (A) Taxes (or the non-payment thereof) of Seller and any of its Affiliates for all taxable periods ending before, on or after the Closing Date or (B) any Taxes relating to the ownership or operation of the Acquired Assets for the taxable periods (or portions thereof) ending on or before the Closing Date; (ii) the covenants set forth in this Article 8 shall survive for a period of ninety (90) days following the expiration of the applicable statute of limitations; and (iii) any indemnification amounts owed by each Seller Party or Purchaser pursuant to this Section 8.1(b) are payable to the other on a dollar-for-dollar basis from dollar one.

(c) Transfer Taxes. All transfer, documentary, sales, use, stamp, registration and other such Taxes, and recording, filing and other fees (including any penalties and interest), incurred in connection with the consummation of the transactions contemplated by this Agreement shall be paid by Seller when due, and Seller will, at its own expense, file all necessary Tax Returns and other documentation with respect to all such transfer, documentary, sales, use, stamp, registration and other Taxes and fees.

ARTICLE 9. RESTRICTIVE COVENANTS

Each Seller Party acknowledges and agrees that substantial and valuable assets are being transferred to Purchaser hereunder that include Confidential Information, relationships with Clients and Active Prospective Clients, and associated Goodwill of Seller, that the relationships which Purchaser (including as a result of this transaction) has with its employees and Producers

are significant business relationships necessary for Purchaser to continue to operate the business being acquired hereunder and the Acquired Assets, and that Purchaser, as a result of this transaction, shall be engaged in providing the Company Business throughout the Restricted Territory. Each Seller Party further acknowledges and agrees that Purchaser and each of the other USI Companies has a reasonable, necessary and legitimate business interest in protecting the aforesaid assets and relationships and businesses, and that the covenants set forth below are reasonable and necessary in order to protect these legitimate business interests. Each Seller Party further acknowledges and agrees that the payment of the Purchase Price shall constitute, among other things, full consideration for such covenants, and the associated Goodwill included in the Acquired Assets. In addition, each Seller Party acknowledges and agrees that monetary damages will not be an adequate remedy for any material breach of any of the Restrictive Covenants and that irreparable injury may result to Purchaser and/or the other USI Companies, or their successors in interest. (Reference is made to Section 6.4(c) hereof relating to the rights of the USI Companies to equitable relief for breaches of this Article 9). Accordingly, from and after the Closing, each Seller Party agrees to the following restrictions; provided, however, notwithstanding any other term or provision set forth in this Agreement to the contrary, no Seller Party shall be jointly and severally liable for any breach by any other Seller Party of any obligation set forth in this Article 9.

9.1 No Seller Shareholder will, nor will he cause or permit any of his Affiliates, successors or assigns to, directly or indirectly, use, or willfully disclose to any Person, any Confidential Information of Seller, Purchaser or any other USI Company, or any of the terms of this Agreement and negotiations relating thereto, except (a) with the prior written consent of Purchaser or another USI Company, as the case may be, (b) to the extent necessary to comply with any Law or the valid Order of a court of competent jurisdiction, in which event such Seller Shareholder shall notify Purchaser or such other USI Company, as the case may be, as promptly as practicable (and, if possible, prior to the making of such disclosure), or (c) with respect to the terms of this Agreement and negotiations relating thereto, to each Seller Shareholder's professional advisors who have a need to know such information; provided, however, that each Seller Shareholder shall ensure that confidential treatment will be accorded to such disclosed Confidential Information by their professional advisors and such Seller Shareholder shall be liable for any disclosure thereof by any such advisor. In addition, each Seller Shareholder and his Affiliates, successors and assigns will use commercially reasonable efforts to prevent any such prohibited use or disclosure by any other Seller Shareholder, director, officer, employee, Producer or agent of Seller or any of their respective Affiliates, successors or assigns.

9.2 No Seller Shareholder will, nor will he cause or permit any of his Affiliates, successors or assigns to, directly or indirectly, solicit the provision of any Company Business from, or provide, accept any offer to provide or otherwise induce the termination or non-renewal of any Company Business to, any Client or Active Prospective Client of Purchaser or any other USI Company, limited to such Clients or Active Prospective Clients with whom such Seller Shareholder had contact during his employment or consulting relationship with Seller, or with whom he became familiar as a result of such employment, except in the Ordinary Course of Business on behalf of Purchaser or such other USI Company, as the case may be. The restrictions contained in this Section 9.2 shall terminate five (5) years after the expiration of the restrictions set forth in Section 9.3 below. For purposes of this Section 9.2, a Person's status as a

Client or Active Prospective Client shall be determined as of the date of the activity restricted by this Section 9.2.

9.3 Each Seller Shareholder will, and will cause his Affiliates, successors and assigns to, refrain from, Carrying on a Business, directly or indirectly, which provides any Insurance Related Business within the Restricted Territory. The restrictions contained in this Section 9.3 shall terminate five (5) years after the Closing Date. The term "**Carrying on a Business**" shall mean to engage in any Insurance Related Business (other than on behalf of Purchaser) including, by way of solicitation of, or the acceptance of any offer to provide Insurance Related Business to, any client (whether or not a client of Seller or the USI Companies), Client or Active Prospective Client whether as a sole proprietor, partner, member of a limited liability company, officer, director, employee, stockholder, consultant, independent contractor or any other similar capacity of the foregoing. It is expressly agreed that the foregoing is not intended to restrict or prohibit, and shall not restrict or prohibit, the ownership by any Seller Shareholder of stock or other securities of a publicly-held corporation in which he does not possess beneficial ownership of more than 5% of the voting stock of such corporation or participate in any management or advisory capacity. "**Insurance Related Business**" shall mean the Company Business and all other business conducted by Seller, and shall also include, providing any insurance agency, brokerage and related services, including (i) the sale or brokerage of employee benefit products and services and other related consulting and administrative services, (ii) the sale or brokerage of property and casualty products and services, risk management and loss control services, third party administration, the analysis of loss exposures and designs, loss reserves and rate reviews, self-insurance consulting, reinsurance and excess stop loss (both specific and aggregate) placement, the management of insurance programs, the management and oversight of, and responsibility for, clients in the insurance brokerage industry.

9.4 No Seller Shareholder will, nor will he cause or permit his Affiliates, successors or assigns to, directly or indirectly, solicit, hire, employ, or otherwise retain the services of any employee or independent contractor of Purchaser or any other USI Company, or otherwise induce any such employee or independent producer to terminate his relationship, or to breach an employment agreement, with such company. The restrictions contained in this Section 9.4 shall terminate five (5) years after the expiration of the restrictions set forth in Section 9.3 above.

9.5 No Seller Party will use, nor will it cause or permit its Affiliates, successors or assigns to, or grant to any Person the right to use at any time, any of the tradenames, trademarks or services marks (and any derivations thereof) of Seller used in providing the Company Business (the "**Acquired Marks**"), or any similar names, juxtapositions or derivations thereof, without the prior written consent of Purchaser. Promptly following the Closing Date, but in no event later than ten (10) business days, the Seller Parties will change the names of Seller and any of its Affiliates to names that do not include any Acquired Marks or any name or mark similar thereto and make all necessary legal filings with the appropriate Government Entities to effect such change. To the extent the Seller Parties or their Affiliates, successors or assigns use any Acquired Marks or any derivation thereof on stationery, signage, invoices, receipts, forms, advertising and promotions materials, product, training and service literature and materials, computer programs, websites or on any other materials or in any other manner prior to or at the Closing, all uses shall cease and terminate on the Closing Date.

ARTICLE 10. AMENDMENT, MODIFICATION AND WAIVER

No amendment, modification or alteration of the terms or provisions of this Agreement shall be binding unless the same shall be in writing and duly executed by Purchaser and Seller; provided, however, that any of the terms or provisions of this Agreement may be waived in writing at any time by the Party that is entitled to the benefits of such waived terms or provisions. No waiver of any of the provisions of this Agreement shall be deemed to be, or shall constitute, a waiver of any other provision hereof (whether or not similar). No delay on the part of any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof.

ARTICLE 11. ENTIRE AGREEMENT

This written document and all schedules and exhibits hereto expresses the entire agreement between the Parties with respect to the subject matter hereof and supersedes any prior agreements or understandings concerning such subject matter.

ARTICLE 12. THIRD-PARTY BENEFICIARIES

Subject to Article 19, this Agreement is for the sole benefit of the Parties and their permitted assigns and nothing herein expressed or implied shall give or be construed to give any Person, other than the Parties and such assigns, any legal or equitable rights hereunder.

ARTICLE 13. EXPENSES

All expenses incurred by each of the Parties in connection with or related to the authorization, preparation and execution of this Agreement and the closing of the transactions contemplated hereby, including, all fees and expenses of agents, representatives, consultants, counsel and accountants employed by any such Party, shall be borne solely by the Party which has incurred such expense.

ARTICLE 14. NOTICE

All written notices, demands and requests of any kind which any Party may be required or may desire to serve upon any other Party in connection with this Agreement shall be in writing and shall be delivered only by (a) personal delivery; (b) registered or certified mail, in each case, return receipt requested and postage prepaid; (c) nationally recognized overnight courier, with all fees prepaid; or (d) facsimile or electronic mail, provided that the facsimile or electronic mail is promptly followed by delivery of hard copy of such notice which provides written verification or receipt (each, a "**Notice**"). All Notices shall be addressed to the Parties to be served as follows:

If to Seller Shareholders:

Justin Hanratty
4633 Lords Street NE
Prior Lake, MN 55372
Telephone: (612) 590-6905

Timothy J. Hanratty
1417 SW 57th Street
Cape Coral, FL 33914
Telephone: (612) 718-2221

If to Seller:

Hanratty & Associates, Inc.
4633 Lords Street NE
Prior Lake, MN 55372
Telephone: (612) 590-6905

Copy to:
Paul A. Zimmer, Esq.
Courey, Kosanda & Zimmer, P.A.
505 Highway 169 No., Suite 350
Minneapolis, MN 55441
Telephone: (763) 398-0441
Facsimile: (763) 398-0062

If to Purchaser:

Copy to:

Ernest J. Newborn II, Esq.
Senior Vice President &
General Counsel
USI, Inc.
200 Summit Lake Drive
Suite 350
Valhalla, NY 10595
Telephone: (914) 749-8506
Facsimile: (610) 537-4506
Email: Ernest.Newborn@usi.biz

Copy to:

Bruce W. Raphael, Esq.
Jones Day
100 High Street
22nd Floor
Boston, MA 02110-1781
Telephone: (617) 960-3939
Facsimile: (617) 449-6999

Email: BRaphael@jonesday.com

Service of any such notice or demand so made shall be deemed complete on the day of actual delivery thereof as shown by the addressee's registry or certification receipt or other evidence of receipt, or refusal of delivery. Any Party may from time to time by notice in writing served upon the other as aforesaid designate a different mailing address or a different or additional person to which all such notices or demands hereafter are to be addressed.

ARTICLE 15. GOVERNING LAW; SUBMISSION TO JURISDICTION; WAIVER OF JURY TRIAL

(a) This Agreement shall be governed by, and construed under, the Laws of the State of Delaware, and all rights and remedies shall be governed by said Laws, without regard to principles of conflicts of Laws. To the fullest extent permitted by Law, the Parties hereto agree that any claim, suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the other agreements or transactions contemplated hereby shall only be brought in the state courts in the State of Minnesota or the Federal courts located in the State of Minnesota and not in any other State or Federal courts located in the United States of America or any court in any other country, and each of the Parties hereby consents to the jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action or proceeding and irrevocably waives, to the fullest extent permitted by Law, any objection which it may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such court or that any such suit, action or proceeding which is brought in any such court has been brought in an inconvenient forum. To the fullest extent permitted by Law, process in any such suit, action or proceeding may be served on any Party anywhere in the world, whether within or without the jurisdiction of any such court.

(b) EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

ARTICLE 16. SEVERABILITY/REFORMATION

Should any provision of this Agreement be held unenforceable or invalid under the Laws of the United States of America or the State of Delaware, or under any other applicable Laws of any other jurisdiction, then the Parties agree that such provision shall be deemed reformed and modified for purposes of performance of this Agreement in such jurisdiction to the extent necessary to render it lawful and enforceable, or if such a reformation or modification is not possible without materially altering the intention of the Parties, then such provision shall be severed herefrom for purposes of performance of this Agreement in such jurisdiction. The validity of the remaining provisions of this Agreement shall not be affected by any such modification or severance.

ARTICLE 17. PUBLIC ANNOUNCEMENTS

No Seller Party, on the one hand, nor Purchaser, on the other hand, shall make any public statements, including any press releases or any other public (or non-confidential) disclosure (whether or not in response to an inquiry), with respect to this Agreement and the transactions contemplated hereby without the prior written consent of the other Party (which consent shall not be unreasonably conditioned, withheld or delayed) except as may be required by applicable Law or in connection with debt or financing agreements. If a public statement is required to be made by applicable Law or in connection with debt or financing agreements, the Parties shall use commercially reasonable efforts to consult with each other in advance as to the contents and timing thereof.

ARTICLE 18. HEADINGS; CONTENTS

All paragraph headings herein are inserted for convenience of reference only and shall not modify or affect the construction or interpretation of any provision of this Agreement. Unless the context clearly otherwise requires, as used herein, the term "Agreement" means this Agreement, the Schedules and Exhibits hereto. The words "herein," "hereof" and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section, or other subdivision. The term "including" shall be deemed to be followed by the phrase "without limitation." The term "or" shall not be exclusive. Unless specifically stated otherwise, the symbol "$" and the word "Dollar" shall refer to the United States dollar.

ARTICLE 19. SUCCESSORS AND ASSIGNS

The terms and conditions of this Agreement shall inure to the benefit of and be binding upon each of the Parties hereto and their respective heirs, successors and permitted assigns, and the indemnification provisions of this Agreement shall inure to the benefit of any Seller Indemnitees or Purchaser Indemnitees in accordance with the terms thereof. This Agreement may not be assigned by any Seller Party without the prior written consent of Purchaser, or be assigned by Purchaser without the prior written consent of the Seller Parties provided, however, that Purchaser may, without the consent of the Seller Parties, assign its rights, interests and obligations under this Agreement to any Affiliate of Purchaser.

ARTICLE 20. COUNTERPARTS

This Agreement, and any amendment hereto, may be executed in two or more counterparts, each of which shall for all purposes be deemed to be an original and all of which shall constitute the same instrument. A facsimile or Adobe PDF copy of any such signed counterpart shall be treated and shall have the same force and effect as an originally signed counterpart.

ARTICLE 21. DEFINITIONS

Capitalized terms not defined elsewhere herein shall have the following meanings ascribed to them:

"**Accountant**" has the meaning set forth in Section 2.2(d) hereof.

"**Accounts Payable**" means any and all accounts payable, trade accounts payable, and other similar obligations (including accrued expenses) of Seller that are related to the period prior to the Closing (including any current sales and payroll Taxes of Seller), whether or not reflected on the Financial Statements, and whether or not Seller has received an invoice therefor.

"**Accounts Receivable**" means all accounts receivable and other similar rights of Seller that are related to the period prior to the Closing, whether or not reflected on the Financial Statements, and whether or not Seller has issued any invoices therefor.

"**Assumed Contracts**" has the meaning set forth in the definition of "Acquired Assets."

"**Acquired Assets**" means the assets of Seller relating to the Company Business, whether owned, leased, licensed or otherwise; whether real, personal, or mixed; whether tangible or intangible; and whether now existing or acquired hereafter, excepting only the Excluded Assets and including:

(a) All of Seller's relationships with Seller's Clients (including those listed on Schedule 21(a) to this Agreement) and Active Prospective Clients, including any insurance expirations and all rights of renewal thereof and any other Client or renewal lists used in connection with providing Company Business, together with associated Goodwill, Confidential Information, files, claim files, books, records, ledgers, correspondence and other usual and customary records, and advertising and promotional materials, studies and reports used in connection therewith;

(b) With respect to direct bill policies: (i) Seller shall own all commissions on such policies actually received by Seller from insurance carriers before the Closing; (ii) Purchaser shall own all such commissions actually received by Purchaser or Seller from insurance carriers on or after the Closing, regardless of when billed by the insurance carrier; and (iii) Purchaser shall have the sole right to collect and handle all return premiums or other payments due to Seller from insurance companies actually received on or after the Closing, and Seller shall promptly forward to Purchaser any such amounts received within three (3) business days of receipt;

(c) The sole right to collect and retain (i) all contingent commissions, supplemental commissions or similar compensation due to or received by Seller on and after the Closing in respect of the Acquired Assets from insurance underwriters in connection with Contracts or other arrangements in effect on the Closing providing for such payments to Seller and (ii) all other commissions (including profit sharing, override, contingent, supplemental or bonus type commissions), fees or other compensation paid, payable or due to Seller on or after the Closing in respect of the Acquired Assets irrespective of the date as of which such commissions, fees or other compensation was accrued or earned;

(d) All of Seller's right, title and interest in and to the Contracts and agreements listed and described on Schedule 21(d) (collectively, the "**Assumed Contracts**");

(e) All rights, title and interest in Seller's Select105 program and software, Acquired Marks and any domain names used in the Company Business;

(f) Except as otherwise required by Law, all personnel records and files of Seller with respect to any Transferred Employee;

(g) All rights and interests in and to Seller's telephone and facsimile numbers and electronic mail addresses set forth on Schedule 21(g);

(h) All right, title and interest to the office furniture located at Seller's leased locations; and

(i) All rights, to the extent assignable or transferable by Law, to all permits, licenses, authorizations issued by a Governmental Entity relating to the Company Business, including those set forth on Schedule 21(i).

"**Acquired Marks**" has the meanings set forth in Section 9.5 hereof.

"**Active Prospective Client**" means, any Person, or a group of Persons, (a) who or which had been identified with reasonable particularity by Seller (or any of its agents) in the business records of such Person within the twenty four (24) months preceding a specified date, with reasonable particularity as a possible client or customer of such Person, or (b) to whom a Person (or any of its agents) had communicated within the twenty four (24) months preceding a specified date, in writing or otherwise as set forth in the business records of such Person, with respect to the provision of any services that such Person provides in the conduct of its business.

"**Additional Payment**" has the meaning set forth in Section 2.1(c)(i) hereto.

"**Additional Payment Threshold**" has the meaning set forth in Section 2.1(c)(i) hereto.

"**Adverse Consequences**" means any damages, penalties, fines, costs, reasonable amounts paid in settlement, liabilities (including any liability which may arise under an alter ego, de facto control, de facto merger, successor, transferee or other similar theory or ground for liability), obligations, Taxes, liens, losses, diminution in value, expenses, fees and court costs and reasonable attorney's fees and expenses (but specifically excluding consequential, incidental, punitive, special or exemplary damages except to the extent paid to third parties) incurred in connection with any action, suit, proceeding, hearing, investigation, charge, complaint, claim, demand, or Order, with appropriate adjustment for insurance proceeds and third party recoveries which are actually received by the affected Party.

"**Affiliate**" means (a) with respect to any Person, any Person controlling, controlled by, or under common control with such Person (or an Affiliate of such Person), where "control" means the possession, directly or indirectly, of the power to direct the management and policies of a Person whether through the ownership of voting securities, by Contract, or otherwise, and (b) if such Person is a partnership, any general partner thereof.

"**Agreement**" has the meaning set forth in the introductory paragraph hereto.

"**Alternative Estimated Revenues**" has the meaning set forth in Section 2.3(b) hereof.

"**Alternative Proposed Net Working Capital**" has the meaning set forth in Section 2.2(c) hereof.

"**Assumed Liabilities**" means those obligations with respect to the Acquired Assets arising after the Closing, and those liabilities specifically reflected in the Net Working Capital solely to the extent reflected therein.

"**Bank Accounts**" has the meaning set forth in Section 7.2 hereof.

"**Carrying on a Business**" has the meaning set forth in Section 9.3 hereof.

"**Client**" means any Person (including any insured, or any insured to whom or which any sub-producer provides insurances services) to whom or which Seller (or any of its employees or independent contractors on behalf of Seller) has provided, at any time within the twenty-four (24) months preceding the Closing Date, any services that Seller provides in the conduct of Company Business. For purposes of this Agreement, "Client" shall also include any employer, employer group, affinity group, association and any member of any of the foregoing, any individual insured, retail insurance agent or broker, and any insurance carrier or other entity to the extent third party administration claims processing or underwriting is performed by such Person for such carrier or other entity.

"**Client Accounts**" shall mean the business account between Seller and any Client of Seller, including any Person who or which is provided any Company Business by Seller as of the Closing Date, regardless of whether such services are provided by, or through the licenses of, Seller (or any of its agents).

"**Closing**" has the meaning set forth in Section 5.1 hereof.

"**Closing Consideration**" has the meaning set forth in Section 2.1(a) hereof.

"**Closing Date**" has the meaning set forth in Section 5.1 hereof.

"**Code**" means the Internal Revenue Code of 1986, as amended, or any successor Law, and the rules and regulations issued by the IRS pursuant to the Code or any successor Law.

"**Company Business**" shall mean the business presently conducted and proposed to be conducted by Seller, including providing property and casualty/surety insurance programs, employee benefit programs and other related consulting and administrative services, including insurance agency, brokerage and related services, including sale or brokerage of property and casualty and employee benefits products and services, third party administration, risk management and loss control, analysis of loss exposures and designs, loss reserves and rate reviews, self-insurance consulting, reinsurance and excess stop loss (both specific and aggregate) placement, management of insurance programs, management and oversight of, and responsibility for, Clients and Active Prospective Clients of Seller.

"**Confidential Information**" means any information of a Person, that is not already generally available to the public (unless such information has entered the public domain and become available to the public through fault on the part of the Party to be charged hereunder), all of which the Parties agree shall be deemed to be trade secrets under the governing trade secrets Laws, including (a) the identity of any Client (including any employer group, retail insurance agent or broker, individual insured, association and any member thereof, and any insurance carrier or other entity to the extent third party administration claims processing or underwriting is performed by a USI Company for such carrier or other entity) whose account constituted a Client Account at any time within the twenty-four (24) months preceding the Closing Date, as well as the identity of any Active Prospective Client as of such date; (b) the identity, authority and responsibilities of key contacts at each such Client and Active Prospective Client; (c) the service cost burden with respect to each such Client and Active Prospective Client; (d) the identities of markets or companies from which insurance coverages or other commitments, benefits or services for clients are obtained; (e) the types of insurance coverages, and/or consulting, third-party administration, employee communication, investment management, managed care, human resource and other services provided or to be provided specifically to any such client or Active Prospective Client, and the internal corporate policies relating thereto; (f) the specific insurance policies purchased by or for such Clients or Active Prospective Clients; (g) the expiration dates, commission rates, fees, premiums and other terms and conditions of such policies; (h) the risk specifications and other characteristics, and claims loss histories of such Clients or Active Prospective Clients; (i) the nature of programs and plans, including their design, funding and administration, demographic characteristics and any other information supplied by, or developed for, such Clients or Active Prospective Clients; (j) operations manuals, prospecting manuals and guidelines, pricing policies and related information, marketing manuals and plans, and business strategies, techniques and methodologies; (k) financial information, including information set forth in internal records, files and ledgers, or incorporated in profit and loss statements, fiscal reports and business plans; (l) proprietary technology and e-commerce strategies, business plans and implementations, inventions, algorithms, computer hardware, software and applications (including any source code, object code, documentation, diagrams, flow charts, know-how, methods or techniques, associated with the development or use of the foregoing computer software); (m) all internal memoranda and other office records, including electronic and data processing files and records; and (n) any other information that can constitute a trade secret as that term is defined under the Uniform Trade Secrets Act, as amended from time to time.

"**Consent**" means any consent, approval or authorization.

"**Contract**" means all contracts (written or oral), leases, licenses, instruments and other agreements (including any amendments and other modifications thereto) that are in effect and are legally binding.

"**Controlled Group**" means any trade or business (whether or not incorporated) (i) under common control within the meaning of Section 4001(b)(1) of ERISA with Seller or (ii) which together with Seller is treated as a single employer under Section 414(t) of the Code.

"**Direct Claim**" has the meaning set forth in Section 6.5 hereof.

"**Earn-Out Payment**" has the meaning set forth in Section 2.1(c) hereof.

"**Earn-Out Payment Objection Notice**" has the meaning set forth in Section 2.3(b) hereof.

"**Earn-Out Payment Objection Period**" has the meaning set forth in Section 2.3(b) hereof.

"**Earn-Out Payment Settlement Deadline**" has the meaning set forth in Section 2.3(c) hereof.

"**Employee Plan**" has the meaning set forth in Section 4.2(l)(i) hereof.

"**Environmental, Health, and Safety Laws**" means the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. § 9601 et seq.), the Resource Conservation and Recovery Act of 1976 (42 U.S.C. § 6901 et seq.), the Hazardous Materials Transportation Act (49 U.S.C. App. § 1801 et seq.), the Clean Water Act (33 U.S.C. § 1251 et seq.), the Clean Air Act (42 U.S.C. § 7401 et seq.), the Toxic Substances Control Act (15 U.S.C. § 2601 et seq.), the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. § 136 et seq.), and the Occupational Safety and Health Act of 1970 (29 U.S.C. § 651 et seq.), each as amended, together with all other applicable legal requirements (including rules, regulations, codes, plans, Orders, and charges thereunder) of federal, state, local, and foreign governments (and all agencies thereof) concerning pollution or protection of the environment, public health and safety, or employee health and safety, including applicable legal requirements relating to emissions, discharges, releases, or threatened releases of pollutants, contaminants, or chemical, industrial, hazardous, or toxic materials or wastes into ambient air, surface water, ground water, or lands or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport, or handling of pollutants, contaminants, or chemical, industrial, hazardous, or toxic materials or wastes.

"**Equity**" has the meaning set forth in Section 4.1(a) hereof.

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

"**Estimated Revenues**" has the meaning set forth in Section 2.3(a).

"**Excluded Assets**" has the meaning set forth in Section 1.2 hereof.

"**Excluded Liabilities**" has the meaning set forth in Section 1.4 hereof.

"**Final Revenues**" has the meaning set forth in Section 2.3(d) hereof.

"**Final Net Working Capital**" has the meaning set forth in Section 2.2(e) hereof.

"**Financial Statements**" has the meaning set forth in Section 4.2(g)(i) hereof.

"**First Measurement Period**" means the period beginning on April 15, 2016 and ending on April 14, 2017.

"**Fourth Measurement Period**" means the period beginning on April 15, 2019 and ending on April 14, 2020.

"**Fundamental Representations**" has the meaning set forth in Section 6.1(a) hereof.

"**GAAP**" means generally accepted accounting principles.

"**Goodwill**" means the expectation of continued patronage from Clients and new patronage from prospective clients.

"**Governmental Entity**" means any government or any agency, bureau, board, commission, court, department, official, political subdivision, tribunal, or other instrumentality of any government, whether federal, state or local, or any arbitrational or mediational tribunal.

"**Indebtedness**" means, whether or not relating to the Company Business, any liability (a) of Seller or its Affiliates (i) for borrowed money, including the principal amount, plus any related accrued and unpaid interest, fees and prepayment premiums or penalties thereon (ii) for money owed under a credit facility, (iii) evidenced by any note, bond, debenture or other debt security (including a purchase money obligation) or (iv) for the payment of money relating to leases that are required by GAAP to be classified as capitalized lease obligations for all or any part of the deferred purchase price of property or services (other than trade payables), (b) that would be required to be reflected as debt on a consolidated balance sheet of Seller or its Affiliates or any of the foregoing as of the relevant date, (c) consisting of cash overdrafts, book overdrafts or bank account overdrafts of Seller or any of its Affiliates, (d) of others described in the (a)-(c) that Seller or any of its Affiliates has guaranteed, or that is recourse to Seller or any of its Affiliates or any of its assets, (e) related to cut but uncashed checks of Seller or any of its Affiliates, (f) relating to amounts owed by Seller to any of its Affiliates and (g) any other Producer deferred compensation plan liability.

"**Indemnifying Party**" has the meaning set forth in Section 6.5(a) hereof.

"**Indemnitee**" has the meaning set forth in Section 6.5(a) hereof.

"**Insurance Related Business**" has the meaning set forth in Section 9.3 hereof.

"**IRS**" means the United States Internal Revenue Service.

"**Knowledge**" means, with respect to any Person, (a) the actual knowledge of such Person, and (b) that knowledge which could have been acquired by such Person after making reasonable inquiry and exercising such due diligence as a reasonably prudent businessperson would have made or exercised in the management of his, her or its business affairs, including inquiry of those officers, directors, employees, agents and representatives of such Person who could reasonably be expected to have knowledge of the matters in question. In the case of Seller, "Knowledge", such Person shall be each of the Seller Shareholders.

"**Law**" means any and all applicable (a) laws, constitutions, treaties, statutes, codes, ordinances, rules, regulations and by-laws, (b) Orders and (c) to the extent that they have the force of law, policies, guidelines, notices and protocols of any Governmental Entity.

"**Leases**" has the meaning set forth in Section 4.2(c) hereof.

"**Licenses**" has the meaning set forth in Section 4.2(q) hereof.

"**Material Contracts**" has the meaning set forth in Section 4.2(m) hereof.

"**Measurement Period**" refers to the First Measurement Period, the Second Measurement Period, the Third Measurement Period or the Fourth Measurement Period, as applicable.

"**Net Working Capital**" means the amount of working capital calculated in accordance with Schedule 2.2(a) as of the date hereof (which will be prepared in accordance with GAAP applied on a consistent basis throughout the periods covered thereby) which amount shall include (a) the insurance premium receivables and other current assets that are part of the Acquired Assets, excluding any cash accounts, and (b) insurance premium liabilities and all accounts payable and other accrued current liabilities of Seller relating to the Acquired Assets excluding all such amounts which are Excluded Liabilities. For the avoidance of doubt, direct bill accrual shall not be included in the calculation of Net Working Capital.

"**Net Working Capital Settlement Deadline**" has the meaning set forth in Section 2.2(d) hereof.

"**Notice**" has the meaning set forth in Article 14 hereof.

"**Objection Notice**" has the meaning set forth in Section 2.2(c) hereof.

"**Objection Period**" has the meaning set forth in Section 2.2(b) hereof.

"**Office Equipment**" has the meaning set forth in Section 7.4 hereof.

"**Order**" means any order, judgment, ruling, injunction, assessment, award, decree, directive, charge or writ of any Governmental Entity.

"**Ordinary Course of Business**" means the ordinary course of business consistent with past custom and practice (including with respect to quantity and frequency), but in no event shall such term include any professional error or omission, or any act or event creating a severance obligation, wrongful discharge claim or similar liability.

"**Party**" has the meaning set forth in the introductory paragraph hereto.

"**Person**" means an individual, a partnership, a corporation, an association, a joint stock company, a trust, a joint venture, an unincorporated organization, a limited liability company, limited liability partnership, or a Governmental Entity.

"**Preliminary Net Working Capital**" has the meaning set forth in Section 2.2(a) hereof.

"**Preliminary Net Working Capital Certificate**" has the meaning set forth in Section 2.2(a) hereof.

"**Producer**" has the meaning set forth in Section 4.2(p)(i) hereof.

"**Production Statements**" has the meaning set forth in Section 4.2(h) hereof.

"**Proposed Net Working Capital**" has the meaning set forth in Section 2.2(b) hereof.

"**Proposed Net Working Capital Certificate**" has the meaning set forth in Section 2.2(b) hereof.

"**Purchase Price**" has the meaning set forth in Section 2.1 hereof.

"**Purchaser**" has the meaning set forth in the introductory paragraph hereto.

"**Purchaser Indemnitees**" has the meaning set forth in Section 6.3 hereof.

"**Restricted Territory**" means Minnesota, North Dakota, South Dakota, Iowa, and Wisconsin.

"**Restrictive Covenants**" means the covenants of the Seller Parties contained in Article 9 hereof.

"**Revenues**" means an amount equal to all commissions and fees received by Purchaser from and after the Closing on the Client Accounts, including cross-sell of a new product line to any such Client and increases to coverage or any additional coverage sold to any such Client (other than any Client of Seller who is also a Client of any USI Company except where such cross-sell is generated by the Producers listed on the **Producer Exhibit** and any additional Producer new hires as described in this provision), plus commissions and fees that are both (a) received by Purchaser with respect to new clients from and after the Closing and (b) generated by those Producers listed on the **Producer Exhibit** and any additional Producer new hires as described in this provision , less: (a) commissions, fees and overrides paid or due to non-employee producers, or co- or sub-brokers; and (b) return commissions. "Revenues" shall include commissions and fees received by Purchaser on Client accounts relating to individual life and individual disability policies or other non-recurring business. For the avoidance of doubt, "Revenues" shall include any overrides or profit sharing, contingent, supplemental or other bonus commissions or fees, and shall exclude any investment income. The calculations of Revenues may be adjusted upon the mutual agreement of the Parties in order to account for up to two (2) Producer new hires initiated by the Seller Shareholders for the Plymouth, Minnesota office after the Closing Date.

"**Second Measurement Period**" means the period beginning on April 15 2017, and ending on April 14 2018.

"**Security Interest**" means any mortgage, pledge, lien, encumbrance, charge, or other security interest of any nature whatsoever.

"**Seller**" has the meaning set forth in the introductory paragraph hereto.

"**Seller Indemnitees**" has the meaning set forth in Section 6.2 hereof.

"**Seller Note**" has the meaning set forth in Section 2.1(b) hereof.

"**Seller Party**" has the meaning set forth in the introductory paragraph hereto.

"**Seller Shareholder**" has the meaning set forth in the introductory paragraph hereto.

"**Seller's Software**" has the meaning set forth in Section 4.2(d) hereof.

"**Shortfall Amount**" has the meaning set forth in Section 2.1(a) hereof.

"**Solvent**" means, with respect to any Person, that as of the date of determination: (a) the then fair saleable value of the property of such Person is: (i) greater than the total amount of liabilities (including contingent liabilities) of such Person; and (ii) not less than the amount that will be required to pay the probable liabilities on such Person's then existing debts as they become absolute and due considering all financing alternative, ordinary operating income and potential asset sales reasonably available to such Person; (b) such Person's capital is not unreasonably small in relation to its business or any contemplated or undertaken transaction; (c) such Person does not intend to incur, or believe (not should it reasonably believe) that it will incur, debts beyond its ability to pay such debts as they become due; and (d) such Person is "solvent" within the meaning given to that term and similar terms under applicable Laws relating to fraudulent transfers and conveyances.

"**Tail Coverage**" means a three (3) year errors and omissions insurance tail policy with a deductible and policy limit consistent with Seller's existing policies, with Purchaser as broker of record.

"**Target Revenues**" has the meaning set forth in Section 2.1(c) hereof.

"**Tax**" means any Federal, state, local or foreign income, gross receipts, payroll, employment, excise, premium, franchise, withholding, social security (or similar tax), unemployment, real property, personal property, sales, use, transfer, alternative or add-on minimum (including taxes under Code Sec. 59A), profits, estimated or other tax of any kind whatsoever, including (a) any liability therefore as a transferee or successor under applicable Law or by Contract; (b) any liability for the payment of any amounts of any of the foregoing types as a result of being a member of an affiliated, consolidated, combined or unitary group, or being a party to any agreement or arrangement whereby liability of any Seller Party for payment of such amounts was determined or taken into account with reference to the liability of any other Person; and (c) any liability as a result of any Tax sharing or similar agreement, together with any interest, penalty or addition thereto, whether disputed or not.

"**Tax Return**" means any return, declaration, report, claim for refund, or information return or statement relating to Taxes, including any schedule or attachment thereto, and including any amendment thereof.

"**Taxing Authority**" means the IRS and any other governmental body responsible for the administration of any Tax.

"**Third Measurement Period**" means the period beginning on April 15 2018, and ending on April 14 2019.

"**Third-Party Claim**" has the meaning set forth in Section 6.5(a) hereof.

"**Transferred Employees**" has the meaning set forth in Section 7.3(a) hereof.

"**Upper Midwest"** means Minnesota, North Dakota, South Dakota, Iowa, and Wisconsin.

"**USI Companies**" or "**USI Company**" means USI, Inc., a Delaware corporation and the indirect parent company of Purchaser, its subsidiaries, any entity under the control (as defined in Rule 12b-2 of the regulations promulgated under the Securities Exchange Act of 1934, as amended, without regard to whether any Party is a "registrant" under such Act) of USI, Inc., and any of their respective successors or assigns.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the Parties hereto have executed this Asset Purchase Agreement as of the date first above written.

USI INSURANCE SERVICES LLC

By: _____
Name: Ernest J. Newborn, II
Title: EVP, Secretary and General Counsel

HANRATTY & ASSOCIATES, INC.

By: _____
Name: _____
Title: _____

H & A ADMINISTRATORS, INC.

By: _____
Name: _____
Title: _____

Seller Shareholders:

_____
Justin Hanratty

_____
Timothy J. Hanratty

IN WITNESS WHEREOF, the Parties hereto have executed this Asset Purchase Agreement as of the date first above written.

USI INSURANCE SERVICES LLC

By: _____
Name: Ernest J. Newborn, II
Title: SVP, Secretary and General Counsel

HANRATTY & ASSOCIATES, INC.

By: _____
Name: Justin Hanratty
Title: CEO

H & A ADMINISTRATORS, INC.

By: _____
Name: Justin Hanratty
Title: CEO

Seller Shareholders:

_____
Justin Hanratty

_____
Timothy J. Hanratty

LIST OF EXHIBITS

Acquisition Retention Bonus Plan Exhibit

Assignment and Assumption Agreement Exhibit

Bill of Sale Exhibit

Confidentiality & Non-Solicitation Agreement Exhibit

Independent Contractor Exhibit

Lease Assignment Exhibit

Producer Exhibit

Seller Note Exhibit

Transferred Employees Exhibit