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Timothy J. Parker

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2012 AUG 30 11:30 AM
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August 28, 2012

Ms. Patricia Petersen
Chief Hearing Officer

VIA E-MAIL AND U.S. MAIL

Ms. Patricia Petersen
Chief Hearing Officer
Office of the Insurance Commissioner
P.O. Box 40255
Olympia, WA 98504-0255



Re: Sagicor Life / PEMCO Life Insurance Company
OIC Matter No. 12-0203

Dear Ms. Petersen:

Enclosed is the signed Second Amendment to Stock Purchase Agreement dated August 27, 2012. This agreement extends the closing date on the proposed acquisition and is provided for your consideration of the pending Form A.

Please contact me if there are any questions or I can provide additional information.

Very truly yours,

CARNEY BADLEY SPELLMAN, P.S.

A handwritten signature in black ink, appearing to read "Timothy J. Parker".

Timothy J. Parker

TJP:cw

Enclosure

cc with enclosure: Robin Aronson
Bart Catmull
Jim Golembiewski
Michael Perkins
Ron Pastuch
William Clumpner

**SECOND AMENDMENT TO
STOCK PURCHASE AGREEMENT**

Second Amendment to **STOCK PURCHASE AGREEMENT**, dated as of August 27, 2012, by and between **PEMCO MUTUAL INSURANCE COMPANY**, a Washington mutual insurance corporation ("Seller") and **SAGICOR LIFE INSURANCE COMPANY**, a Texas insurance corporation ("Buyer").

RECITALS

A. Seller and Buyer have previously entered into a Stock Purchase Agreement, dated February 22, 2012 (the "Stock Purchase Agreement")(capitalized terms used but not defined herein shall have the meanings ascribed thereto in the Stock Purchase Agreement);

B. Seller and Buyer wish to amend the Stock Purchase Agreement as provided herein:

AGREEMENT

NOW THEREFORE, in consideration of the foregoing recitals and of the mutual agreements and covenants contained herein, the adequacy of which is hereby acknowledged, and intending to be legally bound hereby, the parties hereto agree as follows:

1. Section 9.1(e) of the Stock Purchase Agreement is hereby amended to read in its entirety as follows:

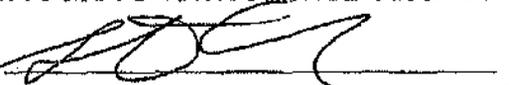
(e) by either party, if the transactions contemplated by this Agreement shall not have been consummated on or prior to September 30, 2012, unless such failure of consummation shall be due to the failure of the party seeking such termination to perform or observe in all material respects the covenants and agreements hereof to be performed or observed by such party.

Except as provided herein, the Stock Purchase Agreement shall remain unamended and in full force and effect.

IN WITNESS WHEREOF, this Agreement has been duly executed and delivered by the duly authorized officers of the parties hereto as of the date first above written.

SELLER:

PEMCO MUTUAL INSURANCE COMPANY

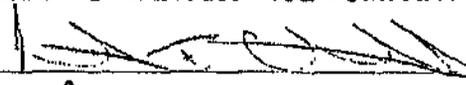
By: 

Name: Steve Rice

Title: CFO

BUYER:

SAGICOR LIFE INSURANCE COMPANY

By: 

Name: Bart F. Catmull

Title: CDO