

AFFILIATION AGREEMENT
BY AND BETWEEN
NEW LONDON COUNTY MUTUAL INSURANCE COMPANY
AND
HINGHAM MUTUAL FIRE INSURANCE COMPANY
JUNE 9, 2010

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AFFILIATION AGREEMENT

This Affiliation Agreement (this “Agreement”) is entered into as of June 9, 2010, by and between New London County Mutual Insurance Company, a Connecticut-domiciled mutual property and casualty insurance company (“NLC”) and Hingham Mutual Fire Insurance Company, a Massachusetts-domiciled mutual property and casualty insurance company (“Hingham”).

RECITALS:

WHEREAS, NLC desires to expand its insurance business within certain New England states, and NLC believes that an affiliation with Hingham will provide NLC with a platform for such expansion;

WHEREAS, Hingham desires to affiliate with NLC in order to, among other things, improve its financial strength, obtain access to capital, gain access to improved underwriting and catastrophe analytics, diversify risk, enhance operating efficiencies and expand their insurance product offerings, while at the same time preserving Hingham’s character, separate corporate status, name and community presence; and

WHEREAS, NLC and Hingham (collectively, the “Parties,” or individually, a “Party”) desire to affiliate their operations and to do business as affiliated companies in accordance with this Agreement and the transactions contemplated by this Agreement, which transactions include, without limitation, the reconstitution of the Hingham board of directors (the “Hingham Board”) and the integration of their respective insurance operations as set forth in this Agreement.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual agreements and covenants hereinafter set forth, NLC and Hingham hereby agree as follows:

ARTICLE I DEFINITIONS

1.1 Definitions. In this Agreement, the following terms have the meanings specified or referred to in this Section 1.1 and shall be equally applicable to both the singular and plural forms.

“Actuarial Analyses” has the meaning specified in Section 5.17(b).

“Affiliate” means, with respect to any Person, any other Person that directly or indirectly controls, is controlled by or is under common control with such Person.

“Agents” mean Agents Investors Group, Inc., a Rhode Island corporation.

“Alternative Transaction Proposal” has the meaning specified in Section 7.4(a).

“**Applicable Laws**” means all applicable statutes, laws, ordinances, rules, orders and regulations of any Governmental Entity.

“**Arbitrator**” has the meaning specified in Section 11.2.

“**Arbitration Demand**” has the meaning specified in Section 11.1(b).

“**Arnold Employment Agreement**” has the meaning specified in Section 4.8(b).

“**Benefit Plans**” has the meaning specified in Section 5.15(a).

“**Business Day**” means any day of the year other than (i) any Saturday or Sunday, or (ii) any other day on which commercial banks located in Boston, Massachusetts, are generally closed for business.

“**Casco**” means Casco Indemnity Company, a Maine-domiciled property and casualty insurance company.

“**Closing**” has the meaning specified in Section 2.2.

“**Closing Date**” has the meaning specified in Section 2.2.

“**Code**” means the Internal Revenue Code of 1986, as amended.

“**Cole Employment Agreement**” has the meaning specified in Section 4.8(b).

“**Current Employees**” has the meaning specified in Section 4.8(a).

“**Danbury**” means Danbury Holding Corp., a Connecticut corporation.

“**Danbury Insurance**” means Danbury Insurance Company, a Massachusetts corporation.

“**Disclosure Schedule**” has the meaning specified in the first paragraph of Article V.

“**Employment Agreements**” has the meaning specified in Section 4.8(b).

“**Environmental Law**” has the meaning specified in Section 5.9(a).

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

“**ERISA Affiliate**” means any person or entity which is considered a single employer with Hingham under Section 414 of the Code or Section 4001 of ERISA.

“**GAAP**” means United States generally accepted accounting principles, consistently applied by the company, in effect at the date of the financial statement to which it refers.

“**Governmental Entity**” means any foreign, federal, state, local or other government, governmental authority, department, court, commission, tribunal, or any body exercising or

entitled to exercise regulatory, administrative, judicial or arbitral power or authority (including stock exchanges and other regulated securities markets), or any political or other division, subdivision, department or branch of any of the foregoing or any body exercising or entitled to exercise regulatory, administrative judicial or arbitral power or authority.

“**Hingham**” has the meaning specified in the first paragraph of this Agreement.

“**Hingham Admitted States**” has the meaning specified in Section 5.16(a).

“**Hingham Agreements**” has the meaning specified in Section 5.14.

“**Hingham Board**” has the meaning specified in the recitals of this Agreement.

“**Hingham Bylaws**” has the meaning specified in Section 2.1(a)(iv).

“**Hingham Charter**” has the meaning specified in Section 2.1(a)(v).

“**Hingham Financial Statements**” has the meaning specified in Section 5.4.

“**Hingham Material Adverse Effect**” means (A) any result, occurrence, fact, change, event or effect that has a material adverse effect on the business, operations, assets, liabilities, results of operations, cash flows, condition (financial or otherwise) of the business or assets of Hingham and the Hingham Subsidiaries, taken as a whole, or on the ability of Hingham to consummate the Hingham Transactions in any material respect, excluding, however any such effect that arises out of or in connection with or results from: (i) general economic conditions or changes therein (including changes in interest rates); (ii) financial or security market fluctuations or conditions; (iii) changes in, or circumstances or events affecting, the insurance and insurance services industries generally; (iv) the execution and delivery of this Agreement or the consummation of the Hingham Transactions contemplated hereby or the announcement thereof; (v) any actions taken, or the failure to take any action, which NLC has requested or to which NLC has consented; (vi) any effect arising out of a change in SAP, GAAP or Applicable Law; (vii) any action by NLC or any of NLC’s Subsidiaries; (viii) any omission to act or action taken that is required by this Agreement or that is done with the consent of NLC (including those omissions to act or actions taken which are permitted by this Agreement); or (ix) any failure to meet projections (financial or otherwise), estimates or other predictions, whether published or internal; or (B) any decline in the surplus of Hingham of twenty-five percent (25%) or more from the level of such surplus on December 31, 2009; provided, however, that any such event, change or action listed in subsection (A)(i), (A)(ii), (A)(iii) and (A)(vi) does not affect Hingham in a substantially disproportionate manner relative to other businesses in its industry.

“**Hingham Member Proposal**” has the meaning specified in Section 7.7.

“**Hingham Organizational Documents**” has the meaning specified in Section 5.1(c).

“**Hingham Q1-2010 Financial Statements**” has the meaning specified in Section 5.4.

“**Hingham Subsidiaries**” has the meaning specified in Section 5.1(a).

“**Hingham Transaction Documents**” has the meaning specified in Section 2.1(a).

“**Hingham Transactions**” has the meaning specified in Section 2.1(a).

“**Indemnified D&O Parties**” has the meaning specified in Section 3.1(d)(i).

“**Indemnified Parties**” has the meaning specified in Section 3.1(d)(iii).

“**Initial Hingham Director Designees**” has the meaning specified in Section 3.1(a)(iii).

“**Initial NLC Director Designees**” has the meaning specified in Section 3.1(a)(ii).

“**Insurance Contracts**” has the meaning specified in Section 5.17(a).

“**Intellectual Property**” has the meaning specified in Section 5.22(a).

“**Intellectual Property Contracts**” has the meaning specified in Section 5.22(b).

“**Knowledge of Hingham**” or any similar phrase means the actual knowledge of George A. Cole, III, Cheryl E. Wigmore and/or Bruce M. Arnold.

“**Knowledge of NLC**” or any similar phrase means the actual knowledge of Steve H. Chevalier and/or George Kowalsky.

“**License**” means any license, certificate of authority, permit or other authorization to transact an activity or business, whether granted by a Governmental Entity or by any other Person.

“**Lien**” means any encumbrance, mortgage, lien (except for any lien for taxes not yet due and payable), charge, restriction, pledge, security interest, option, claim, right of any third party, easement, encroachment or encumbrance.

“**Most Recent Hingham Balance Sheet**” has the meaning specified in Section 5.4.

“**Most Recent NLC Balance Sheet**” has the meaning specified in Section 6.4.

“**N.E. Corp.**” means N.E. Corporation.

“**NLC**” has the meaning specified in the first paragraph of this Agreement.

“**NLC Admitted States**” has the meaning specified in Section 6.12(a).

“**NLC Companies**” means NLC Insurance Companies, Inc.

“**NLC Fees and Expenses**” has the meaning specified in Section 7.4(b).

“**NLC Financial Statements**” has the meaning specified in Section 6.4.

“**NLC Insurance Agency**” means NLC Insurance Agency, Inc.

“NLC Material Adverse Effect” means (A) any result, occurrence, fact, change, event or effect that has a material adverse effect on the business, operations, assets, liabilities, results of operations, cash flows, condition (financial or otherwise) of the business or assets of NLC or adversely affects the ability of NLC to consummate the Hingham Transactions in any material respect, excluding, however any such effect that arises out of or in connection with or results from: (i) general economic conditions or changes therein (including changes in interest rates); (ii) financial or security market fluctuations or conditions; (iii) changes in, or circumstances or events affecting, the insurance and insurance services industries generally; (iv) the execution and delivery of this Agreement or the consummation of the Hingham Transactions contemplated hereby or the announcement thereof; (v) any actions taken, or the failure to take any action, which Hingham has requested or to which Hingham has consented; (vi) any effect arising out of a change in SAP, GAAP or Applicable Law; (vii) any action by Hingham or any of Hingham’s Subsidiaries; (viii) any omission to act or action taken that is required by this Agreement or that is done with the consent of Hingham (including those omissions to act or actions taken which are permitted by this Agreement); or (ix) any failure to meet projections (financial or otherwise), estimates or other predictions, whether published or internal or (B) any decline in the surplus of NLC of twenty-five percent (25%) or more from the level of such surplus on December 31, 2009; provided, however, that any such event, change or action listed in subsection (A)(i), (A)(ii), (A)(iii) and (A)(vi) does not affect NLC in a substantially disproportionate manner relative to other businesses in its industry.

“NLC Organizational Documents” has the meaning specified in Section 6.1(c).

“NLC Q1-2010 Financial Statements” has the meaning specified in Section 6.4.

“NLC Subsidiaries” has the meaning specified in Section 6.1(a).

“Parties” or **“Party”** has the meaning specified in the recitals of this Agreement.

“Pension Plans” has the meaning specified in Section 5.15(a).

“Person” or **“Persons”** means any natural person, corporation, partnership, limited partnership, limited liability company, trust or other form of entity.

“Pool” has the meaning specified in Section 4.3.

“Pooling Agreement” has the meaning specified in Section 2.1(a)(ii).

“Regulatory Approvals” means receipt of all approvals, consents and authorizations of the transactions contemplated by this Agreement required under applicable state insurance or insurance holding company laws, including without limitation all approvals, consents and authorizations required by the Massachusetts Division of Insurance, the Maine Bureau of Insurance, the Connecticut Department of Insurance and any other state insurance regulator whose approval is required to consummate any of the transactions contemplated by this Agreement.

“Reinsurance Agreements” has the meaning specified in Section 5.10.

“**Retention Period**” has the meaning specified in Section 4.8(a).

“**SAP**” means statutory accounting principles prepared in accordance with the NAIC Accounting Practices & Procedures Manual subject to any deviations prescribed or permitted by the Massachusetts Division of Insurance, in the case of Hingham and Danbury Insurance, and the Connecticut Department of Insurance, in the case of NLC and Thames.

“**Services Agreement**” has the meaning specified in Section 2.1(a)(iii).

“**Special Meeting**” has the meaning specified in Section 7.7.

“**Thames**” means Thames Insurance Company, Inc.

“**Wigmore Employment Agreement**” has the meaning specified in Section 4.8(b).

ARTICLE II THE AFFILIATION

2.1 The Affiliation and Transaction Documents.

(a) As of the Closing, and subject to the terms and conditions of this Agreement and the other Hingham Transaction Documents, Hingham and NLC will affiliate their respective insurance businesses and make effective the transactions between Hingham and NLC contemplated by this Agreement, the arrangements between Hingham and certain officers and employees pursuant to Section 4.8(b) and the other Hingham Transaction Documents (collectively, the “Hingham Transactions”).

For purposes of this Agreement, the term “Hingham Transaction Documents” means and includes, collectively:

(i) this Agreement;

(ii) the Reinsurance Pooling Agreement by and between NLC, Hingham, Danbury Insurance and Thames (the “Pooling Agreement”) attached hereto as Exhibit A;

(iii) the Intercompany Services Agreement, by and between NLC, Hingham, Danbury Insurance and Thames (the “Services Agreement”) attached hereto as Exhibit B;

(iv) the Amended and Restated Bylaws of Hingham (the “Hingham Bylaws”) attached hereto as Exhibit C; and

(v) the Amended and Restated Charter of Hingham (the “Hingham Charter”) attached hereto as Exhibit D.

2.2 The Closing. The closing of the Hingham Transactions (the “Closing”) will take place at a time and place and on a date to be mutually agreed to by Hingham and NLC, but

which shall not be later than the fifth Business Day after satisfaction or waiver (by the applicable Party entitled to the benefit thereof and subject to Applicable Laws) of all of the conditions set forth in Sections 8.1 and 8.2 (other than those conditions that, by their nature, cannot be satisfied until the Closing Date, but subject to the fulfillment or waiver of those conditions) or at such other time as is agreed to by the Parties, unless this Agreement has been terminated previously pursuant to its terms (the actual time and date of the Closing being referred to herein as the “Closing Date”).

ARTICLE III CHANGES TO BOARDS OF DIRECTORS, CHARTER AND BYLAWS

3.1 Reconstitution of the Boards of Directors. On the terms and subject to the conditions set forth in this Agreement, including without limitation the approval of the Hingham Member Proposal as contemplated by Section 7.7 hereof:

(a) Hingham Board.

(i) From and after the Closing Date until the sixth anniversary of the Closing Date or, if earlier, upon termination of this Agreement in accordance with Section 10.3 hereof, the maximum number of members of the Hingham Board shall be fixed at ten (10).

(ii) NLC will nominate the six (6) individuals listed on Exhibit E to this Agreement (the “Initial NLC Director Designees”) for election as directors at the Special Meeting (as defined in Section 7.7) under the election procedures described in the Hingham Bylaws and in accordance with Applicable Law. On and after the Closing, until the sixth anniversary of the closing of this Agreement or, if earlier, the termination of this Agreement in accordance with Section 10.3 hereof, the Hingham Board shall: (i) nominate NLC Director Designees (as defined in the Hingham Bylaws) to stand for election at each annual meeting of members of Hingham at which the term of office of an Initial NLC Director Designee or NLC Director Designee, as applicable, expires pursuant to the nomination procedures described in Section 3.2(b) of the Hingham Bylaws and in accordance with Applicable Law; and (ii) elect a replacement director to fill any vacancy created by the resignation, death or disability of an Initial NLC Director Designee or NLC Director Designee, as applicable, pursuant to the procedures described in Section 3.6(a) of the Hingham Bylaws and in accordance with Applicable Law.

(iii) Hingham will nominate the four (4) individuals listed on Exhibit E to this Agreement (the “Initial Hingham Director Designees”) for election as directors at the Special Meeting under the election procedures described in the Hingham Bylaws and in accordance with Applicable Law. On and after the Closing, until the sixth anniversary of the closing of this Agreement or, if earlier, the termination of this Agreement in accordance with Section 10.3 hereof, the Hingham Board shall: (i) nominate Hingham Director Designees (as defined in the Hingham Bylaws) to stand for election at each annual meeting of members of

Hingham at which the term of office of an Initial Hingham Director Designee or Hingham Director Designee, as applicable, expires pursuant to the election procedures described in Section 3.2(b) of the Hingham Bylaws and in accordance with Applicable Law; and (ii) elect a replacement director to fill any vacancy created by the resignation, death or disability of an Initial Hingham Director Designee or Hingham Director Designee, as applicable, pursuant to the procedures described in Section 3.6(a) of the Hingham Bylaws and in accordance with Applicable Law.

(iv) On or before the Closing Date Hingham shall cause all of its current directors who will not continue as one of the four (4) Initial Hingham Director Designees to resign from the Hingham Board ("Director Resignations"), such Director Resignations being effective on the Closing Date.

(v) Attached hereto as Exhibit E is a list of the Initial NLC Director Designees and the Initial Hingham Director Designees, together with their class and terms, who will stand for election at the Special Meeting.

(vi) Unless extended by affirmative vote of a majority in number of the directors then in office, the right of NLC Director Designees or the Hingham Director Designees to nominate and renominate directors or their respective successors to the Hingham Board as provided in subsection (ii) and (iii) above, shall terminate on the sixth anniversary of the Closing Date, in which event all directors then on the Hingham Board shall have the power to cause the nomination and replacement of any and all individuals to the office of directors of Hingham.

(b) Certain Directors Fees. Hingham Director Designees who are also officers of Hingham shall not receive fees for their services as directors, provided that such directors shall be reimbursed for reasonable costs and expenses incurred in attending meetings of the Hingham Board. NLC Director Designees shall not receive fees for their services as directors, provided that such directors shall be reimbursed for reasonable costs and expenses incurred in attending meetings of the Hingham Board. All other Hingham Director Designees shall each receive an annual retainer of \$32,000.00 (Thirty-two Thousand Dollars) per year for their combined services as directors of Hingham and any Hingham Subsidiary, along with the reimbursement of reasonable costs and expenses incurred in attending meetings of the Hingham Board, until the sixth anniversary of the Closing Date or upon the termination of this Agreement in accordance with Section 10.3 hereof, and thereafter in such amount as may be determined from time to time by the Hingham Board.

(c) Hingham Subsidiaries. From and after the Closing Date, the provisions set forth in (a) and (b) above with respect to Hingham shall equally apply to each of the Hingham Subsidiaries, except that no separate or additional retainer or like fee shall apply for the service of a Hingham Director as a director of any Hingham Subsidiary, as stated in (b) above.

(d) Insurance Coverage; Indemnification.

(i) From and after the Closing, to the extent permitted by Applicable Law, the Hingham Charter (including all amendments thereto) and Hingham Bylaws (including all amendments thereto) and the charters and Bylaws of the Hingham Subsidiaries shall continue to contain provisions no less favorable with respect to indemnification, advancement of expenses and exculpation of each present and former director and officer of Hingham and the Hingham Subsidiaries (collectively, the “Indemnified D&O Parties”) than are set forth in the Hingham Charter attached hereto as Exhibit D and the Hingham Bylaws attached hereto as Exhibit C, which provisions shall not be amended, repealed or otherwise modified for a period of six (6) years after the Closing Date in any manner that would adversely affect the rights thereunder of any such individuals.

(ii) Hingham agrees to use commercially reasonable efforts to purchase prior to Closing “tail coverage” with a minimum term of six (6) years after the Closing Date, which coverage shall provide for directors’ and officers’ liability insurance with respect to claims arising from or related to facts or events that occurred at or before the Closing Date, for the benefit of the Indemnified D&O Parties from an insurance carrier with, at all times, an A.M. Best Company rating of at least “A-” and on terms and conditions not materially less favorable than Hingham and the Hingham Subsidiaries’ directors’ and officers’ liability insurance in effect prior to December 31, 2009. Hingham agrees to consult with NLC with respect to the purchase of such tail coverage, and NLC agrees to use commercially reasonable efforts to assist Hingham with the purchasing of such tail coverage. NLC agrees, and shall cause Hingham and the Hingham Subsidiaries, to maintain such tail coverage for six (6) years. NLC agrees, and shall cause Hingham and the Hingham Subsidiaries, to not take any action during the aforesaid term of six (6) years that would have the effect of limiting the aggregate amount of insurance coverage maintained for the individuals referred to in this Section 3.1(d).

(iii) After the Closing, Hingham will, to the fullest extent permitted under Applicable Law, indemnify and hold harmless each member of the Hingham Board who was not a Hingham Board member prior to the Closing, and his or her heirs, executors and assigns (collectively, the “Indemnified Parties”) against any costs or expenses (including attorneys’ fees), judgments, fines, losses, claims, damages, liabilities and amounts paid in settlement in connection with any claim, action, suit, proceeding or investigation, whether civil, criminal, administrative or investigative, arising out of or pertaining to any action or omission of the Hingham Board occurring prior to the Closing. In the event of any such claim, action, suit, proceeding or investigation: (a) any counsel retained by the Indemnified Parties will be reasonably satisfactory to Hingham, (b) Hingham will pay the reasonable fees and expenses of such counsel, promptly after statements therefor are received; and (c) Hingham will cooperate in the defense of any such matter.

(iv) If NLC, Hingham and the Hingham Subsidiaries or any of their respective successors or assigns shall: (a) merge or consolidate with or merge into any other corporation or entity and shall not be the surviving or continuing corporation or entity of such consolidation or merger; (b) undergo any manner of change in control, whether by affiliation with another entity or otherwise; or (c) transfer all or substantially all of their respective properties and assets as an entity in one or a series of related transactions to any individual, corporation or other entity, then in each such case, proper provisions shall be made so that the successors or assigns of NLC, Hingham or the Hingham Subsidiaries shall assume all of the obligations set forth in this Section 3.1(d).

3.2 Adoption of Amended Hingham Charter and Bylaws. On the terms and subject to the conditions set forth in this Agreement, including without limitation the approval of the Hingham Member Proposal: (i) the charter of Hingham shall be amended and restated in the form attached hereto as Exhibit D effective upon Closing; and (ii) the bylaws of Hingham shall be amended and restated in the form attached hereto as Exhibit C effective upon Closing.

ARTICLE IV OPERATIONS

4.1 Affiliation of Operations. On and after the Closing, the Parties shall affiliate their respective business operations in accordance with the terms of this Agreement, the Services Agreement and the Pooling Agreement.

4.2 Services Agreement. At Closing, the Parties shall enter into the Services Agreement by and between NLC, Hingham, Danbury Insurance and Thames in the form attached hereto as Exhibit B.

4.3 Reinsurance Pooling Agreement. Effective as of January 1, 2010, Hingham and Danbury Insurance shall cede, and the reinsurance pool created by the Pooling Agreement (the “Pool”) shall reinsure, one hundred percent (100%) of the direct and assumed insurance business of Hingham and Danbury Insurance net of any losses ceded to other insurers or reinsurers, pursuant to the terms of the Pooling Agreement. On or prior to the Closing Date, the Pooling Agreement and such other documents necessary to effectuate such agreement shall have been executed in order for Hingham and Danbury Insurance to: (i) become members of the Pool as of January 1, 2010; and (ii) assume such percentages of the collective risks of the Pool as is determined by NLC from time to time based on premium writings and leverage ratios of Hingham and Danbury Insurance relative to the other members of the Pool.

4.4 Modification of NLC Reinsurance Program. As promptly as reasonably practicable following the Closing Date, NLC shall use commercially reasonable efforts to amend its current common per risk and catastrophic excess of loss, umbrella and facultative reinsurance treaties to include Hingham and Danbury Insurance as named reinsureds in such agreements.

4.5 Separate Corporate Entity. Hingham shall continue to operate as a separate mutual insurance company domiciled in the Commonwealth of Massachusetts for a minimum period of ten (10) years following the Closing Date.

4.6 Principal Office and Place of Business. Some underwriting, claims and other service operations of Hingham and the principal place of business of Hingham shall remain in Plymouth County, Massachusetts for a minimum period of ten (10) years following the Closing Date; provided however, supporting functions or management positions may be provided by NLC from its Norwich, Connecticut location.

4.7 Management. On the Closing Date, the reconstituted Hingham Board shall elect the following as the executive officers of Hingham: Steve H. Chevalier – Chief Executive Officer; George A. Cole, III – President; George Kowalsky – Vice President and Treasurer; Cheryl E. Wigmore – Vice President; Bruce M. Arnold – Senior Vice President; Dennis Nelson – Vice President; and Debra Cusimano - Secretary.

4.8 Employment Matters.

(a) Except as otherwise provided in Section 4.8(b) below, NLC agrees to offer, or to cause Hingham to offer, continued employment to Hingham’s current employees (the “Current Employees”), with substantially similar duties, for a period of one (1) year following the Closing Date (the “Retention Period”); provided, however, that nothing herein shall be construed either as (i) preventing Hingham from making performance-based terminations during the Retention Period; or (ii) permitting any involuntary layoff or termination without cause during the Retention Period. NLC agrees to maintain or cause Hingham to maintain (i) substantially the same Hingham base wage structure in place as of the Closing throughout the end of the Retention Period subject to changes required by Applicable Law, and (ii) substantially the same employee benefit programs in place as of the Closing until the end of the Retention Period, subject to any changes required by Applicable Law. After the Retention Period, all Current Employees terminated without cause during the term of this Agreement shall be afforded the same severance benefits as are afforded to NLC employees.

(b) Prior to the Closing Date, Hingham shall: (i) enter into an employment agreement with George A. Cole, III, substantially in the form attached hereto as Exhibit F (the “Cole Employment Agreement”); (ii) enter into an employment agreement with Cheryl E. Wigmore substantially in the form attached hereto as Exhibit G (the “Wigmore Employment Agreement”); and (iii) enter into an employment agreement with Bruce M. Arnold substantially in the form attached hereto as Exhibit H (the “Arnold Employment Agreement” and collectively with the Cole Employment Agreement and Wigmore Employment Agreement, the “Employment Agreements”). The Employment Agreements shall become effective on the Closing Date.

(c) NLC shall honor, or cause Hingham to honor, the terms of all Benefit Plans. Except as otherwise specifically set forth above, nothing contained herein shall be construed as requiring NLC to continue any specific Benefit Plan, provided, however that any changes that NLC or a NLC Affiliate or Hingham may make to any such Benefit Plan are permitted by the terms of the applicable Benefit Plan and under any Applicable Law.

4.9 Continuation of Community Presence. For a period of six (6) years from the Closing Date, NLC shall preserve, or cause Hingham to preserve, Hingham’s support of local charitable works and activities at least the same level that they were supported in calendar year 2009.

ARTICLE V
REPRESENTATIONS AND WARRANTIES OF HINGHAM

Except as disclosed in the disclosure schedule hereto (the “Disclosure Schedule”) (it being agreed that disclosure of any item in any section or subsection of the Disclosure Schedule shall be deemed disclosure with respect to any other section or subsection to which the relevance of such disclosure to the applicable representation and warranty is reasonably apparent), Hingham hereby represents and warrants to NLC as of the date of this Agreement as follows:

5.1 Corporate Existence and Power.

(a) Except as set forth in Section 5.1(a) of the Disclosure Schedule, Hingham is a mutual property and casualty insurance company duly organized, validly existing and in good standing under the laws of the Commonwealth of Massachusetts and has all requisite corporate power, right and authority to own or lease its properties and to carry on its business as now being conducted. Danbury is a stock company duly organized, validly existing and in good standing under the laws of the State of Connecticut and has all requisite corporate power, right and authority to own or lease its properties and to carry on its business as now being conducted. Except as set forth in Section 5.1(a) of the Disclosure Schedule, Danbury Insurance is a stock property and casualty insurance company duly organized, validly existing and in good standing under the laws of the Commonwealth of Massachusetts and has all requisite corporate power, right and authority to own or lease its properties and to carry on its business as now being conducted. Danbury and Danbury Insurance are collectively referred to as the “Hingham Subsidiaries.”

(b) Each of Hingham and the Hingham Subsidiaries is duly qualified or otherwise authorized to transact business as a foreign insurer or foreign corporation in the jurisdictions set forth in Section 5.1(b) of the Disclosure Schedule, in every jurisdiction in which such authorization is required by Applicable Law, except where the failure to be so qualified would not, have a Hingham Material Adverse Effect.

(c) Hingham has made available to NLC true and correct copies of: (i) the articles of incorporation and Bylaws or equivalent organizational documents (collectively, the “Hingham Organizational Documents”) of Hingham and the Hingham Subsidiaries each as amended to date, (ii) the minute books of Hingham and the Hingham Subsidiaries, and (iii) where applicable the stock ledger of Hingham and the Hingham Subsidiaries. The Hingham Organizational Documents are in full force and effect. Except as set forth in Schedule 5.1(c) of the Disclosure Schedule, the minute books of Hingham and the Hingham Subsidiaries contain complete copies of all minutes of the board of directors of Hingham and the Hingham Subsidiaries, as applicable, as of the date of this Agreement. Any meeting minutes of the board of directors of Hingham or any Hingham Subsidiary, or any committee thereof, or of the members of Hingham or stockholders of any Hingham Subsidiary existing as of the date of this Agreement but not provided to NLC, for any reason, contain no information that would inform NLC of the existence of a Hingham Material Adverse Effect not otherwise disclosed by Hingham if such minutes had been provided.

5.2 Corporate Authorization.

(a) Hingham has the corporate right, power and authority to execute and deliver this Agreement and the other Hingham Transaction Documents and to consummate the Hingham Transactions, subject to receipt of the approval of the Hingham Member Proposal and receipt of the Regulatory Approvals contemplated by Section 8.1(d) hereof. Except for the approval of the Hingham Member Proposal and Regulatory Approvals, no other corporate proceeding or regulatory approval is necessary to authorize this Agreement, the Hingham Transaction Documents or the Hingham Transactions. The execution, delivery and performance by Hingham of this Agreement and the other Hingham Transaction Documents have been duly authorized by the Hingham Board.

(b) This Agreement does and the Pooling Agreement and the Services Agreement will, upon execution and delivery thereof at Closing, constitute valid and binding agreements of Hingham, enforceable against Hingham and the Hingham Subsidiaries in accordance with their respective terms, except as such enforceability may be limited by (i) bankruptcy, receivership, insolvency, reorganization, moratorium or similar laws affecting or relating to creditors' rights generally and (ii) general principles of equity.

5.3 No Conflict; Consents. Except as set forth in Section 5.3 of the Disclosure Schedule and subject to the receipt of the approval of the Hingham Member Proposal and the receipt of the Regulatory Approvals contemplated by Section 8.1(d) hereof, the execution and delivery of this Agreement by Hingham does not, and, the consummation of the Hingham Transactions and compliance with the terms hereof will not, conflict with, or result in any violation of or default (with or without notice or lapse of time, or both) under, or give rise to a right of termination, cancellation or acceleration of any obligation or to loss of a benefit under, or result in the creation of any Lien, option, charge or restriction of any kind upon any of the properties or assets of Hingham or any Hingham Subsidiary under any provision of (i) the Hingham Organizational Documents; (ii) any note, bond, mortgage, indenture, deed of trust, license, lease, contract, commitment, agreement or arrangement to which Hingham or any Hingham Subsidiary is a party or by which any of their respective properties or assets are bound; or (iii) any judgment, order or decree, or statute, law, ordinance, rule or regulation applicable to Hingham or any Hingham Subsidiary except, in the case of clauses (ii) and (iii) for violations, defaults, terminations, cancellations, accelerations, loss of benefits, creations of liens, options, charges or restrictions that would not, individually or in the aggregate, have a Hingham Material Adverse Effect. Except where the failure to make any filing with, or obtain any permit, authorization, consent or approval of any Governmental Entity would not individually or in the aggregate have a Hingham Material Adverse Effect, no consent, approval, license, permit, order or authorization of, or registration, declaration or filing with, any Governmental Entity is required to be obtained or made by or with respect to Hingham or any Hingham Subsidiary in connection with the execution, delivery and performance of this Agreement or the consummation of the Hingham Transactions other than the Regulatory Approvals.

5.4 Financial Statements. Hingham has previously made available to NLC true and complete copies of the audited financial statements for each of Hingham and the Hingham Subsidiaries for the years ended December 31, 2008 and 2009 (collectively, the "Hingham Financial Statements"). The balance sheets for each of Hingham and the Hingham Subsidiaries

dated as of December 31, 2009, included in the Hingham Financial Statements are hereinafter collectively referred to as the “Most Recent Hingham Balance Sheet.” The Hingham Financial Statements have been prepared in accordance with SAP or GAAP, as applicable, and fairly present in all material respects the admitted assets, liabilities, results of operations, capital and surplus, and cash flows of Hingham as of the dates and for the periods then ended, as applicable, in conformity with accounting practices prescribed or permitted by SAP or GAAP, as applicable. Hingham has also made available to NLC true and complete copies of the financial statements for each of Hingham and the Hingham Subsidiaries for the quarter ended March 31, 2010 (the “Hingham Q1-2010 Financial Statements”). The Hingham Q1-2010 Financial Statements fairly present in all material respects the admitted assets, liabilities, results of operations, capital and surplus, and cash flows of Hingham and the Hingham Subsidiaries as of and for the period ended March 31, 2010.

5.5 Insurance Reserves. The aggregate reserves for Hingham and the Hingham Subsidiaries, after taking any applicable reinsurance agreements into account, make reasonable provision for unpaid obligations, and were as of the date of the Most Recent Hingham Balance Sheet (i) determined in accordance with SAP and (ii) calculated, in all material respects, in accordance with accepted actuarial standards and principles.

5.6 Absence of Certain Events or Changes. Except as set forth in Section 5.6 of the Disclosure Schedule, since December 31, 2009 there has been no event or condition that has resulted in (or is reasonably likely to result in) a Hingham Material Adverse Effect, and, except for the activities undertaken in connection with the Hingham Transactions, Hingham and the Hingham Subsidiaries have conducted their respective businesses in the ordinary course consistent with past practices.

5.7 No Undisclosed Liabilities. Except for liabilities and obligations disclosed or provided for in the Most Recent Hingham Balance Sheet or the notes thereto, neither Hingham nor any Hingham Subsidiary has any liabilities which would be required to be set forth on a balance sheet of Hingham as of the date of this Agreement, prepared in accordance with SAP or GAAP, as applicable, in a manner consistent with the Most Recent Hingham Balance Sheet except: (i) for policyholder benefits and claims payable arising in the ordinary course of business and consistent with past practices under insurance, reinsurance, and similar contracts, in each case since the date of the Most Recent Hingham Balance Sheet; (ii) for liabilities and obligations arising in the ordinary course of business and consistent with past practices, in each case since the date of the Most Recent Hingham Balance Sheet; and (iii) as required by state statute or applicable regulation regarding minimum capitalization and deposits.

5.8 Litigation. Except for insurance claims litigation arising in the ordinary course of business for which reserves have been established, there are no actions, suits, claims, investigations or proceedings pending, or to the Knowledge of Hingham, threatened, against Hingham or the Hingham Subsidiaries or their respective properties or businesses before any Governmental Entity or before any arbitrator.

5.9 Real Property; Environmental Matters.

(a) Except as set forth in Section 5.9(a) of the Disclosure Schedule, Hingham and the Hingham Subsidiaries do not own, lease, sublease or hold any right of use or occupancy to any real property. Except as set forth in Section 5.9(a) of the Disclosure Schedule, to the Knowledge of Hingham, no hazardous substances, hazardous materials or hazardous wastes, all as defined under federal, state or local laws, regulations and ordinances concerning human health and the environment (“Environmental Law”), are present in, on or under any real property owned, leased or occupied by Hingham and the Hingham Subsidiaries in violation of applicable Environmental Law. Hingham and the Hingham Subsidiaries have made available to NLC all material reports, records, tests, evaluations, governmental agency and third-party correspondence, and other material documents in the possession of Hingham or any Hingham Subsidiary’s possession relating to the presence of any hazardous material at any facility.

(b) Except as set forth in Section 5.9(b) of the Disclosure Schedule, (i) the business and operations of Hingham and the Hingham Subsidiaries are not in violation of any applicable Environmental Law; (ii) Hingham and the Hingham Subsidiaries have not received any notices of violation or any other such notice alleging any violations of any applicable Environmental Law, and, to the Knowledge of Hingham, there is no condition that is reasonably likely to prevent or interfere with compliance with any Environmental Law; and (iii) there are no judicial or administrative proceedings pending or, to the Knowledge of Hingham, threatened against Hingham or any Hingham Subsidiary alleging any violations of any applicable Environmental Law.

5.10 Reinsurance Treaties. Section 5.10 of the Disclosure Schedule contains a true and correct listing of all reinsurance treaties, assumption reinsurance contracts, coinsurance treaties, facultative arrangements and cover notes currently in effect (the “Reinsurance Agreements”) pursuant to which Hingham or any Hingham Subsidiary cedes or assumes insurance, or may cede or assume insurance. Each of Hingham and the Hingham Subsidiaries have previously furnished or otherwise made available to NLC copies of all of their material Reinsurance Agreements. The Reinsurance Agreements of Hingham and the Hingham Subsidiaries are in full force and effect.

5.11 Subsidiaries; Other Equity Interests.

(a) Hingham owns one hundred percent (100%) of the outstanding shares of capital stock of Danbury free and clear of any liens. Danbury owns one hundred percent (100%) of the capital stock of Danbury Insurance free and clear of any liens. Except as set forth in the preceding sentence and in Section 5.11(d) below, and for securities held as part of Hingham and the Hingham Subsidiaries investment portfolio, neither Hingham nor any of the Hingham Subsidiaries owns, directly or indirectly, any capital stock of or other equity interests in any corporation, partnership or other Person, and neither Hingham nor any of the Hingham Subsidiaries is a member of or participant in any partnership, joint venture or other Person.

(b) All the outstanding shares of capital stock of each of the Hingham Subsidiaries, held by Hingham or a Hingham Subsidiary, have been duly authorized and validly issued and are fully paid and nonassessable. None of the shares of capital stock of any of the

Hingham Subsidiaries has been issued in violation of, and none of such shares of capital stock is subject to, any purchase option, call, right of first refusal, preemptive, subscription or similar rights under any provision of Applicable Law, the certificate of incorporation or Bylaws or comparable governing instruments of each such Hingham Subsidiary, any contract, agreement or instrument to which Hingham or any Hingham Subsidiary is subject, bound or a party or otherwise.

(c) There are no outstanding warrants, options, rights, “phantom” stock rights, agreements, convertible or exchangeable securities or other commitments pursuant to which any Hingham Subsidiary is or may become obligated to issue, sell, purchase, return or redeem any shares of capital stock or other securities of such Hingham Subsidiary.

(d) Hingham owns, directly and indirectly, fifty-five and two-tenths percent (55.2%) of the capital stock of N.E. Corp. free and clear of any liens. N.E. Corp. owns one hundred percent (100%) of the capital stock of Casco.

5.12 Examination Reports. Hingham has previously made available a complete and correct copy of the most recent report of examination of Hingham and Danbury Insurance conducted by the Massachusetts Division of Insurance. Except as set forth on Section 5.12 of the Disclosure Schedule, since the date of the most recent examination of Hingham conducted by the Massachusetts Division of Insurance, neither Hingham nor Danbury Insurance has been the subject of further examination by, and neither Hingham and Danbury Insurance is currently undergoing examination by, the Massachusetts Division of Insurance or any other state department of insurance.

5.13 Taxes. Except as set forth in Section 5.13 of the Disclosure Schedule: (i) Hingham and each of the Hingham Subsidiaries has duly filed all tax returns required to be filed by it on or prior to the date of this Agreement and all such tax returns are true, correct, and complete in all material respects, and Hingham and the Hingham Subsidiaries have duly paid in full or made provision for the payment of all taxes for all periods or portions thereof; (ii) no federal, state, or local audits or other administrative proceedings or court proceedings are presently pending or, to the Knowledge of Hingham, threatened with regard to any taxes or tax returns of Hingham or any of the Hingham Subsidiaries; and (iii) Hingham and the Hingham Subsidiaries have withheld and paid all federal, state, and local taxes required to have been withheld and paid in connection with amounts paid or owing to any employee, independent contractor, creditor, or other third party.

5.14 Contracts. Except as set forth on Section 5.14 of the Disclosure Schedule, the Reinsurance Agreements described in Section 5.10, the Benefit Plans described in Section 5.15, the Insurance Contracts described in Section 5.17, the personal property leases described in Section 5.21, the Intellectual Property Contracts described in Section 5.22, and the contracts and agreements between Hingham or any Hingham Subsidiary, on the one hand, and a Producer, on the other hand, which in each case involved payments to such producer of less than \$50,000 in calendar year 2009 (unless such contract is terminable on not more than sixty (60) days notice without cause and payment of penalty) (collectively, the “Hingham Agreements”), neither Hingham nor any Hingham Subsidiary is a party to, bound by or subject to:

(a) Any contract or agreement not fully performed for the purchase for its own account of any commodity, material or equipment, including without limitation fixed assets, for a price in excess of \$50,000, except contracts or agreements entered into by Hingham or the Hingham Subsidiaries in the ordinary course of their businesses and excepting contracts or agreements for the purchase or sale of investments in their investment portfolios;

(b) Any indenture, mortgage, promissory note, loan agreement, guaranty or other agreement or commitment for the borrowing of money by Hingham or the Hingham Subsidiaries in excess of \$50,000;

(c) Any partnership, joint venture or similar agreement or arrangement;

(d) Any other contract or agreement which creates future payment obligations of Hingham or the Hingham Subsidiaries in excess of \$50,000 in any one year;

(e) Any contractual obligation, commitment or agreement to guarantee or otherwise be responsible or liable for the obligations or liabilities of N.E. Corp. or Casco; or

(f) Any contract or agreement outside the ordinary course of business to which Hingham, N.E. Corp or Casco is a party, which relates to a possible sale or other transaction involving N.E. Corp. or Casco or Hingham's equity interest in either such entity.

Each of the Hingham Agreements is a valid and binding agreement of Hingham or a Hingham Subsidiary, as the case may be, and to the Knowledge of Hingham, is in full force and effect (except for those Hingham Agreements that by their terms will expire prior to the Closing). Neither Hingham nor any Hingham Subsidiary is, or to the Knowledge of Hingham alleged to be, in breach or default under any of the Hingham Agreements. To the Knowledge of Hingham, no other party to any Hingham Agreement has breached or defaulted in any material respect thereunder. Complete and correct copies of each of the Hingham Agreements have been made available to NLC.

5.15 Benefit Plans.

(a) Schedule 5.15 hereof contains a list of all "employee pension benefit plans" (as defined in Section 3(2) of the ERISA) (sometimes referred to herein as "Pension Plans"), "employee welfare benefit plans" (as defined in Section 3(1) of ERISA), severance, employment, cafeteria, bonus, stock option, stock purchase, deferred compensation plans or other compensatory arrangements, policies or agreements (all the foregoing being herein called "Benefit Plans") which is or was at any time during the last seven years maintained, administered or contributed to, by Hingham or any ERISA Affiliate for the benefit of any officers, directors or employees or any former officers, directors or employees of Hingham or any ERISA Affiliate or under which Hingham or any ERISA Affiliate has any unsatisfied liability, including, without limitation any current, future or contingent liabilities. Hingham has made available to NLC, with respect to Hingham and each ERISA Affiliate, true, complete and correct copies of: (i) each Benefit Plan (or, in the case of any unwritten Benefit Plans, written descriptions thereof) and all amendments thereto; (ii) to the extent applicable, the three most recent annual reports on Form 5500 filed with the Internal Revenue Service or Department of Labor with respect to each Benefit Plan (if any such report was required) and accompanying schedules and audited financial

statements; (iii) the most recent summary plan description for each Benefit Plan for which such a summary plan description is required and any associated summaries of material modification; (iv) each trust agreement and group annuity contract relating to any Benefit Plan; (v) the most recent annual financial report and/or trust statement, if applicable; (vi) the most recent determination or opinion letter from the Internal Revenue Service, if any; (vii) all material service provider contracts with respect to any Benefit Plan; (viii) any material communications between Hingham or any ERISA Affiliate and either participants in any Benefit Plan or any governmental authority relative to any Benefit Plan during the past three most recently completed Benefit Plan years; and (ix) all compliance reports provided by third party administrators, actuaries or others and any nondiscrimination testing relative to any Benefit Plan during the past three years, including, but not limited to, reports of compliance with Code Sections 401(k), 401(m), 412, 415, 402(g), 410(b), or 401(a)(4). No Benefit Plan is a “multiemployer plan” (as defined in Section 3(37) of ERISA) and no Benefit Plan is subject to Title IV of ERISA, Section 412 of the Code, or Section 302 of ERISA. Neither Hingham nor any ERISA Affiliate has any outstanding liability (contingent or otherwise) with respect to (1) a “defined benefit plan” (as defined in Section 3(35) of ERISA) or a “multiemployer plan” (as defined in Section 3(37) of ERISA) that has been sponsored, maintained or contributed to by Hingham or any ERISA Affiliate or (2) an employee welfare benefit plan that provides medical or life insurance benefits to retirees (other than pursuant to Section 4980B of the Code, Part 6 of Subtitle B of Title I of ERISA or similar state law). No Benefit Plan is maintained in connection with any trust described in Section 501(c)(9) of the Code. Each Benefit Plan has been maintained, funded and administered in material compliance with its terms and Applicable Law including, without limitation, the Code and ERISA.

(b) All contributions to, and payments from, the Benefit Plans that may have been required to be made in accordance with the Benefit Plans and Applicable Law (including Section 302 of ERISA and Section 412 of the Code) have been timely made. None of Hingham or any ERISA Affiliate has incurred: (i) any withdrawal liability within the meaning of Section 4201 of any ERISA Affiliate which has not been satisfied in full as of the date hereof; (ii) any liability to the Pension Benefit Guaranty Corporation which has not been satisfied in full as of the date hereof; or (iii) any accumulated funding deficiency, whether or not waived, within the meaning of Section 302 of ERISA or Section 412 of the Code. Except for flexible spending accounts, health reimbursement arrangements, short term disability, paid time off and other payroll practices, no material Benefit Plan is self-insured or funded from the general assets of Hingham or their applicable sponsor.

(c) No “prohibited transaction” (as defined in Section 4975 of the Code or Section 406 of ERISA) has occurred that involves the assets of any Benefit Plan and that could subject Hingham or any Hingham Subsidiary or any of their employees, or, to the Knowledge of Hingham, a trustee, administrator or other fiduciary of any trusts created under any Benefit Plan to the tax or penalty on prohibited transactions imposed by Section 4975 of the Code or the sanctions imposed under Title I of ERISA. Hingham has not engaged in any transaction or acted or failed to act in a manner that would reasonably be expected to subject Hingham or any Hingham Subsidiary to any liability for breaches of any of the duties imposed on “fiduciaries” (within the meaning of Section 3(21) of ERISA) by ERISA with respect to the Benefit Plans.

(d) There is no pending or, to the Knowledge of Hingham, threatened litigation, arbitration, disputed claim, adjudication, audit, examination or other proceeding (other than routine claims for benefits) with respect to any Benefit Plan. Each Benefit Plan which is intended to be qualified under Section 401(a) of the Code has received a favorable determination or opinion from the Internal Revenue Service entitled to be relied upon.

(e) The execution of, and the consummation of the transactions contemplated by, this Agreement will not constitute a triggering event under any Benefit Plan, whether or not legally enforceable, which (either alone or upon the occurrence of any additional or subsequent event) will or may result in any payment (of severance pay or otherwise), acceleration, increase in vesting, or increase in benefits to any current or former participant in such Benefit Plan or current or former employee of Hingham or any Hingham Subsidiary. No payment under any Benefit Plan which may be triggered by the transactions contemplated by this Agreement will be nondeductible by reason of Section 280G of the Code or be subject to any excise tax under Section 4999 of the Code.

(f) No Benefit Plan based on the equity of Hingham or other entity is subject to Section 409A of the Code. Each Benefit Plan, to the extent applicable, is in full compliance with Section 409A of the Code and nothing has occurred with respect to any Benefit Plan subject to Section 409A of the Code which would trigger the application of Section 409A(a)(1) of the Code.

5.16 Insurance Regulatory Matters; Licenses.

(a) Schedule 5.16(a) sets forth a list of (i) all jurisdictions in which Hingham or any Hingham Subsidiary is licensed to write insurance policies or contracts or otherwise conduct an insurance business, and (ii) the lines of business in which Hingham or any Hingham Subsidiary is authorized to transact in each such jurisdiction (“Hingham Admitted States”). Except as set forth on Section 5.16(a) of the Disclosure Schedule, Hingham and the Hingham Subsidiaries have made all material filings required to be made by them with the department of insurance in each Hingham Admitted State, and such filings were in material compliance with Applicable Law when filed and no material deficiencies have been asserted by any department of insurance in connection with any such filing.

(b) Hingham and the Hingham Subsidiaries possess all material Licenses necessary to own or lease and operate their respective properties and to conduct their respective businesses as now conducted. All material Licenses of Hingham and the Hingham Subsidiaries are in full force and effect. Neither Hingham nor any Hingham Subsidiary is in violation of the terms of any License and Hingham or any Hingham Subsidiary has not received written notice of any violation or claimed violation thereof that could reasonably be expected to have a Hingham Material Adverse Effect.

5.17 Insurance Business.

(a) All insurance policies, binders and certificates, and all amendments, applications, brochures, illustrations, certificates, supplements, endorsements, riders and ancillary agreements pertaining thereto (collectively, the “Insurance Contracts”) issued by

Hingham or the Hingham Subsidiaries, and any and all marketing materials prepared by or on behalf of Hingham or the Hingham Subsidiaries, in each case in effect as of the date hereof, are, to the extent required by Applicable Law, on forms approved by all applicable Governmental Entities or filed with and not objected to by such Governmental Entities within the period provided by Applicable Law for objection. Any rates and rating guidelines of Hingham or the Hingham Subsidiaries that are required to be filed with or approved by any Governmental Entity have been so filed or approved, and the rates used by Hingham or the Hingham Subsidiaries conform in all material respects thereto.

(b) Hingham has delivered or made available to NLC true and complete copies of all actuarial reports, along with all attachments, addenda, supplements and modifications thereto (collectively, the “Actuarial Analyses”), prepared by actuaries, independent or otherwise, with respect to Hingham or the Hingham Subsidiaries since December 31, 2008.

(c) Except for regular periodic assessments in the ordinary course of business, no claim or assessment is pending or, to the Knowledge of Hingham, threatened against Hingham or the Hingham Subsidiaries by any state insurance guaranty associations or similar organizations in connection with such association’s fund.

5.18 No Regulatory Agreements. Except as set forth in Section 5.18 of the Disclosure Schedule, neither Hingham nor any Hingham Subsidiary is currently a party to any material supervisory agreement and since January 1, 2008 has not entered into any consent order, stipulation, cease and desist order, or condition or any regulatory order or decree with or by the Massachusetts Division of Insurance or any other regulatory authority.

5.19 Material Transactions with Officers and Directors. Hingham and the Hingham Subsidiaries have no ongoing material transactions or contractual relationships with any of its or their executive officers or directors.

5.20 Employee and Labor Matters.

(a) No current or former director, officer, employee, consultant, or independent contractor of Hingham or any Hingham Subsidiary is a party to any employment, severance, consulting, continuation pay, termination, or other agreement (whether or not in writing) with Hingham or any Hingham Subsidiary that entitles him or her to compensation or other consideration upon the acquisition by any person of control of Hingham;

(b) Hingham and the Hingham Subsidiaries have complied in all material respects with all Applicable Laws which relate to employment matters, including requirements of laws relating to prices, wages, hours, discrimination in employment, fair employment (including redundancy and dismissal laws), health and safety, workers’ compensation, unemployment, leaves of absence, collective bargaining, immigration and naturalization, social security, and to the operation of their respective business and are not liable for any arrears of wages or any withholding taxes or penalties for failure to comply with any of the foregoing.

5.21 Personal Property. Except as described in Section 5.21 of the Disclosure Schedule hereof, Hingham and the Hingham Subsidiaries own and have good and valid title to

all assets reflected in the Most Recent Hingham Balance Sheet, except those sold or otherwise disposed of since the last period covered by the Most Recent Hingham Balance Sheet in the ordinary course of business and consistent with past practices, in each case free and clear of all Liens. Section 5.21 of the Disclosure Schedule hereof lists all leases of personal property binding upon Hingham or any Hingham Subsidiary, or any of its assets or properties, and all items of personal property covered thereby.

5.22 Intellectual Property.

(a) Section 5.22(a) of the Disclosure Schedule hereof sets forth a true and complete list of all material (i) patents, (ii) trademarks, trade names and service marks (registered and unregistered), (iii) registered copyrights and (iv) applications for registration therefore (collectively, "Intellectual Property"), owned, controlled, or licensed to Hingham or the Hingham Subsidiaries (excluding non-exclusive licenses to commercially available software or any non-material non-exclusive licenses). With respect to registered trademarks, Section 5.22(a) of the Disclosure Schedule hereof sets forth a list of all jurisdictions in which such trademarks are registered or applied for by Hingham or the Hingham Subsidiaries (or any third party on their behalf) and all registration and application numbers with respect thereto. Except as provided on Section 5.22(a) of the Disclosure Schedule hereof, to the Knowledge of Hingham, Hingham and the Hingham Subsidiaries have all rights to Intellectual Property as is necessary for the operation of their businesses as presently conducted, and the consummation of the transactions contemplated hereby will not conflict with, alter or impair any such rights.

(b) Section 5.22(b) of the Disclosure Schedule hereof sets forth a true and complete list of all material contracts, licenses, sublicenses, assignments and indemnities to which Hingham and Hingham Subsidiaries are a party, including any works made for hire agreements with any software developers (collectively, the "Intellectual Property Contracts"), that relate to (i) the Intellectual Property, (ii) any trade secrets owned by, licensed to or used by Hingham or any Hingham Subsidiary, or (iii) any software used by Hingham or any Hingham Subsidiary, but excluding any non-exclusive software license for commercially available software for which the aggregate license fees paid during the twelve month period prior to the date of this Agreement is less than \$100,000.00 and for which payments owed by Hingham or any Hingham Subsidiary during the twelve month period following the date of this Agreement will be less than \$50,000.00.

5.23 Compliance with Laws. There does not exist to the Knowledge of Hingham, any violation by Hingham or the Hingham Subsidiaries of any Applicable Law, and since January 1, 2009, to the Knowledge of Hingham, neither Hingham nor any Hingham Subsidiary has received any written notice from any Governmental Entity alleging the existence of any violation of any Applicable Law that could reasonably be expected to have a Hingham Material Adverse Effect.

5.24 No Brokers. Hingham has not entered into any contract, arrangement or understanding with any Person which may result in the obligation of either Party to pay any finder's fees, brokerage or agent's commissions or other like payments in connection with the negotiations leading to this Agreement or consummation of the Hingham Transactions.

5.25 Agents and Brokers. Section 5.25 of the Disclosure Schedule sets forth a list which contains true, complete and accurate information, to the Knowledge of Hingham, as of the date of this Agreement regarding the agents and brokers (including their names, addresses, telephone numbers and gross premiums written by line of business for the most recent 12-month period) which have generated business that is currently in-force with Hingham. Except as disclosed on Section 5.25 of the Disclosure Schedule, since January 1, 2010, to the Knowledge of Hingham, no agent or broker producing in excess of \$250,000.00 of annual premium has ceased or materially reduced, or indicated an intention to cease or materially reduce, its relationship with Hingham.

ARTICLE VI REPRESENTATIONS AND WARRANTIES OF NLC

Except as set forth in the Disclosure Schedule attached hereto (it being agreed that disclosure of any item in any section or subsection of the NLC Disclosure Schedule shall be deemed disclosure with respect to any other section or subsection to which the relevance of such disclosure to the applicable representation and warranty is reasonably apparent), NLC hereby represents and warrants to Hingham as of the date of this Agreement as follows:

6.1 Corporate Existence and Power.

(a) NLC is a mutual property and casualty insurance company duly organized, validly existing and in good standing under the laws of the State of Connecticut and has all requisite corporate power, right and authority to own or lease its properties and to carry on its business as now being conducted. NLC Companies is a stock company duly organized, validly existing and in good standing under the laws of the State of Delaware and has all requisite corporate power, right and authority to own or lease its properties and to carry on its business as now being conducted. NLC Insurance Agency is a stock company duly organized, validly existing and in good standing under the laws of Connecticut and has all requisite corporate power, right and authority to own or lease its properties and to carry on its business as now being conducted. Agents is a stock company duly organized, validly existing and in good standing under the laws of the State of Rhode Island and has all requisite corporate power, right and authority to own or lease its properties and to carry on its business as now being conducted. Thames is a stock property and casualty insurance company duly organized, validly existing and in good standing under the laws of the State of Connecticut and has all requisite corporate power, right and authority to own or lease its properties and to carry on its business as now being conducted. NLC Companies, Agents, NLC Insurance Agency and Thames are collectively referred to as the “NLC Subsidiaries.”

(b) Each of NLC and the NLC Subsidiaries is duly qualified or otherwise authorized to transact business as a foreign insurer or foreign corporation in the jurisdictions set forth in Section 6.1(b) of the Disclosure Schedule, and is in compliance with all Applicable Law in every jurisdiction in which such authorization is required by Applicable Law, except where the failure to be so qualified would not, have a NLC Material Adverse Effect.

(c) NLC has made available to Hingham true and correct copies of the articles of incorporation and Bylaws or equivalent organizational documents (collectively, the “NLC

Organizational Documents”) of NLC and the NLC Subsidiaries, each as amended to date. The NLC Organizational Documents so made available are in full force and effect.

6.2 Corporate Authorization.

(a) NLC has the corporate right, power and authority to execute and deliver this Agreement and the other Hingham Transaction Documents and to consummate the Hingham Transactions, subject to receipt of the Regulatory Approvals contemplated by Section 8.1(d) hereof. Except for the Regulatory Approvals, no other corporate proceeding or regulatory approval is necessary to authorize this Agreement, the Hingham Transaction Documents or the Hingham Transactions. The execution, delivery and performance by NLC of the this Agreement and the other Hingham Transaction Documents have been duly authorized by the NLC board of directors.

(b) This Agreement, the Pooling Agreement and the Services Agreement, will, upon execution and delivery thereof at Closing, constitute valid and binding agreements of Hingham, enforceable against NLC and the NLC Subsidiaries in accordance with their respective terms, except as such enforceability may be limited by (i) bankruptcy, receivership, insolvency, reorganization, moratorium or similar laws affecting or relating to creditors’ rights generally and (ii) general principles of equity.

6.3 No Conflict; Consents. The execution and delivery of this Agreement by NLC does not, and, subject to the receipt of the approval of the Hingham Member Proposal and the receipt of the Regulatory Approvals contemplated by Section 8.1(d) hereof, the consummation of the Hingham Transactions and compliance with the terms hereof will not, conflict with, or result in any violation of or default (with or without notice or lapse of time, or both) under, or give rise to a right of termination, cancellation or acceleration of any obligation or to loss of a benefit under, or result in the creation of any Lien, option, charge or restriction of any kind upon any of the properties or assets of NLC or any NLC Subsidiary under any provision of (i) the NLC Organizational Documents; (ii) any note, bond, mortgage, indenture, deed of trust, license, lease, contract, commitment, agreement or arrangement to which NLC or any NLC Subsidiary is a party or by which any of their respective properties or assets are bound; or (iii) any judgment, order or decree, or statute, law, ordinance, rule or regulation applicable to NLC or any NLC Subsidiary except, in the case of clauses (ii) and (iii) for violations, defaults, terminations, cancellations, accelerations, loss of benefits, creations of liens, options, charges or restrictions that would not, individually or in the aggregate, have a NLC Material Adverse Effect. Except where the failure to make any filing with, or obtain any License, consent or approval of any Governmental Entity would not individually or in the aggregate have a NLC Material Adverse Effect, no consent, approval, License, order or authorization of, or registration, declaration or filing with, any Governmental Entity is required to be obtained or made by or with respect to NLC or any NLC Subsidiary in connection with the execution, delivery and performance of this Agreement or the consummation of the Hingham Transactions other than the Regulatory Approvals.

6.4 Financial Statements. NLC has previously made available to Hingham true and complete copies of the audited financial statements for each of NLC and the NLC Subsidiaries for the years ended December 31, 2008 and 2009 (collectively, the “NLC Financial Statements”).

The balance sheet for each of NLC and the NLC Subsidiaries dated as of December 31, 2009, included in the NLC Financial Statements is referred to as the “Most Recent NLC Balance Sheet”. The NLC Financial Statements have been prepared in accordance with SAP or GAAP, as applicable, and fairly present in all material respects the admitted assets, liabilities, results of operations, capital and surplus, and cash flows of NLC as of the dates and for the periods then ended, as applicable, in conformity with accounting practices prescribed or permitted by SAP or GAAP, as applicable. NLC has also made available to Hingham true and complete copies of the financial statements for each of NLC and the NLC Subsidiaries for the quarter ended March 31, 2010 (the “NLC Q1-2010 Financial Statements”). The NLC Q1-2010 Financial Statements fairly present in all material respects the admitted assets, liabilities, results of operations, capital and surplus, and cash flows of NLC and the NLC Subsidiaries as of and for the period ended March 31, 2010.

6.5 Insurance Reserves. The aggregate reserves for NLC and the NLC Subsidiaries, after taking any applicable reinsurance agreements into account, make reasonable provision for unpaid obligations, and were as of the date of the Most Recent NLC Balance Sheet (i) determined in accordance with SAP and (ii) calculated, in all material respects, in accordance with accepted actuarial standards and principles.

6.6 Absence of Certain Events or Changes. Since December 31, 2009 there has been no event or condition that has resulted in (or is reasonably likely to result in) an NLC Material Adverse Effect or the NLC Subsidiaries, and NLC has conducted its business in the ordinary course consistent with past practices.

6.7 No Undisclosed Liabilities. Except for liabilities and obligations disclosed or provided for in the Most Recent NLC Balance Sheet or the notes thereto, NLC nor any NLC Subsidiary has any liabilities or obligations (whether absolute or contingent and whether due or to become due) which would be required to be set forth on a balance sheet of NLC as of the date of this Agreement, prepared in accordance with SAP or GAAP, as applicable, in a manner consistent with the Most Recent NLC Balance Sheet except: (i) for policyholder benefits and claims payable arising in the ordinary course of business and consistent with past practices under insurance, reinsurance, and similar contracts, in each case since the date of the Most Recent NLC Balance Sheet; (ii) for liabilities and obligations arising in the ordinary course of business and consistent with past practices, in each case since the date of the Most Recent NLC Balance Sheet; and (iii) as required by state statute or applicable regulation regarding minimum capitalization and deposits.

6.8 Litigation. Except for insurance claims litigation arising in the ordinary course of business for which reserves have been established, there are no actions, suits, claims, investigations or proceedings pending, or to the Knowledge of NLC, threatened, against or affecting NLC or the NLC Subsidiaries or its properties or businesses before any Governmental Entity or before any arbitrator.

6.9 Real Property; Environmental Matters.

(a) Except as set forth in Section 6.9(a) of the Disclosure Schedule, NLC and the NLC Subsidiaries do not own, lease, sublease or hold any right of use or occupancy to any

real property. Except as set forth in Section 6.9(a) of the Disclosure Schedule, to the Knowledge of NLC, no hazardous substances, hazardous materials or hazardous wastes, all as defined under Environmental Law, are present in, on or under any real property owned, leased or occupied by NLC and the NLC Subsidiaries in violation of applicable Environmental Law. NLC and the NLC Subsidiaries have made available to Hingham all material reports, records, tests, evaluations, governmental agency and third-party correspondence, and other material documents in the possession of NLC or any NLC subsidiary's possession relating to the presence of any hazardous material at any facility.

(b) (i) The business and operations of NLC and the NLC Subsidiaries are not in violation of any applicable Environmental Law; (ii) NLC and the NLC Subsidiaries have not received any notices of violation or any other such notice alleging any violations of any applicable Environmental Law; and (iii) there are no judicial or administrative proceedings pending or, to the Knowledge of NLC, threatened against NLC or any NLC Subsidiary alleging any violations of any applicable Environmental Law, and, to the Knowledge of NLC, there is no condition that is reasonably likely to prevent or interfere with compliance with any Environmental Law.

6.10 Examination Reports. NLC has previously made available a complete and correct copy of the most recent report of examination of NLC and Thames conducted by the Connecticut Department of Insurance. Since the date of the most recent examination of NLC conducted by the Connecticut Department of Insurance, neither NLC nor Thames has been the subject of further examination by, and neither NLC nor Thames is currently undergoing examination by the Connecticut Department of Insurance or any other state department of insurance.

6.11 Subsidiaries.

(a) NLC owns one hundred percent (100%) of the outstanding shares of capital stock of NLC Companies free and clear of any liens. NLC Companies owns one hundred percent (100%) of the capital stock of Agents free and clear of any liens. Agents owns 100% of the capital stock of Thames free and clear of any liens. NLC Companies owns one hundred percent (100%) of the capital stock of NLC Insurance Agency free and clear of any liens. Except as set forth in the preceding sentence, and for securities held as part of NLC and the NLC Subsidiaries investment portfolio, neither NLC nor any of the NLC Subsidiaries owns, directly or indirectly, any capital stock of or other equity interests in any corporation, partnership or other Person, and neither NLC nor any of the NLC Subsidiaries is a member of or participant in any partnership, joint venture or other Person.

(b) All the outstanding shares of capital stock of each of the NLC Subsidiaries, held by NLC or a NLC Subsidiary, have been duly authorized and validly issued and are fully paid and nonassessable. None of the shares of capital stock of any of the NLC Subsidiaries has been issued in violation of, and none of such shares of capital stock is subject to, any purchase option, call, right of first refusal, preemptive, subscription or similar rights under any provision of Applicable Law, the certificate of incorporation or Bylaws or comparable governing instruments of each such NLC Subsidiary, any contract, agreement or instrument to which NLC or any NLC Subsidiary is subject, bound or a party or otherwise.

(c) There are no outstanding warrants, options, rights, “phantom” stock rights, agreements, convertible or exchangeable securities or other commitments pursuant to which each NLC Subsidiary is or may become obligated to issue, sell, purchase, return or redeem any shares of capital stock or other securities of such NLC Subsidiary.

6.12 Insurance Regulatory Matters; Licenses.

(a) Section 6.12(a) of the Disclosure Schedule hereof sets forth a list of: (i) all jurisdictions in which NLC or any NLC Subsidiary is licensed to write insurance policies or contracts or otherwise conduct an insurance business; and (ii) the lines of business in which NLC and any NLC Subsidiary is authorized to transact in each such jurisdiction (“NLC Admitted States”). NLC and the NLC Subsidiaries have made all filings required to be made by them with the department of insurance in each NLC Admitted State and such filings were in material compliance with Applicable Law when filed and no material deficiencies have been asserted by any department of insurance in connection with any such filing.

(b) NLC and the NLC Subsidiaries possess all material Licenses necessary to own or lease and operate their respective properties and to conduct their respective businesses as now conducted. All material Licenses of NLC and the NLC Subsidiaries are in full force and effect. Neither NLC nor any NLC Subsidiary is in violation of the terms of any License and NLC or any NLC Subsidiary has not received written notice of any violation or claimed violation thereof that could reasonably be expected to have a NLC Material Adverse Effect.

6.13 Insurance Business.

(a) All Insurance Contracts issued by NLC or any NLC Subsidiary, and any and all marketing materials prepared by or on behalf of NLC, in each case in effect as of the date hereof, are, to the extent required by Applicable Law, on forms approved by all applicable Governmental Entities or filed with and not objected to by such Governmental Entities within the period provided by Applicable Law for objection. Any rates and rating guidelines of NLC that are required to be filed with or approved by any Governmental Entity have been so filed or approved and the rates used by NLC conform in all material respects thereto.

(b) NLC has delivered or made available to Hingham true and complete copies of all Actuarial Analyses prepared by actuaries, independent or otherwise, with respect to NLC since December 31, 2008. To the Knowledge of NLC, the information and data furnished by NLC to its independent actuaries in connection with the preparation of such Actuarial Analyses were accurate in all material respects as of the date so delivered.

(c) Except for regular periodic assessments in the ordinary course of business, no claim or assessment is pending or, to the Knowledge of NLC, threatened against NLC by any state insurance guaranty associations or similar organizations in connection with such association’s fund.

6.14 No Regulatory Agreements. Neither NLC nor any NLC Subsidiary is currently a party to any material supervisory agreement, and since January 1, 2008 has not entered into any consent order, stipulation, cease and desist order, or condition or any regulatory order or decree with or by the Connecticut Department of Insurance or any other regulatory authority.

6.15 Compliance with Laws. There does not exist to the Knowledge of NLC, any violation by NLC or the NLC Subsidiaries of any Applicable Law, and since January 1, 2009, NLC or the NLC Subsidiaries has not received any written notice from any Governmental Entity alleging the existence of any violation of any Applicable Law that could reasonably be expected to have a NLC Material Adverse Effect.

6.16 Reinsurance Treaties. Section 6.16 of the Disclosure Schedule contains a true and correct listing of all Reinsurance Agreements pursuant to which NLC or any NLC Subsidiary cedes or assumes insurance, or may cede or assume insurance. Each of NLC and the NLC Subsidiaries have previously furnished or otherwise made available to Hingham copies of all of their material Reinsurance Agreements. The Reinsurance Agreements of NLC and the NLC Subsidiaries are in full force and effect.

6.17 Taxes. (i) NLC and the NLC Subsidiaries have duly filed all tax returns required to be filed by it on or prior to the date of this Agreement and all such tax returns are true, correct, and complete in all material respects, and NLC and the NLC Subsidiaries have duly paid in full or made provision for the payment of all taxes for all periods or portions thereof; (ii) no federal, state, or local audits or other administrative proceedings or court proceedings are presently pending or, to the Knowledge of NLC, threatened with regard to any taxes or tax returns of NLC or the NLC Subsidiaries; and (iii) NLC has withheld and paid all federal, state, and local taxes required to have been withheld and paid in connection with amounts paid or owing to any employee, independent contractor, creditor, or other third party.

6.18 No Brokers. NLC has not entered into any contract, arrangement or understanding with any Person which may result in the obligation of either Party to pay any finder's fees, brokerage or agent's commissions or other like payments in connection with the negotiations leading to this Agreement or consummation of the Hingham Transactions.

ARTICLE VII COVENANTS

7.1 Conduct of Business Prior to the Closing Date.

(a) From the date of this Agreement until the Closing Date, unless the other Parties shall otherwise agree in writing, or as otherwise contemplated by this Agreement, the Parties, and their respective subsidiaries, shall conduct their respective businesses in the ordinary course consistent with past practice and shall use all commercially reasonable efforts to preserve intact their licenses, permits and certificates of authority, business organizations and relationships with third parties (including but not limited to their respective relationships with members, policyholders, agents and underwriters). Each of the Parties shall promptly advise the other Parties in writing of any Hingham Material Adverse Effect or NLC Material Adverse Effect or any claim, litigation or other event involving a Party that could reasonably be expected to result in any Hingham Material Adverse Effect or NLC Material Adverse Effect, as the case may be.

(b) From the date of this Agreement until the Closing Date, Hingham shall provide to NLC a copy of any and all requests made to the Massachusetts Division of Insurance

for approval of any proposed expenditure or other matter for which approval of the Division is required.

(c) From the date of this Agreement until the Closing Date, Hingham agrees that it will consult and cooperate in a commercially reasonable manner with NLC with respect to: (i) all Hingham casualty claims that exceed \$50,000 or include an allegation of bad faith; (ii) all new insurance coverage applications for Hingham and Danbury Insurance on coastal risks that exceed an AAL/PML equal to or greater than twenty percent (20%) of annual policy premium; (iii) all material exceptions or changes to underwriting guidelines; and (iv) all changes to rate and rule filings. From the date of this Agreement until the Closing Date, NLC agrees that it will promptly review and provide advice to Hingham on such matters; provided, however, that Hingham shall maintain the exclusive authority and control of the foregoing matters.

(d) From the date of this Agreement until the Closing Date, Hingham and NLC shall cooperate with each other in developing a plan to reduce the percentage of equities in Hingham's investment portfolio.

7.2 Access to Information. From the date of this Agreement and until the Closing, subject to any applicable contractual restrictions and legal privileges, and to the extent Applicable Laws would not thereby be violated, the Parties each covenant and agree to:

(a) Give the other Party and its authorized representatives reasonable access (including the copying of such materials as may be reasonably requested), upon reasonable prior notice and during normal business hours, to their respective offices, properties, books and records;

(b) Furnish the other Party, its counsel, financial advisors, auditors, and other authorized representatives such financial and operating data and other information relating to their respective businesses as such Persons may reasonably request; and

(c) Instruct their respective employees, independent agents, counsel, and financial advisors to cooperate with the other Party in its investigations in relation to the Hingham Transactions.

7.3 Notices of Certain Events. The Parties each covenant and agree to promptly notify the other Party of any of the following:

(a) Any notice or other communication received by such Party from any source alleging that the consent of another Person is or may be required in connection with the Hingham Transactions;

(b) Any notice or communication received by such Party from any Government Entity relating to the Hingham Transactions; and

(c) Any breach of a representation or warranty of the notifying Party that could reasonably be expected to materially and adversely affect the consummation of the Hingham Transactions.

7.4 Alternative Transactions.

(a) Except as permitted by Section 7.4(b) Hingham covenants and agrees that from the date of this Agreement until the Closing, Hingham will not, nor will it permit any of its directors, officers, employees, agents or representatives, directly or indirectly to knowingly initiate, solicit or make any offer or proposal to any Person other than NLC regarding an actual or possible merger, reorganization, consolidation, sale of assets, affiliation or other change of control transaction, or demutualization or conversion, involving Hingham or a Hingham Subsidiary (an “Alternative Transaction Proposal”). Hingham will immediately cease and cause to be terminated any existing activities, discussion or negotiations with any parties conducted prior to the date of this Agreement with respect to any of the foregoing. Hingham will promptly notify NLC in writing if any Alternative Transaction Proposal is received by it or any discussions or negotiations are sought in connection with an Alternative Transaction Proposal and, subject to pre-existing confidentiality agreements, will notify NLC of the identity of such other entity and its representatives and the material terms and conditions of any such proposals or offers.

(b) Nothing contained in this Section 7.4 or elsewhere in this Agreement will prevent Hingham from: (i) furnishing non-public information to and entering into confidentiality agreements with any Person in connection with any unsolicited Alternative Transaction Proposal to Hingham; (ii) entering into discussions or negotiations with any Person in connection with any unsolicited Alternative Transaction Proposal to Hingham; (iii) entering into an agreement with any such Person; or (iv) terminating this Agreement if the Hingham Board determines in its good faith judgment after consultation with its advisors and regulators that such action is required in order for the Hingham Board to comply with its fiduciary obligations because such unsolicited Alternative Transaction Proposal is more favorable to Hingham and its members than the Hingham Transactions. In the event that Hingham terminates this Agreement in accordance with this Section 7.4(b), Hingham shall pay to NLC an amount equal to two (2) times the NLC Fees and Expenses, up to a maximum of Five Hundred Thousand Dollars (\$500,000.00). For purposes of this Agreement “NLC Fees and Expenses” shall mean all reasonable legal, accounting and consulting fees and expenses actually incurred by NLC in connection with this Agreement and transactions provided hereby.

(c) In the event that Hingham engages in substantive negotiations after the date of this Agreement with a Person in connection with an unsolicited Alternative Transaction Proposal, terminates this Agreement in accordance with Section 10.1(b) hereof, and within six (6) months thereafter enters into a merger, consolidation, sale of assets, affiliation or other change of control transaction with such Person, Hingham shall pay NLC an amount equal to two (2) times the NLC Fees and Expenses, up to a maximum of Five Hundred Thousand Dollars (\$500,000.00) on the date of the closing of such Alternative Transaction Proposal.

7.5 Commercially Reasonable Efforts.

Subject to the terms and conditions of the other Hingham Transaction Documents, the Parties each covenant and agree to use their respective commercially reasonable efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things reasonably necessary under Applicable Law to consummate the Hingham Transactions.

7.6 Filings with Governmental Entities.

(a) Each party hereto will use all commercially reasonable efforts to obtain all authorizations, consents, orders and approvals of all Governmental Entities that may be or become necessary for its execution and delivery of, and the performance of its obligations pursuant to, this Agreement, including any required approval of the Massachusetts and Maine Departments of Insurance and will cooperate fully with the other Party in promptly seeking to obtain all such authorizations, consents, orders and approvals.

(b) NLC shall make its initial filing with the Massachusetts and Maine Departments of Insurance ("Form A Filings") as promptly as reasonably practicable following execution of this Agreement but in no event more than twelve (12) Business Days following the date hereof. NLC agrees to provide a draft of the Form A Filings (and each amendment or supplement thereto) to Hingham and to allow Hingham two (2) Business Days to review the form and to consult with Hingham relating to any issues arising as a result of Hingham's review, prior to the submission by NLC of the Form A Filings to the Massachusetts and Maine Departments of Insurance. NLC agrees to provide Hingham with copies of the Form A Filings and each amendment or supplement thereto in final form upon the submission thereof to the Massachusetts and Maine Departments of Insurance.

(c) Each of NLC and Hingham shall as promptly as reasonably practicable but in no event more than twelve (12) Business Days after the date hereof make any other filings under any applicable state insurance or insurance holding company laws, if any, required in connection with the Hingham Transactions.

(d) NLC and Hingham shall promptly, but no later than five (5) Business Days after a request therefor, file all documents and other information required or requested by any Governmental Entity or Applicable Law to cause the Closing to occur, including without limitation promptly but no later than five (5) Business Days after a request therefor, supplementing any filings made with the Massachusetts and Maine Departments of Insurance and responding to inquiries and providing additional information requested by the Massachusetts and Maine Departments of Insurance or any other Governmental Entity.

(e) NLC agrees to provide Hingham with a copy of all material communications regarding the Form A Filings between NLC and the Massachusetts and Maine Departments of Insurance, or a summary of such communications if oral.

(f) NLC and Hingham shall not take any acts or omit to take any acts for the purpose of causing any legal restraint or prohibition preventing the Hingham Transactions contemplated by this Agreement.

(g) Within the time period required by Applicable Law, NLC will cause Hingham and Danbury Insurance to file an amended Insurance Holding Company System Annual Registration Statement (Form B) with the Massachusetts Division of Insurance after the Closing.

7.7 Member Meeting. Hingham, acting through the Hingham Board, shall, in accordance with Applicable Law and the Hingham Organizational Documents, duly call, give

notice of, convene and hold a special meeting of its members (“Special Meeting”) as soon as reasonably practicable following the execution of this Agreement for the purpose of considering and acting upon the following matters, which matters shall be presented to members as a single proposal (collectively, the “Hingham Member Proposal”): (i) approval of the affiliation with NLC and of the Hingham Charter and the Hingham Bylaws; and (ii) election of the Initial NLC Director Designees and the Initial Hingham Director Designees set forth on Exhibit E hereto to the reconstituted Hingham Board. Communications to Hingham’s members shall include the recommendation of the Hingham Board that members of Hingham vote in favor of approving the Hingham Member Proposal unless the Hingham Board determines in its good faith judgment after consultation with its advisors and regulators that a change in its recommendation is required in order for the Hingham Board to comply with its fiduciary obligations. Hingham shall provide a copy of the Hingham Member Proposal to NLC and provide NLC a reasonable opportunity to comment thereon prior to said document being produced in final form.

7.8 Cooperation. The Parties each covenant and agree that they will cooperate with one another: (i) in determining whether any action by or in respect of, or filing with, any Governmental Entity is required, or any actions, consents, approvals or waivers are required to be obtained from parties to any contracts in connection with the consummation of the Hingham Transactions; and (ii) in taking such reasonable actions or making any such filings, furnishing information required in connection therewith, and reasonably seeking to obtain in a timely fashion any such actions, consents, approvals, or waivers. It is expressly understood by the Parties that representatives of Hingham and NLC, respectively, will have the right to attend and participate in any hearing, proceeding, meeting, or conference before or with any Governmental Entity relating to material aspects of the Hingham Transactions subject to any required consent from the applicable Governmental Entity. In furtherance of the foregoing covenant, the Parties will provide each other reasonable advance notice of such hearing, proceeding, meeting or conference (if any).

7.9 Public Announcements; Confidentiality. The Parties each covenant and agree that:

(a) From the date of this Agreement until the Closing is consummated, the Parties will consult with each other before issuing any press release or making any public statement with respect to the Hingham Transaction Documents, or the Hingham Transactions, and except as may be required by Applicable Law, will not make any such public statement prior to such consultation.

(b) Each Party agrees that it is bound by the terms of the Mutual Confidential Disclosure Agreement by and between Hingham and NLC, dated January 14, 2010 (the “Confidentiality Agreement”); provided, however, that the Parties agree that the affiliation discussions and negotiations may be disclosed to the Massachusetts Division of Insurance, the Connecticut Department of Insurance and the Maine Bureau of Insurance and such disclosures shall not be deemed “Confidential Information” as defined in the Confidentiality Agreement.

(c) All proprietary information shall remain the property of the disclosing Party. If the Parties terminate this Agreement or any other Hingham Transaction Document the other Party and its representatives will promptly deliver to the disclosing Party any proprietary

information (and all copies thereof) obtained or possessed by the other Party or any of its representatives in connection with such agreement; provided, however, that in lieu of delivering to the requesting party any written materials of the type described in clause (b) hereof, the other Party may destroy such written materials and deliver to the disclosing Party a certificate confirming their destruction.

7.10 N.E. Corp. and Casco. Upon execution of this Agreement and continuing through the Closing Date, or, if earlier, the termination of this Agreement in accordance with Section 10.1 hereof, Hingham agrees that it will not (i) make any material decision or commitment in contemplation of any sale, transfer or other change in its ownership interest in N.E. Corp. or Casco, or (ii) enter into any commitment, agreement or transaction relative to acquiring an additional interest in N.E. Corp. or Casco prior to the time that N.E. Corp. has engaged Philo Smith Capital Corp., or another investment banker reasonably acceptable to NLC, and without first discussing such commitment, agreement or transaction with NLC and providing NLC with copies of and three (3) Business Days to review and comment on all draft investment bank engagements, letters of intent or exclusivity agreements, stock or asset purchase agreements or other material proposed transaction documents. For purposes of this Section 7.10, the three (3) Business Day period to review and comment provided above shall commence on the receipt by NLC of such document (which may for purposes of this Section 7.10 include notification by fax, email or other form of electronic communication).

ARTICLE VIII CONDITIONS TO CLOSING

8.1 Conditions to NLC's Obligation to Close. The obligation of NLC to close the Hingham Transactions is subject to the satisfaction (or waiver by NLC) as of the Closing of the following conditions:

(a) The representations and warranties of Hingham set forth in this Agreement which are qualified by materiality or a Hingham Material Adverse Effect or words of similar effect shall have been true and correct as of the date of this Agreement and as of the Closing Date (except to the extent such representations and warranties expressly relate to a specific date, in which case such representations and warranties shall have been true and correct as of such date), and the representations and warranties of Hingham set forth in this Agreement which are not so qualified shall have been true and correct in all material respects as of the date of this Agreement and as of the Closing Date (except to the extent such representations and warranties expressly relate to a specific date, in which case such representations and warranties shall have been true and correct in all material respects as of such date). Hingham shall have delivered to NLC a certificate dated as of the Closing Date and signed by the President of Hingham confirming the foregoing.

(b) Hingham shall have performed or complied in all material respects with all covenants required by this Agreement to be performed or complied with by Hingham by the time of the Closing (including Section 3.2). Hingham shall have delivered to NLC a certificate dated as of the Closing Date and signed by the President of Hingham confirming the foregoing.

(c) No statute, rule, regulation, executive order, decree, temporary restraining order, preliminary or permanent injunction or other order enacted, entered, promulgated, enforced or issued by any Governmental Entity or other legal restraint or prohibition preventing the Hingham Transactions shall be in effect.

(d) All Regulatory Approvals to consummate the Hingham Transactions (including the approvals of the Massachusetts and Maine Departments of Insurance with respect to the Forms A, the approvals or non-disapprovals of all required Form D filings and Form E filings) shall have been received; all conditions required to be satisfied prior to the Closing imposed by the terms of such Regulatory Approvals shall have been satisfied; all waiting periods relating to such Regulatory Approvals shall have expired; and all pre-closing notifications to any Governmental Entity that are required to consummate the Hingham Transactions shall have been made and all notice periods shall have expired; provided, however, that NLC shall not be required to commit to or accept any Regulatory Approval that is conditioned upon or requires as part of such Regulatory Approval NLC or any NLC Subsidiary, or Hingham to: (i) sell or agree to sell, divest, discontinue, reallocate or limit any material assets, businesses or interest in any assets or businesses of NLC, its Affiliates or Hingham or its Affiliates (or consent to do any of the foregoing); or (ii) agree to any conditions relating to, or changes or restrictions in, the operations of any assets or businesses of Hingham or NLC that the board of directors of NLC determines in its good faith judgment after consultation with its advisors would result in a Hingham Material Adverse Effect or an NLC Material Adverse Effect, respectively.

(e) There shall not be pending by any Governmental Entity any suit, action, or proceeding challenging or seeking to restrain or prohibit the Hingham Transactions or seeking to obtain from NLC or Hingham in connection with the Hingham Transactions any damages that are material in relation to NLC or Hingham taken as a whole.

(f) The Hingham Member Proposal shall have been duly approved and adopted by the members of Hingham.

(g) NLC shall have received a Secretary's certificate of Hingham certifying as to the incumbency of its authorized officers, genuineness of their signatures and validity and effectiveness of attached copies of its Bylaws and authorizing corporate resolutions, together with a copy, dated as of a date not more than twenty (20) Business Days prior to the Closing Date, of the Certificate of Incorporation or similar organizational document of Hingham certified by the Massachusetts Secretary of State.

(h) The Hingham Transaction Documents shall have been executed and delivered by the parties thereto, other than NLC and its Affiliates.

(i) Hingham shall have provided to NLC a certificate of compliance for Hingham from the Massachusetts Division of Insurance dated as of a date not more than twenty (20) Business Days prior to the Closing Date.

(j) NLC shall have received confirmation from the Massachusetts Division of Insurance that, promptly following the Closing, Hingham will be released from the Order of

Administrative Supervision issued by the Massachusetts Division of Insurance, effective as of December 31, 2009.

8.2 Conditions to Hingham's Obligation to Close. The obligation of Hingham to close the Hingham Transactions is subject to the satisfaction (or waiver by Hingham) as of the Closing of the following conditions:

(a) The representations and warranties of NLC set forth in this Agreement which are qualified by materiality or a NLC Material Adverse Effect or words of similar effect shall have been true and correct as of the date of this Agreement and as of the Closing Date (except to the extent such representations and warranties expressly relate to a specific date, in which case such representations and warranties shall have been true and correct as of such date), and the representation and warranties of NLC set forth in this Agreement which are not so qualified shall have been true and correct in all material respects as of the date of this Agreement and as of the Closing Date (except to the extent such representations and warranties expressly relate to a specific date, in which case such representations and warranties shall have been true and correct in all material respects as of such date). NLC shall have delivered to Hingham a certificate dated as of the Closing Date and signed by the President of NLC confirming the foregoing.

(b) NLC shall have performed or complied in all material respects with all covenants required by this Agreement to be performed or complied with by NLC by the time of the Closing. NLC shall have delivered to Hingham a certificate dated as of the Closing Date and signed by an authorized officer of NLC confirming the foregoing.

(c) No statute, rule, regulation, executive order, decree, temporary restraining order, preliminary or permanent injunction or other order enacted, entered, promulgated, enforced or issued by any Governmental Entity or other legal restraint or prohibition preventing the Hingham Transactions shall be in effect.

(d) All Regulatory Approvals to consummate the Hingham Transactions (including the approvals of the Massachusetts and Maine Departments of Insurance with respect to the Forms A, the approvals or non-disapprovals of all required Form D filings and Form E filings) shall have been received; all conditions required to be satisfied prior to the Closing imposed by the terms of such Regulatory Approvals shall have been satisfied; all waiting periods relating to such Regulatory Approvals shall have expired; and all notifications to any Governmental Entity that are required to consummate the Hingham Transactions shall have been made and all notice periods shall have expired.

(e) There shall not be pending by any Governmental Entity any suit, action or proceeding challenging or seeking to restrain or prohibit the Hingham Transactions or seeking to obtain from Hingham in connection with the Hingham Transactions any damages that are material in relation to Hingham taken as a whole.

(f) Hingham shall have received a Secretary's certificate of NLC certifying as to the incumbency of their respective authorized officers, genuineness of their respective signatures and validity and effectiveness of attached copies of their Bylaws and authorizing

corporate resolutions, together with a copy, dated as of a date not more than twenty (20) Business Days prior to the Closing Date, of the Certificate of Incorporation or similar organizational document of NLC certified by the Connecticut Secretary of State.

(g) The Hingham Member Proposal shall have been duly approved and adopted by the members of Hingham.

(h) The Hingham Transaction Documents shall have been executed and delivered by the parties thereto, other than Hingham and its Affiliates.

(i) NLC shall have provided to Hingham a certificate of compliance for NLC from the Connecticut Department of Insurance dated as of a date not more than twenty (20) Business Days prior to the Closing Date.

(j) The A.M. Best Company rating of NLC shall be at least "A-".

ARTICLE IX SURVIVAL

9.1 Non-Survival of Representations and Warranties. None of the representations, warranties, covenants or other agreements in this Agreement, including any rights arising out of any breach of such representations, warranties, covenants and other agreements, shall survive the Closing, except: (i) those covenants and agreements contained herein that by their terms apply or are to be performed in whole or in part after the Closing; and (ii) any fraudulent breach of any representation or warranty by either Hingham or NLC.

ARTICLE X TERMINATION

10.1 Termination of Hingham Transactions. NLC and Hingham may terminate this Agreement and the Hingham Transactions may be abandoned at any time prior to the Closing:

(a) By mutual written consent of NLC and Hingham;

(b) By NLC or Hingham if the Closing does not occur on or prior to sixty (60) days after the date of this Agreement; provided, however, that if all conditions to the obligations of NLC, on the one hand, and Hingham, on the other hand, to consummate the Closing (as set forth in Article VIII hereof), other than obtaining the Regulatory Approvals required by Section 8.1(d) and 8.2(d), have then been satisfied, and NLC and/or Hingham are diligently seeking to obtain such approvals, then the right to terminate this Agreement pursuant to this subsection 10.1(b) shall not be available to any Party hereto until one hundred twenty (120) days after the date of this Agreement. Notwithstanding the foregoing, no Party may exercise the right to terminate this Agreement under this subsection 10.1(b) if the failure to consummate the Closing was a result of a breach by such Party of any of its obligations under this Agreement or any other Hingham Transaction Document;

(c) By NLC, if there has been a material breach by Hingham or any of the Hingham Subsidiaries of any representation, warranty, covenant, or agreement contained in this

Agreement or any other Hingham Transaction Documents such that any of the conditions set forth in Section 8.1 would not be satisfied (absent a waiver by NLC) and such breach is not curable or, if curable, is not cured within fifteen (15) days after written notice of such breach is given by NLC to Hingham;

(d) By Hingham, if there has been a material breach by NLC or any of the NLC Subsidiaries of any representation, warranty, covenant, or agreement contained in this Agreement or any other Hingham Transaction Documents such that any of the conditions set forth in Section 8.2 would not be satisfied (absent a waiver by Hingham) and such breach is not curable or, if curable, is not cured within 15 (fifteen) days after written notice of such breach is given by Hingham to NLC;

(e) By NLC or Hingham, if a Governmental Entity whose approval is necessary to consummate the transactions contemplated hereby shall have been disapproved;

(f) By NLC or Hingham, if any permanent injunction, court order or other order, decree or ruling of any court or other Governmental Entity of competent jurisdiction or new law or change to existing law permanently restraining, enjoining or otherwise preventing the consummation of the transactions contemplated hereby shall have been issued and become final and non-appealable;

(g) By NLC or Hingham immediately if the Hingham Member Proposal shall not have been approved at a duly called meeting of Hingham members;

(h) By Hingham, if its Board of Directors, after consultation with its advisors, determines that it must terminate this Agreement to comply with its fiduciary obligations pursuant to Section 7.4(b);

(i) By NLC, within two (2) days of receiving notice thereof (which may for purposes of this Section 10.1(i) include notification by fax, email or other form of electronic communication), if Hingham enters into any written agreement to sell, transfer or change its ownership interest in N.E. Corp. or Casco, or to acquire an additional interest in N.E. Corp. or Casco or grants to any third party an exclusive right to negotiate a transaction involving N.E. Corp. or Casco or of Hingham's interest in either such entity, in each case without first obtaining the written permission of NLC;

(j) By NLC, if the environmental assessment of Hingham's real property located at 230 Beal Street, Hingham, Massachusetts that is currently being conducted at the request of NLC (a copy of which shall be provided to Hingham) results in a written determination by the environmental engineer who performed the environmental assessment that such property has a material recognized environmental condition or it is probable that such property has material violations of Environmental Law and within five (5) Business Days after NLC's receipt of such assessment, NLC notifies Hingham of its decision to terminate this Agreement; and

(k) By NLC, if Hingham has not (in not later than ten (10) Business Days after receiving an Alternative Transaction Proposal) either (i) provided notice to NLC of its determination not to pursue such Alternative Transaction Proposal (which may for purposes of

this Section 10.1(k) include notification by fax, email or other form of electronic communication) or (ii) terminated this Agreement in accordance with 10.1(h) hereof.

10.2 Effect of Termination.

(a) In the event of termination by any Party pursuant to Section 10.1, written notice thereof shall forthwith be given to the other Parties and the Hingham Transactions shall be terminated, without further action by any Party. If the Hingham Transactions are terminated as provided herein: (i) each Party shall return all documents and other materials received from the other Party relating to the Hingham Transactions, whether so obtained before or after the execution of this Agreement; and (ii) all confidential information (as defined in the Confidentiality Agreement) received by any Party with respect to the business of any other Party shall be maintained in the strictest confidence and shall remain subject to all terms of the Confidentiality Agreement.

(b) In the event of the termination of the Hingham Transactions in accordance with Section 10.1, this Agreement will become void and of no effect with no liability under this Agreement on the part of any Party (or any of their respective directors, officers, employees, agents, legal, and financial advisors, or other representatives) with respect to the Hingham Transactions; provided, however, that, except as otherwise provided in this Agreement, no such termination will relieve any Party of any liability or damages resulting from any willful and material breach of any representation and warranty, covenant or obligation set forth in this Agreement.

10.3 Termination After Closing.

(a) This Agreement shall be terminated at any time after the Closing:

(i) by mutual written agreement of NLC and Hingham; provided, however, that until the sixth anniversary of the Closing Date, Hingham shall not agree to terminate this Agreement unless prior thereto the directors of Hingham constituting at least two-thirds of the number of directors prescribed in Article Three, Section 3.2 of the Hingham Bylaws affirmatively vote to approve such amendment at an annual meeting or any special meeting of the Hingham Board called for that purpose; or

(ii) automatically upon termination of the Pooling Agreement or the participation by Hingham and Danbury Insurance in the Pooling Agreement unless such action has been approved by the directors of Hingham constituting at least two-thirds of the number of directors prescribed in Article Three, Section 3.2 of the Hingham Bylaws; provided, however that this subsection 10.3 (a)(ii) shall terminate on the sixth anniversary of the Closing Date.

(b) In the event of termination after the Closing, the Parties shall use their respective best, good faith efforts to amicably wind up the affiliation.

ARTICLE XI DISPUTE RESOLUTION

11.1 General.

(a) Any dispute between Hingham, on the one hand, and NLC, on the other hand, arising out of or relating to the formation, interpretation, performance, or breach of this Agreement, whether such dispute arises before or after termination of this Agreement, shall be resolved by arbitration.

(b) The Parties intend this article to be enforceable in accordance with the Federal Arbitration Act (9 U.S.C. Section 1, et seq.) or if for any reason that Act is determined to be inapplicable, in accordance with the Massachusetts Uniform Arbitration Act (M.G.L.A. c. 251 § 1, et seq.), including any amendments to those Acts which are subsequently adopted, notwithstanding any other choice of law provision set forth in this Agreement. In the event that any Party refuses to submit to arbitration as required herein, the other Party may request a United States Federal District Court, or a Superior or District Court in Massachusetts or Connecticut, to compel arbitration in accordance with the above-referenced Acts. Each Party consents to the jurisdiction of such courts to enforce this article and to confirm and enforce the performance of any award of the Arbitrator (defined in Section 11.2). Arbitration shall be initiated by the delivery of a written notice of demand for arbitration by one Party to the other Party (the "Arbitration Demand").

11.2 Appointment of Arbitrator. Hingham and NLC shall jointly appoint an individual as Arbitrator ("Arbitrator"). If the Parties do not appoint an Arbitrator within sixty (60) days of the Arbitration Demand, the Parties shall petition the American Arbitration Association to appoint the Arbitrator. The Arbitrator shall be an active or retired officer of a property and casualty insurance or reinsurance company or such other individual as the Parties mutually agree. The Arbitrator shall be impartial and independent. Prior to accepting appointment, a prospective Arbitrator shall disclose to the Parties any circumstance likely to give rise to justifiable doubts as to the Arbitrator's impartiality or independence. If, at any stage during the arbitration, new circumstances arise that may give rise to such doubts, an Arbitrator shall promptly disclose such circumstances to the Parties.

11.3 Arbitration Procedure. The arbitration hearings shall be held in Boston, Massachusetts or such other place as may be mutually agreed. The arbitration hearings shall begin within sixty (60) days of the selection of the Arbitrator or within such longer period as may be agreed by the Arbitrators. The Arbitrator shall not be obliged to follow judicial formalities or the rules of evidence except to the extent required by governing law, that is, the state law of the situs of the arbitration as herein agreed; the Arbitrator shall make its decisions according to the practice of the insurance and reinsurance business. The decision rendered by the Arbitrator shall be final and binding on all Parties. Such decision shall be a condition precedent to any right of legal action arising out of the arbitrated dispute which any Party may have against any other Party. Judgment upon the award rendered may be entered in any court in the Commonwealth of Massachusetts or the State of Connecticut having jurisdiction thereof.

11.4 Expenses. Each Party shall bear its own costs in connection with any such arbitration including, without limitation, (i) all legal, accounting, and any other professional fees and expenses and (ii) all other costs and expenses each Party incurs to prepare for such Arbitration. Other than as set forth above, each Party shall pay one-half of the fee and expenses of the Arbitrator and one-half of the other expenses that the Parties jointly incur directly related to the arbitration proceeding.

11.5 Governing Rules. Except as provided above, the arbitration shall be based, insofar as applicable, upon the Commercial Arbitration Rules of the American Arbitration Association.

ARTICLE XII MISCELLANEOUS

12.1 Expenses. Except as otherwise specifically provided in this Agreement, all costs and expenses incurred in connection with this Agreement and the Hingham Transactions shall be paid by the Party incurring such costs or expenses, whether or not the transactions contemplated hereby are consummated.

12.2 Actions Subsequent to Closing. From and after the Closing, each Party will, from time to time, at the reasonable request of the other Party and without further consideration (but at the expense of the requesting party) do, execute, acknowledge, and deliver all such further acts, deeds, assignments, transfers, conveyances, certificates, and assurances as may be reasonably required by such other Party to effect the Hingham Transactions.

12.3 Entire Agreement. The Hingham Transaction Documents, including all schedules and exhibits thereof, contain the entire agreement and understanding between the Parties with respect to the subject matter hereof and thereof and supersede all prior discussions and agreements between and among the Parties relating to the subject matter hereof or thereof.

12.4 Severability. If any provision of this Agreement (or any portion thereof) or the application of any such provision (or any portion thereof) to any Person or circumstance shall be held invalid, illegal or unenforceable in any respect by a court of competent jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision hereof (or the remaining portion thereof) or the application of such provision to any other Persons or circumstances.

12.5 Amendments. This Agreement shall not be changed, modified, terminated, or discharged in whole or in part, except by an instrument in writing signed by all Parties hereto or their respective successors or permitted assigns; provided, however, that until the sixth anniversary of the Closing Date, Hingham shall not agree to amend this Agreement unless prior thereto the directors of Hingham constituting at least two-thirds of the number of directors prescribed in Article Three, Section 3.2 of the Hingham Bylaws affirmatively vote to approve such amendment at an annual meeting or any special meeting of the Hingham Board called for that purpose.

12.6 Assignment. No Party may assign this contract, its rights, or responsibilities hereunder to a third Person or Persons without the prior written consent of the other Party.

12.7 Waiver. Either Party may, only by an instrument in writing, waive compliance by the other Party with any term or provision of this Agreement on the part of such other Party to be performed or complied with. The waiver by any Party of a breach of any term or provision of this Agreement shall not be construed as a waiver of any subsequent breach. No extension of time for performance of any obligations or acts shall be deemed an extension of the time for performance of any other obligations or acts.

12.8 Governing Law. This Agreement will be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts (without giving effect to principles of conflicts of laws) applicable to a contract executed and to be performed in such state. Each Party to this Agreement hereby consents to personal jurisdiction over itself in state or federal court within Massachusetts or Connecticut.

12.9 Notices. Except as otherwise provided in this Agreement, any notices, reports, or other communication required or permitted to be given hereunder shall be in writing unless some other method of giving such notice, report, or other communication is accepted by the Party to whom it is given and shall be given by being delivered at the following addresses to the Parties hereto:

(a) **IF TO NLC:**

New London County Mutual Insurance Company
101 High Street
Norwich, CT 06360
Phone Number: (860) 887-3553
Attn: Mr. Steve H. Chevalier, President

with copies to:

Dewey & LeBoeuf, LLP
1301 Avenue of the Americas
New York, NY 10019
Attention: Jeffrey S. MacDonald, Esq.

(b) **IF TO HINGHAM:**

Hingham Mutual Fire Insurance Company

230 Beal Street
Hingham, MA 02043
Phone Number: (781) 749-0841
Attn: George A. Cole, III, President & CEO

With copies to:

Edwards, Angell, Palmer & Dodge, LLP
20 Church Street, 20th Floor
Hartford, CT 06103
Attention: Alan J. Levin, Esq.

All notices and other communications required or permitted under this Agreement that are addressed as provided in this paragraph shall be delivered by a reputable overnight carrier, or by U.S. registered or certified mail (return receipt requested and postage prepaid). Notice shall be deemed given upon the first Business Day after actual delivery to the party to whom such notice or other communication is sent (as evidenced by the return receipt or shipping invoice signed by a representative of such party). Any Party from time to time may change its address for the purpose of notices to that Party by giving a similar notice specifying a new address, but no such notice will be deemed to have been given until it is actually received by the Party sought to be charged with the contents thereof.

12.10 Interpretation. The headings used in this Agreement have been inserted for convenience and do not constitute matter to be construed or interpreted in connection with this Agreement. Unless the context of this Agreement otherwise requires, (a) words of any gender will be deemed to include each other gender, (b) words using the singular or plural number will also include the plural or singular number, respectively, (c) the terms hereof, herein, hereby, and derivative or similar words will refer to this entire Agreement, and (d) the terms include, includes and including shall be deemed to be followed by the words without limitation.

12.11 Counterparts. This Agreement may be executed simultaneously in any number of counterparts, each of which will be deemed an original, but all of which will constitute one and the same instrument.

12.12 No Third-Party Beneficiaries; Retention of Authority. This Agreement and the other Transaction Documents are only for the benefit of the Parties and do not confer any right, benefit or privilege upon any Person not a party to this Agreement, except for the rights of Indemnified D&O Parties pursuant to Section 3.1(d).

12.13 Binding Effect. This Agreement will apply to and inure to the benefit of and be binding upon and enforceable against each Party and their respective successors and permitted assigns.

[Remainder of page intentionally blank. Signatures on next page.]

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

**NEW LONDON COUNTY MUTUAL
INSURANCE COMPANY**

By: Steve H. Chevalier
Name: Steve H. Chevalier
Title: President

**HINGHAM MUTUAL FIRE INSURANCE
COMPANY**

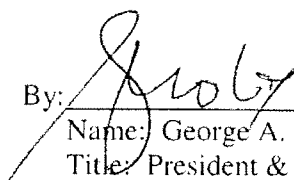
By: _____
Name: George A. Cole, III
Title: President & CEO

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

**NEW LONDON COUNTY MUTUAL
INSURANCE COMPANY**

By: _____
Name: Steve H. Chevalier
Title: President

**HINGHAM MUTUAL FIRE INSURANCE
COMPANY**

By:  _____
Name: George A. Cole, III
Title: President & CEO