



(A RISK RETENTION GROUP)

SHAREHOLDERS' AGREEMENT

THIS SHAREHOLDERS' AGREEMENT (the "Agreement") is made as of this ___ day of _____, 200__, by and among Claims Professional Liability Insurance Company (A Risk Retention Group), a Vermont corporation (the "Company"), and those persons and entities executing a Signature Page hereto (hereinafter referred to collectively as the "Shareholders" and each individually as "Shareholder").

RECITALS

WHEREAS, each Shareholder owns one or more Class A, Class B or Class C shares (the "Shares") of the Company; and

WHEREAS, the Company and each of the Shareholders desire to enter into this Agreement to provide for the future voting of their Shares of the Company and other matters as set forth below.

NOW, THEREFORE, in consideration of the above premises and the mutual promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. VOTING

1.1 Generally. Each Shareholder agrees to hold all Shares of the Company now owned or hereafter acquired by such Shareholder, registered in its name or beneficially owned by it subject to, and to vote all such Shares in accordance with, the provisions of this Agreement.

1.2 Election of Directors. On all matters relating to the election of Directors of the Company, each Class A or Class B Shareholder entitled to vote agrees to vote all Shares held by such Shareholder (or the holder thereof shall consent pursuant to an action by written consent of Shareholders) so as to elect members of the Company's Board of Directors so that the composition of the Board includes at all times two (2) members of the National Association of Independent Insurance Adjusters ("NAIIA").

1.3 Other Actions. The Company and the Shareholders agree to take all actions, do all things and execute and deliver all documents, including the approval of any amendment to the Company's Bylaws, as may be necessary or appropriate to ensure that:

- (a) the number of Directors authorized and constituting the entire Board of Directors of the Company is between five (5) and nine (9); and
- (b) Directors are elected and vacancies are filled in accordance with Section 1.2, and as otherwise governed by the Company's Bylaws.

1.4 Conditions to Transfer. The Company shall not permit the transfer of any of the Shares on its books or issue a new certificate representing any Shares other than in accordance with the Articles of Incorporation, the Company's Bylaws and this provision as such existed as of the time the subject shares were acquired. Any permitted transfer or issuance of a new certificate representing any Shares shall not be effective unless and until the person to whom such security is to be transferred or issued shall have executed a written agreement, substantially in the form of this Agreement, pursuant to which such person becomes a party to this Agreement and agrees to be bound by all the provisions hereof as if such person were a Shareholder.

2. LEGEND

2.1 Each certificate that represents Shares now or hereafter owned by a Shareholder or issued to any person that is bound by this Agreement shall be stamped or otherwise imprinted with a legend including language substantially similar to the following (the "Legend"):

"THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, THE VERMONT SECURITIES ACT OR THE SECURITIES LAWS OF ANY OTHER STATE OR JURISDICTION, BUT HAVE BEEN ISSUED IN RELIANCE UPON EXEMPTIONS THEREFROM AND AN EXEMPTION UNDER THE FEDERAL LIABILITY RISK RETENTION ACT (THE "LRRRA"). SUCH SHARES MAY NOT BE OFFERED, SOLD, OR OTHERWISE TRANSFERRED EXCEPT IN COMPLIANCE WITH THE ARTICLES OF INCORPORATION AND BYLAWS OF THE ISSUER, THE REGISTRATION PROVISIONS OF APPLICABLE FEDERAL AND STATE SECURITIES LAWS OR AN APPLICABLE EXEMPTION THEREFROM, AND THE LRRRA. THE COMPANY IS AUTHORIZED TO ISSUE CLASS A, CLASS B AND CLASS C SHARES. THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO THE TERMS AND CONDITIONS OF A CERTAIN SHAREHOLDERS' AGREEMENT AMONG THE COMPANY AND CERTAIN HOLDERS OF SHARES OF THE COMPANY, WHICH PLACES CERTAIN RESTRICTIONS ON THE VOTING OF THE SHARES REPRESENTED HEREBY. ANY PERSON ACCEPTING ANY INTEREST IN SUCH SHARES SHALL BE DEEMED TO AGREE TO AND SHALL BECOME BOUND BY ALL THE PROVISIONS OF SUCH AGREEMENT. THE COMPANY WILL FURNISH THE HOLDER OF THIS CERTIFICATE A COPY OF SUCH AGREEMENT, AS WELL AS INFORMATION REGARDING THE RELATIVE RIGHTS, PREFERENCES AND LIMITATIONS APPLICABLE TO EACH CLASS OF SHARES, WITHOUT CHARGE UPON WRITTEN REQUEST TO THE SECRETARY OF THE COMPANY AT ITS PRINCIPAL PLACE OF BUSINESS."

2.2 The Company agrees that, during the term of this Agreement, it will not remove, and will not permit to be removed (upon registration of transfer, reissuance or otherwise), the Legend from any certificate bearing the Legend and will place or cause to be placed the Legend on any new certificate issued to represent Shares owned by a Shareholder or any transferee of a Shareholder; provided that the Legend may be removed upon termination of this Agreement.

3. RIGHTS OF UNCERTIFICATED SHAREHOLDERS

3.1 With Payment Plan, Certificates to be issued upon final payment.

The Company and Shareholder may enter into an agreement whereby Shareholder(s) may pay for his/their shares utilizing a “payment plan” to pay for the shares over a period of time. The terms and conditions of such a plan shall lie solely in the discretion of the Company. In such event, Shareholder(s) and the Company agree that the Company will not issue the Certificate evidencing such shares owned until such time as the total sum due for such shares has been paid in full. Such shareholder(s) shall be referred to as “*uncertificated*” shareholders.

3.2 Voting Rights of Uncertificated Shareholders. On all matters concerning which shareholders are or would be entitled to vote their shares, *uncertificated* shareholders shall be entitled to vote that pro-rata portion of their shares for which they have paid, and likewise shall not be entitled to vote that portion of their shares for which they have not paid as of the date set by the Board of Directors as the effective date on which the total number of shares available for voting has been fixed.

4. LIMITATION ON NUMBER OF SHARES OWNED

4.1 Limitation. No shareholder in the Company may own more than a combined total of two hundred and fifty (250) shares of Class “A,” “B” & “C” stock.

5. MISCELLANEOUS

5.1 Compliance. Each Shareholder agrees to be bound by all applicable provisions of the Company’s Articles of Incorporation, its Bylaws, and comply with Vermont law governing their ownership and exercise of rights as a Shareholder thereunder, including any amendments thereto that may be adopted at any time.

5.2 Company Website. Each Shareholder acknowledges that the Company will provide information about the Company and its operations primarily through its website (currently www.cpllc.net), and agrees to maintain access to such site and to review its contents on a regular basis.

5.3 Governing Law. This Agreement, and the rights of the parties hereto, shall be governed by and construed in accordance with the laws of the State of Vermont without regard to the conflicts of law principles of any jurisdiction.

5.4 Amendment and Waiver. This Agreement may be amended (or provisions of this Agreement waived) only by an instrument in writing signed by the Company and the holders of two-

thirds of the voting power of the Shares then held by the Shareholders. Any amendment or waiver so effected shall be binding upon the Company, each Shareholder, and any assignee of any such party.

5.5 Retroactivity. This Agreement shall be retroactive to the date of and hereby replaces and supersedes any prior Shareholders' Agreement entered into between Shareholder and the Company.

5.6 Entire Agreement. This Agreement constitutes the full and entire understanding and agreement between the parties with regard to the subjects hereof.

5.7 Severability. In the event one or more of the provisions of this Agreement should, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions of this Agreement, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

5.8 Litigation and Disputes. In the event that any claim or dispute arises out of this Agreement, as between the Company and any Shareholder, or between any Shareholder and any other Shareholder, said claim or dispute shall be resolved as provided in the terms and conditions of the policy issued by the Company to the Shareholder (the "Policy"). Specifically, each Shareholder expressly agrees that it will not participate in any action against the Company and that all such disputes shall be resolved by binding arbitration as provided in the Policy.

IN WITNESS WHEREOF, the parties hereto have executed this Shareholders Agreement as of the date set forth in the first paragraph hereof.

CLAIM PROFESSIONALS LIABILITY
INSURANCE COMPANY (A RISK
RETENTION GROUP)

By: _____
(Signature)

Name: Michael Hale

Title: President

[See Attached Signature Pages for Signatures of the Shareholders]

EXECUTION BY SHAREHOLDER

I/we hereby represent, warrant and declare that I/we have the full authority to execute this agreement on my own behalf and, if applicable, on behalf of the entity subscribed below.

(Execution by a Corporation or LLC)

DATED: _____

By: _____
(Signature)

Name: _____

Title: _____

Company: _____
(Name of Company you subscribe on behalf of)

(Execution by a Partnership)

DATED: _____

By: _____
(Signature)

Name: _____
(print name of partner)

By: _____
(Signature)

Name: _____
(print name of partner)

By: _____
(Signature)

Name: _____
(print name of partner)

Partnership Name: _____

EXECUTION BY INDIVIDUAL SHAREHOLDER

I/we hereby represent, warrant and declare that I/we have the full authority to execute this agreement on my own behalf and, if applicable, on behalf of the sole proprietorship or other fictitious firm name under which I/we conduct business and qualify to own stock as individual shareholders in this company.

DATED: _____ By: _____
(Signature)

Name: _____

DATED: _____ By: _____
(Signature)

Name: _____

DATED: _____ By: _____
(Signature)

Name: _____