

ATTORNEY-IN-FACT AGREEMENT

This Attorney-in-Fact Agreement (this "**Agreement**") is made effective this 21st day of January, 2019 (the "**Effective Date**"), by and between NOBLR RECIPROCAL EXCHANGE, a Colorado domestic reciprocal insurance exchange ("**Noblr**"), and NOBLR RISK MANAGEMENT, LLC, a Colorado limited liability company ("**NRM**"). The offices of NRM will be located, together with the principal offices of Noblr, in San Francisco, California but may be changed upon notice to the subscribers of Noblr (each a "**Subscriber**" and, together, the "**Subscribers**") and in compliance with the requirements of the laws of the State of Colorado. Noblr and NRM may each be referred to individually as a "**Party**" or collectively as the "**Parties**."

RECITALS

WHEREAS, as part of the application for insurance by each Subscriber, each Subscriber has executed a Subscription Agreement and Power of Attorney (the "**Subscriber's Agreement**") appointing NRM to act as such Subscriber's Attorney-in-Fact with the authority to exchange reciprocal insurance contracts among the Subscribers and to manage and conduct the business of Noblr, and

WHEREAS, Noblr and NRM desire to set forth the terms and conditions upon which NRM will accept its appointment and act as Attorney-in-Fact for the Subscribers to exchange their reciprocal insurance contracts and to manage and conduct the business and affairs of Noblr;

NOW, THEREFORE, in consideration of the mutual covenants and consideration contained in this Agreement and the Subscriber's Agreement, the sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, Noblr and NRM agree as follows:

1. **Acceptance of Appointment as Attorney-in-Fact:** NRM hereby acknowledges and affirms its appointment as Attorney-in-Fact pursuant to the individual Subscriber's Agreement executed by each Subscriber to serve as Attorney-in-Fact to exchange reciprocal insurance contracts on a non-assessable basis among the Subscribers as set forth in the Subscriber's Agreement.
2. **Management Services:** NRM shall furnish all senior management and administrative employees and resources necessary, including the retention of third party advisors, to provide the services to Noblr set forth in the Subscriber's Agreement, including, without limitation by reason of specification, provision of the following functions on behalf of Noblr:
 - a) Establish and enforce the terms of the Subscriber's Agreement, and establish and maintain underwriting guidelines, classification plans, rates, and insurance policies, endorsements, applications, binders, and other forms required for Noblr's business in accordance with applicable laws and industry standards;
 - b) Receive applications for insurance, determine the acceptability of risks in accordance with the underwriting standards established by NRM, and issue policies;
 - c) Administer all matters relating to the renewal, nonrenewal, cancellation, endorsement, or other modifications of existing policies;

- d) Establish and maintain complete and accurate records of all Subscriber's Agreements entered into with Subscribers, all reciprocal insurance contracts exchanged by NRM on behalf of Noblr, and all other financial, tax, and business records required by applicable laws and industry standards;
- e) Administer all matters relating to the preparation and filing of reports required by governmental and nongovernmental regulatory and supervisory authorities in accordance with the policies and standards established by NRM;
- f) Collect, maintain, and account for all funds received as payments of insurance premiums, contributions to surplus and other receipts, including all funds borrowed by NRM in the name of Noblr, and the timely deposit of all such funds in a qualified custodial bank or banks in the name of Noblr in accordance with applicable laws and the policies and procedures established by NRM;
- g) Establish and maintain investment guidelines, invest assets in accordance with applicable laws and industry standards, and work with investment advisors retained by NRM at the expense of Noblr;
- h) Monitor Noblr's legal affairs, respond on behalf of Noblr to policyholder complaints and regulatory inquires, and oversee Noblr's participation in guaranty funds, residual market mechanisms, and other mandatory or voluntary insurance organizations;
- i) Develop and implement marketing strategies, including preparation of mailings, advertisements, and content for newsletters, websites, and social media, together with all other promotional and marketing materials;
- j) Recruit, appoint, supervise, and terminate agents, brokers and other intermediaries, with the actual fees of such licensing, appointment and termination at the expense of Noblr;
- k) Determine producer compensation levels, administer payments to and return payments from producers, if applicable, and establish and administer referral and other cross-marketing ventures, all in accordance with applicable laws and industry standards;
- l) Receive proofs of loss, investigate and pay claims on behalf of and at the expense of Noblr and, in connection therewith, provide, directly or indirectly through one or more third party claims administrator(s), adequate claims supervision and facilities for the timely processing of all claims, notices and proofs of loss against Noblr and for the timely investigation and payment of claims, including the employment of claims adjusters, attorneys, experts and others, with all allocated costs, unallocated costs and claim expenses to be paid by Noblr;
- m) Bring suit on behalf of and defend claims against Noblr, at Noblr's expense, in all legal and administrative proceedings deemed necessary, in NRM's judgment, to defend Noblr's rights, including acceptance of service of process on behalf of Noblr, entering legal appearances on behalf of Noblr, and the compromise, litigation, defense and settlement of losses and claims;

- n) Develop and maintain all systems and procedures necessary to comply with any insurer anti-fraud requirements of the State of Colorado and other governmental authorities having jurisdiction over Noblr;
 - o) Establish and monitor loss reserves in accordance with applicable laws and industry standards;
 - m) Place assumed and ceded reinsurance and all related security for statement credit, and receive or pay premiums or loss settlements thereon, as the case may be, for the benefit of and at the expense of Noblr, all in accordance with applicable laws and industry standards;
 - n) At NRM's sole discretion, develop Subscriber Savings Accounts ("**SSAs**"), and, if created, administer the SSAs in compliance with guidelines developed and maintained by NRM;
 - o) Participate in the Subscribers' Advisory Committee in the manner set forth in the Noblr Reciprocal Exchange Powers of the Subscribers' Advisory Committee; and
 - p) Taking all such other actions as NRM determines to be necessary, advisable or proper in order for NRM to discharge its responsibilities and duties under the Subscriber's Agreement and Power of Attorney and this Attorney-in-Fact Agreement.
3. **Management Fee:** NRM will be compensated for the management services to be performed by NRM as Attorney-in-Fact by the payment of attorney-in-fact fees as provided in the Subscriber's Agreement.
4. **Payment of Expenses of Noblr:** In addition to the Management Fee, NRM is authorized to utilize the funds of Noblr, or utilize its own funds and be reimbursed by Noblr, to pay the following expenses of Noblr: losses, loss adjustment expenses, investment expenses, legal expenses, reinsurance, commissions to agents and brokers, direct out-of-pocket marketing costs, court costs, taxes, assessments, license fees, membership fees, the fees of attorneys, actuaries, accountants and investment and other advisors, governmental fines and penalties, the establishment and maintenance of loss and unearned premium reserves and surplus, reinsurance premiums and costs, audit fees, guaranty fund assessments, fees related to the startup and formation of Noblr, and all other costs necessary for the proper and efficient operation of Noblr. Additionally, NRM will procure, at the expense of Noblr, directors and officers liability insurance coverages for NRM and the members of the Subscriber's Advisory Committee.
5. **Intellectual Property.** Noblr acknowledges and agrees that all intellectual property developed by NRM, whether or not developed or utilized in connection with the foregoing functions or otherwise associated with Noblr's operations, remains the sole and exclusive property of NRM, including without limitation all telematics solutions, algorithms, rating plans, third party license rights, Subscriber data acquired in connection with transactions and experiences between Noblr and its Subscribers and rights to exclusive use of the "Noblr" name, brand, trademarks and service marks. In the event this Agreement terminates, NRM grants Noblr or its statutory successor a limited license to use such intellectual property, but solely to the extent necessary to run-off existing liabilities to

policyholders.

6. **Financial Reporting.** NRM shall maintain Noblr's books and records in accordance with the *Accounting Practices and Procedures Manual* of the National Association of Insurance Commissioners, it being understood and agreed that attorney-in-fact fees and other charges provided for in the Subscriber's Agreement or otherwise in this Agreement shall not be deemed to be payments between an insurer and an affiliate.
7. **Records; Right to Audit:** Except with respect to intellectual property expressly reserved to NRM in Section 5 above, all books and records maintained by NRM pertaining to the management services performed by NRM as Attorney-in Fact for the Subscribers pursuant to this Agreement are owned by Noblr. Noblr, and any regulatory authority having jurisdiction over Noblr, will have the right to examine and audit, at the offices of NRM, at all reasonable times, all books and records of Noblr that pertain to the management services performed by NRM as Attorney-in-Fact for the Subscribers, pursuant to this Agreement. This right of examination and audit will survive the termination of this Agreement and will remain in effect for as long as either Noblr or NRM has any rights or obligations under this Agreement.
8. **Term and Termination:** This Agreement shall become effective as of the Effective Date, and shall continue in effect for a five-year term thereafter (the "**Initial Term**"), subject only to the right of termination as set forth in this Section 7. After the expiration of the Initial Term, this Agreement shall automatically renew for successive five-year terms (each a "**Renewal Term**") subject to the right of termination set forth below.
 - a) **Mutual Termination:** This Agreement may be terminated at any time by the written mutual agreement of both Parties.
 - b) **Termination with Cause:** Noblr, acting through the Subscribers' Advisory Committee, may terminate this Agreement at any time if (i) its Colorado certificate of authority has been revoked by the Colorado Division of Insurance and not reinstated after a period of ninety (90) days following such revocation, (ii) there has been a continued and material failure by NRM to perform or cause to be performed services in accordance with the Subscriber's Agreement and this Agreement, and such failure remains uncured for a period of sixty (60) days following determination that such failure has occurred by a final order of the Colorado Division of Insurance or court of competent jurisdiction, or (iii) Noblr has been adjudicated as bankrupt or insolvent, or admitted in writing its inability to pay its debts as they mature, or applied for or consented to the appointment of any receiver, trustee, liquidator or similar officer for it or for all or any substantial part of its property, or such receiver, trustee, liquidator or similar officer has been appointed without the application or consent of the Issuer and such appointment shall continue undischarged for a period of sixty (60) days. NRM shall hold proxy for all votes of the Subscribers' Advisory Committee regarding termination as long as any principal or interest on any outstanding surplus notes issued by Noblr remains unpaid.
 - c) **Termination by Attorney-in-Fact:** NRM may terminate this Agreement at any time by terminating all insurance policies issued to the Subscribers, subject to

policy provisions and Colorado law, by written notice to the Subscribers' Advisory Committee.

9. Arbitration

- a) As a condition precedent to any right of action arising under or out of this Agreement, the Parties agree that any and all disputes or differences, including disputes concerning the formation and/or validity of this Agreement, shall be submitted to arbitration before a panel of three (3) arbitrators, each of whom shall be an active or retired disinterested officer of a property and casualty insurance company. One arbitrator shall be chosen by Noblr, one arbitrator shall be chosen by NRM and the third arbitrator will be chosen by the other two arbitrators. In the event any Party does not appoint an arbitrator within sixty (60) days after the other Party requests it to do so, or if the two arbitrators selected by Noblr and NRM fail to agree upon a third arbitrator within thirty (30) days of the appointment of the second arbitrator to be appointed, the arbitrator or arbitrators, as the case may be, will, upon the application of any Party, be appointed by the American Arbitration Association and the arbitrators will proceed.
- b) The arbitrators shall make a decision and award with regard to the terms of this Agreement and the original intentions of the parties to the extent reasonably ascertainable. The decision of the majority of the arbitrators will be final and binding upon all parties to the proceeding. The arbitrators' decision and award shall be in writing and shall state the factual and legal basis for the decision and award. The arbitrators may award interest calculated at a reasonable rate from the date they determine that any amounts due to the prevailing party should have been paid to the prevailing party.
- c) Either party may apply to any court having jurisdiction for an order compelling arbitration or confirming any decision and the award; a judgment of that court shall thereupon be entered on any decision or award. If such an order is issued, the attorneys' fees of the party so applying and court costs will be paid by the party against whom confirmation is sought.
- d) Nothing herein shall be construed to prevent any party from applying to any court having jurisdiction to issue a restraining order or other equitable relief to maintain the "status quo" of the parties participating in the arbitration pending the decision and award by the arbitrators or to prevent any party from incurring irreparable harm or damage at any time prior to the decision and award of the Board. The arbitrators shall also have the authority to issue interim decisions or awards.
- e) Each Party will bear the expense of its own arbitrator and one-half of the expenses of the third arbitrator and of the arbitration. Arbitration taking place under this section will take place in Colorado unless otherwise agreed to by the Parties in writing.
- f) Notwithstanding any dispute or difference of opinion arising under this Agreement, Noblr and NRM must fulfill all obligations under the reciprocal insurance contracts exchanged by the Subscribers.

10. Indemnification

- a) Noblr will indemnify, defend and hold harmless NRM and each owner, officer, director, employee and advisor of NRM (each an "**NRM Indemnified Party**"), from and against all claims, losses, damages, liabilities and expenses including, without limitation, settlement costs and any reasonable legal fees and expenses or other expenses for investigating and defending any actions or threatened actions incurred by an NRM Indemnified Party as a result of any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative including an action by or in the right of Noblr, relating to or arising out of the services provided by NRM hereunder, except to the extent the act or failure to act giving rise to the claim for indemnification is determined by a court to have constituted gross negligence, willful misconduct, a knowing violation of law or receipt by such person of an improper personal benefit.
- b) Noblr will pay expenses incurred by an NRM Indemnified Party in defending any action or proceeding referred to in this Section 9 as they are incurred in such action or proceeding, provided Noblr receives an undertaking by or on behalf of such person to repay such amount if it shall ultimately be determined that such person is not entitled to be indemnified by Noblr.
- c) As soon as practicable after receipt by any NRM Indemnified Party of notice of the commencement of any action, suit or proceeding specified in Section 9(a) above ("**Action**"), such person shall, if a claim may be made against Noblr under this Section 9, notify Noblr in writing of the Action; however, the omission to notify Noblr will not relieve Noblr of any liability under this Section 9 unless Noblr is prejudiced thereby. With respect to any such Action as to which such person notifies Noblr, Noblr may participate in the Action at its own expense. Noblr may, independently or jointly with any other indemnifying party assume the defense of the Action, with counsel selected by Noblr. Counsel selected by Noblr shall be reasonably satisfactory to the Indemnified Party. After notice from Noblr of its election to assume the defense, Noblr will not be liable to the NRM Indemnified Party under this Section 9 for any legal or other expenses subsequently incurred by such NRM Indemnified Party in connection with the defense of the Action. The NRM Indemnified Party will have the right to hire his or her own counsel in such action, but the fees of such counsel incurred after notice from Noblr of its assumption of the defense of the Action will be at the expense of the NRM Indemnified Party unless: (i) the employment of counsel by the NRM Indemnified Party shall have been authorized by Noblr, (ii) the NRM Indemnified Party shall have reasonably concluded that there may be a conflict of interest between Noblr and such person in the conduct of the defense of such proceeding or (iii) Noblr did not employ counsel to assume the defense of the Action and the NRM Indemnified Party shall have reasonably concluded that there may be a conflict of interest if indemnification under this Section 9 is not paid or made by Noblr, or on its behalf, within ninety (90) days after a written claim for indemnification has been received by Noblr. The NRM Indemnified Party may, at any time thereafter, bring suit against Noblr to recover the unpaid amount of the claim.

- d) The right to indemnification and the right to advancement of expenses provided in this Section 9 shall be enforceable by such person in any court of competent jurisdiction. The burden of proving that indemnification of any NRM Indemnified Person is not appropriate shall be on Noblr. Expenses reasonably incurred by such person in connection with successfully establishing the right to indemnification or advancement of expenses, in whole or in part, shall also be indemnified by Noblr.
- e) NRM will indemnify and hold harmless Noblr from and against all claims, losses, damages, liabilities and expenses including, without limitation, settlement costs and any reasonable legal fees and expenses or other expenses for investigating and defending any actions or threatened actions incurred by it due to acts by NRM that are, or failure by NRM to act that is, determined by a court to have constituted gross negligence, willful misconduct or a knowing violation of law.

11. Tax Sharing

- a) Noblr shall have the right, in its sole discretion to make an election under section 835 of the Internal Revenue Code of 1986, as amended, (the “Code”).
- b) If Noblr makes an election pursuant to Section 10(a), above, and Noblr receives a tax refund from the Internal Revenue Service (“IRS”), Noblr shall make a payment to NRM equal to 50% of the amount of the tax refund attributable to the election, determined on a with and without basis.
- c) Noblr shall provide NRM with a schedule showing the computation of any payment required under Section 10(b), above, and shall make such payment within thirty (30) days of its receipt of the refund from the IRS.
- d) NRM agrees (i) to provide Noblr with the information Noblr needs to determine the amount of its tax liability taking into account the requirements set forth in section 835 of the Code and (ii) to inform Noblr if any such information later changes.
- e) In the event of any adjustment to Noblr’s tax return that reduces the amount of Noblr’s refund, NRM’s share of that refund shall be recomputed, and NRM shall make a payment to Noblr equal to the amount of the difference between the payment Noblr made to NRM in accordance with Section 10(b), above, and the recomputed amount of NRM’s share of the refund. Noblr shall provide NRM with a schedule showing the computation of the repayment amount, and NRM shall pay the repayment amount within 30 days.

12. Notices

All notices, requests, demands, claims, and other communications between the Parties concerning the content and purpose of this Agreement shall be sent in writing by personal delivery, fax or by mail, registered or certified, postage pre-paid. Notices shall be addressed to the Parties as follows, or to such other addresses as may be specified by a Party from time to time by like written notice to the other Party:

NOBLR:

1 Union Street
Suite 210
San Francisco, CA 94111
Attention:

NRM:

1 Union Street
Suite 210
San Francisco, CA 94111
Attention:

Notices delivered personally shall be deemed communicated as of actual receipt; faxed notices shall be deemed communicated upon confirmation of having been sent; and mailed notices shall be deemed communicated as of three (3) business days after mailing.

13. Receivership

- a) In the event that Noblr is placed in receivership or seized by the Commissioner pursuant to Section 10-3-501, et. seq. of the Colorado Revised Statutes (i) all of the rights of Noblr under this Agreement extend to the receiver or the domiciliary insurance commissioner and (ii) all books and records will immediately be made available to the receiver or the domiciliary insurance commissioner, and shall be turned over to the receiver or the domiciliary insurance commissioner immediately upon the receiver or the domiciliary insurance commissioner's request.
- b) NRM has no automatic rights to terminate this Agreement if Noblr is placed in receivership by the Commissioner pursuant to Section 10-3-501, et. seq. of the Colorado Revised Statutes.
- c) NRM shall continue to maintain any systems, programs or other infrastructure notwithstanding a seizure by the domiciliary insurance commissioner, and will make them available to the receiver, for so long as NRM continues to receive timely payment for services rendered.


14. Miscellaneous

- a) This Agreement shall be governed by and construed in accordance with the laws of the State of Colorado.
- b) NRM is authorized, at its expense, to contract with others for the performance of the management services it has agreed to provide to Noblr under this Agreement, provided, however, that NRM will remain responsible to Noblr for the proper and timely performance of all management services set forth in this Agreement.
- c) This Agreement may be amended at any time by an instrument in writing executed by the Parties.


- d) This Agreement constitutes the entire agreement between the Parties and supersedes any prior understandings, agreements, or representations by or between the Parties, written or oral, to the extent they are related in any way to the subject matter of this Agreement.
- e) No delay on the part of any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any waiver on the part of any party of any right, power or privilege, nor any single or partial exercise of any such right, power or privilege, preclude any further exercise thereof or the exercise of any other such right, power or privilege.
- f) This Agreement is for the sole benefit of the Parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other person any legal or equitable right, benefit or remedy of any nature whatsoever, under or by reason of this Agreement.
- g) The headings contained in this Agreement are for convenience of reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.
- h) All words used in this Agreement will be construed to be of such gender or number as the circumstances require.
- i) Whenever possible, each provision or portion of any provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision or portion of any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or portion of any provision in such jurisdiction, and this Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision or portion of any provision had never been contained herein.
- j) This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall be deemed one and the same agreement. Each Party may deliver its signed counterpart of this Agreement to the other Party by means of electronic mail or any other electronic medium utilizing image scan technology, and such delivery will have the same legal effect as hand delivery of an originally executed counterpart.
- k) All settlements under this Agreement shall occur not less frequently than quarterly.
- l) All funds and invested assets of Noblr are the exclusive property of Noblr, held for the benefit of Noblr.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the day and year first above written by the undersigned thereunto duly authorized.

NOBLR RECIPROCAL EXCHANGE

By: 
Name: David Fitzgerald
Noblr Reciprocal Exchange
Its: Chair, Subscribers Advisory Committee

NOBLR RISK MANAGEMENT, LLC

By: 
Name: Gary C. Tolman
Noblr Risk Management, LLC
Its: President