

RELEASE AGREEMENT

This Release Agreement is being entered into by the United States and John M. Huff, Director of the Missouri Department of Insurance, Financial Institutions and Professional Regulations, the liquidator (“Liquidator”) of Watkins Life & Benefit Association (“Watkins Life”).

I. PARTIES

The parties to this Release Agreement are the United States and the Liquidator (collectively, the “Parties”).

II. RECITALS

1. The Parties do not intend this Release Agreement to release any possible claims the United States may have or may acquire against anyone for tax, fraud (including, but not limited to, securities and pension benefit fraud), criminal liabilities, or reimbursement liabilities and penalties arising under 42 U.S.C. § 1395y(b).

2. Except for the express terms of this Release Agreement, the Parties do not intend to create, enhance, diminish, defeat or otherwise affect such claims, if any, as the United States may have against the Liquidator or the Watkins Life estate.

3. The Parties understand that this Release Agreement may be subject to the approval of the Circuit Court of Cole County, Missouri (“Court”), which is supervising the liquidation of Watkins Life.

4. The United States enters into this Release Agreement in reliance upon the representations of the Liquidator’s attorney contained in her affidavit dated May 13, 2014, attached as Exhibit A to this Release Agreement (“Affidavit”).

III. AGREEMENT

1. Except only for possible federal tax, fraud (including, but not limited to, securities and pension benefit fraud), criminal liabilities, or reimbursement liabilities and penalties arising under 42 U.S.C. § 1395y(b), the United States hereby releases and discharges the Liquidator and the estate of Watkins Life from any and all liability under 31 U.S.C. § 3713(b) in connection with the Watkins Life liquidation.

2. Under the terms of this Release Agreement, the United States or its duly authorized representative shall have the right, prior to the destruction of Watkins Life's records in accordance with the orders of the Court, during normal business hours, on a date and at a location agreed upon by the Parties, to inspect, and if it wishes, to copy at its own expense, such documents, books, and records of the estate, and of the Liquidator, as shall be reasonably necessary to determine the existence and amount of claims the United States may have against the Watkins Life estate, or to determine Watkins Life's compliance with the terms of this Release Agreement. No documents, books, or records of the estate or Liquidator may be destroyed unless notice is given to the United States of any motion filed with the Court requesting approval of additional destruction. If the Liquidator does not request approval from the Court, he must obtain prior written authorization from the United States before destruction of any documents, books, or records of the estate or Liquidator.

3. Except for the express undertakings of the Liquidator and the United States in this Release Agreement, nothing in this Release Agreement shall be construed

(a) to establish or perfect any claims, substantive rights, or procedural rights of the United States;

(b) to limit, restrict, diminish, or defeat any claims, substantive rights, or procedural rights of the United States;

(c) to establish or perfect any objections or defenses, substantive rights, or procedural rights of the Liquidator; or

(d) to limit, restrict, diminish, or defeat any defenses, substantive rights, or procedural rights of the Liquidator.

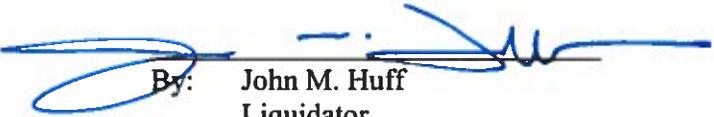
4. The Parties agree that this Release Agreement shall not be effective unless and until it is approved by the Court, if approval is required, and the time for appeals of any such approval has expired. The Parties further agree to cooperate with each other in seeking prompt approval of this Release Agreement from the Court, including, but not limited to, making the necessary witnesses available for testimony considered necessary or appropriate to provide the Court with an adequate record upon which to approve this Release Agreement.

Dated: 1/13/15


By:

Sharon C. Williams
Trial Attorney
Civil Division
Department of Justice
Attorney for the United States

Dated: 1-9-15


By:

John M. Huff
Liquidator
Watkins Life & Benefit Association,
in Liquidation

State of Missouri)
) ss.
County of Cole)

AFFIDAVIT OF TAMARA W. KOPP

I, Tamara W. Kopp, am of legal age and I hereby swear upon my oath that the following facts are true and accurate:

1. My name is Tamara W. Kopp and I am of sound mind, capable of making this affidavit, and personally acquainted with the facts herein stated.

2. I am employed as counsel for the Director of the Missouri Department of Insurance, Financial Institutions and Professional Registration ("Department"), located in Jefferson City, Missouri. I have been employed with the Department since May 2006.

3. The Director of the Department is the appointed Liquidator of Watkins Life & Benefit Association and I serve as the Director's attorney.

4. There are no United States claims against Watkins Life & Benefit Association to my knowledge.

5. Watkins Life & Benefit Association never issued policies or bonds for the benefit of the United States.

6. The table of claims included with this affidavit is complete to the best of my knowledge.

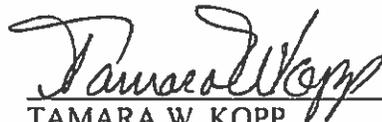
7. Watkins Life & Benefit Association never issued policies that included coverage for tort liability.

8. Watkins Life & Benefit Association never issued policies that included coverage for medical expenses.

9. The Liquidator has fully complied with all reporting requirements of 42 U.S.C. § 1395y(b)(7) and (8), and all program instructions issued thereunder.

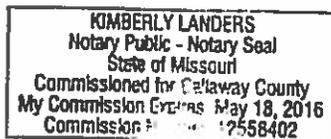
10. The Liquidator has reimbursed the United States pursuant to 42 U.S.C. § 1395y(b)(2)(B) for all Medicare payments that were made for items and services on behalf of Medicare beneficiaries whose medical care should have been paid for by Watkins Life & Benefit Association or whose medical care was, or should have been, paid for pursuant to policies issued by Watkins Life & Benefit Association.

11. Further affiant sayeth naught.


TAMARA W. KOPP

Subscribed and sworn to before me this 13th day of May, 2014. I am commissioned as a notary public within the County of Cole, State of Missouri, and my commission expires on

May 18, 2016




Notary Public