

Exhibit A

Redacted Copenhagen Agreement

**REINSURANCE COMMUTATION
AGREEMENT AND RELEASE**

THIS REINSURANCE COMMUTATION AGREEMENT AND RELEASE (the "Agreement") is made and entered into as of August 20, 2003 by and between **THE HOME INSURANCE COMPANY**, in Liquidation, a New Hampshire corporation (the "Reinsured"), and **THE COPENHAGEN REINSURANCE COMPANY LIMITED**, a corporation created under the laws of Denmark (the "Reinsurer"). The Reinsured and the Reinsurer are hereinafter referred to collectively as the "Parties."

WHEREAS, the Reinsured was a member of the Excess Casualty Reinsurance Association Pool ("ECRA") and issued and participated in certain reinsurance contracts assuming liabilities through the ECRA Pool, which the Reinsured in turn retroceded to the Reinsurer pursuant to certain arrangements of retrocession on which the Reinsurer participated from January 1, 1973 through December 31, 1981 (the "Treaties"); and

WHEREAS, in addition to their past and present obligations under the Treaties, the Parties recognize and understand that a portion of their respective obligations thereunder may become due in the future; that these future obligations and liabilities cannot be determined in an amount certain at this time; and that a commutation of these past, present and uncertain obligations and the Parties' past and present obligations will resolve all pending and outstanding issues between the Parties and will eliminate the uncertainty of contingent liabilities for presently unresolved and/or unasserted claims with respect to the Treaties; and

WHEREAS, the Parties agree that it is mutually in their best interests to fully and finally settle and commute their respective past, present and future rights, obligations and liabilities (whether known or unknown) under the Treaties with immediate effect and enter into mutual releases relating thereto, all in accordance with the terms and conditions hereinafter contained.

NOW THEREFORE, intending to be legally bound, in consideration of the promises, covenants, representations, warranties, payments, agreements and other good and valuable consideration recited and set forth herein, the sufficiency of which is mutually acknowledged, the Parties agree as follows:

1. Within fifteen (15) business days after the Effective Date (defined below), the Reinsurer will pay to the Reinsured the sum of \$ _____ (the "Settlement Sum") in full and final settlement of any and all past, present and future liabilities under the Treaties, with time

being of the essence and performance by the Reinsurer of payment or delivery of the Settlement Sum operating as a condition precedent to this Agreement being effective, the failure of performance of which shall render this Agreement null and void and of no force or effect, which payment or delivery shall be effected as follows:

- a. Reinsurer shall pay the sum of \$_____ by wire transfer to the following account:

Citizens Bank, Manchester, NH, USA
 ABA No.
 For the Account of The Home Insurance Company
 Account No.
 Attn: Efraim Abramsohn

- b. Home shall draw down \$_____ on Citibank's Letter of Credit, Ref. No. _____, maintained by Reinsurer for the benefit of Reinsured.
- c. Reinsurer shall direct Excess Treaty Management Corporation ("ETMC") to pay to Home the sum of \$_____ , which represents funds held by ETMC on business retroceded by Home to the Reinsurer.

2. This Agreement shall only become effective (the "Effective Date") on the date that it is approved by the New Hampshire Superior Court for Merrimack County (the "Court"), being the court before which liquidation of Home is presently pending.

3. Without prejudice to Home's right to terminate this Agreement under Paragraph 4 below, if the Reinsurer fails to pay any portion of the Settlement Sum, with the exception of the amounts held by ETMC as described in paragraph 1(c) above, within fifteen (15) business days of the Effective Date, the Reinsurer shall pay (a) interest on any unpaid amounts at the rate of _____ (simple rate) per annum from the Effective Date; and (b) any and all costs, including reasonable attorneys fees, incurred by Home in recovering the Settlement Sum in full (the "Collection Costs"). The acceptance by Home of the Settlement Sum together with all interest and Collection Costs due in respect of late payment as determined and calculated as aforesaid shall (subject to the terms of this Agreement) constitute a full and final settlement and release hereunder as if payment of the Settlement Sum had been made in full within fifteen (15) days after the Effective Date.

4. Notwithstanding the provisions in Paragraph 2 above, in the event that the Reinsurer fails to pay any portion of the Settlement Sum within fifteen (15) days after the Effective Date (and notwithstanding any claim that may be asserted by the Reinsured for interest and Collection Costs), the Reinsured shall be entitled, at its sole discretion, to either seek enforcement of this Agreement or, by notice in writing to the Reinsurer, to terminate this Agreement, in which event (a) this Agreement shall be null and void; and (b) all of the rights and obligations of the Parties with respect to the Treaties shall be fully reinstated as if this Agreement had never been made.

5. Subject to the terms of this Agreement and in consideration of and as a condition precedent to the aforesaid payment by the Reinsurer, the Reinsured on behalf of itself, its officers, directors, employees, agents, attorneys, affiliates, shareholders, parents, predecessors, successors and assigns, hereby releases and discharges the Reinsurer, its officers, directors, employees, agents, attorneys, affiliates, shareholders, parents, predecessors, successors and assigns to the extent permitted by law from any and all adjustments, obligations, offsets, actions, causes of action, suits, debts, dues, sums of money, accounts, reckonings, premiums, returned premiums, unearned premiums, losses, salvage, commissions, variances, expenses, acts, omissions, executions, bonds, bills, covenants, contracts, controversies, agreements, promises, damages, judgments, claims and demands whatsoever, all whether known or unknown in law or in equity, which the Reinsured ever had, now has, or hereafter may have against the Reinsurer by reason of any matter whatsoever arising solely out of or in connection with or in relation to the Treaties. Additionally, the Reinsured fully understands and expressly waives its rights and benefits under any provision of law which substantially provides that:

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.

6. Subject to the terms of this Agreement and in consideration of the commutation of its liabilities and obligations, and the release of the Reinsurer by the Reinsured under the Treaties, the Reinsurer hereby releases and discharges the Reinsured, its officers, directors, employees, agents, attorneys, affiliates, shareholders, parents, predecessors, successors and assigns to the extent permitted by law from any and all adjustments, obligations, offsets, actions, causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, premiums, returned premiums, unearned premiums, losses, salvage, commissions, variances, expenses, acts, omissions, executions, covenants, contracts, controversies, agreements, promises,

damages, judgments, claims and demands whatsoever, all whether known or unknown in law or in equity, which the Reinsurer ever had, now has, or hereafter may have against the Reinsured by reason of any matter whatsoever arising solely out of or in connection with or in relation to the Treaties. Additionally, the Reinsurer fully understands and expressly waives its rights and benefits under any provision of law which substantially provides that:

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.

7. This Agreement shall, subject to its approval by the Court, be binding upon and shall inure to the benefit of the Parties. The Parties each represent and warrant that they have not prior hereto assigned or otherwise transferred to any other entity any of the rights, entitlements or interests in or to the Treaties commuted and released hereunder.

8. This instrument embodies the final, complete and entire agreement between the parties and is the product of their own independent legal advice and analysis. No other representations, understandings or agreements have been made or relied upon in the making of this Agreement other than those specifically set forth or referred to herein.

9. Notwithstanding anything to the contrary contained herein, in the event that either Party becomes obligated under the law respecting debtors and creditors of the United States, the State of New York, or any other competent jurisdiction, including without limit Section 7425 of the Insurance Law of the State of New York, to repay or return to the other Party, or to a rehabilitator, successor, liquidator or trustee of the other Party all or any portion of the consideration hereunder, then that Party agrees to make such repayment or return forthwith and, upon such repayment or return, this Agreement shall be null and void. In addition, in the event that all or any portion of the consideration hereunder is deemed to be a voidable transfer under any laws referred to above, and any other party, including without limit the Parties to this Agreement or any of their officers, directors or shareholders, becomes obligated to repay or return all or any portion of the consideration, then the original recipient agrees to unconditionally repay or return such consideration, or portion thereof, forthwith and, upon such repayment or return, this Agreement shall be null and void.

10. If any provision of this Agreement is invalid, unenforceable or illegal under the law of any jurisdiction, such provision shall be deemed severable from the balance of this Agreement, and the validity and enforceability of the remaining provisions of this Agreement,

and the validity and enforceability of such provision in any other jurisdiction shall not be affected thereby. In the event of such invalidity, enforceability or illegality, the Parties shall negotiate in good faith to amend this Agreement through the insertion of additional provisions which are valid, enforceable and legal and which reflect, to the extent possible, the economic and other purposes contained in the invalid, unenforceable or illegal provision.

11. The Parties hereby agree that, subject to Paragraphs 4 and 9 above, this Agreement shall take precedence over and supersede the Treaties and that notwithstanding anything to the contrary contained therein, this Agreement shall operate as a full and final settlement, commutation and release of the respective rights, obligations and liabilities of the Parties under the Treaties. In this regard, the Parties and their respective successors and assigns absolutely and unconditionally covenant and agree that upon consummation of the transactions contemplated by this Agreement, neither will demand, claim or file suit or initiate arbitration proceedings against the other with respect to any matters relating to or arising out of the Treaties.

12. The failure of any Party to enforce at any time any of the provisions of this Agreement shall in no way be construed to be a waiver of such provisions, nor in any way to affect the validity of this Agreement, or any part hereof, or the rights of such Party to thereafter enforce each and every such provision.

13. The Parties hereby agree to promptly execute any and all supplemental agreements, releases, affidavits, waivers, and all other documents of any nature or kind which may reasonably be required to implement the provisions or objectives of this Agreement.

14. (a) Reinsurer represents and warrants that it is a legally constituted entity in good standing; that it is not insolvent; that it is duly authorized to enter into this Agreement and the transactions contemplated herein; that the representative signing this Agreement is fully authorized to execute this Agreement on its behalf; that all requisite and necessary approvals have been obtained to consummate the transactions contemplated by this Agreement and that no additional authorization is needed from any regulatory authority in this regard; that no other agreement, undertaking, contract or matter is known to exist that might render this Agreement void, voidable or unenforceable; that it has read this Agreement, that it understand its contents and that it is executing it freely and voluntarily with an intent to be bound by its terms; and (b) Home represents and warrants that, subject to the Court's approval, it is duly authorized to enter into this Agreement and the transactions contemplated herein; that it will make reasonable efforts to obtain the Court's approval of this Agreement; and that the Special Deputy Liquidator signing

this Agreement is fully authorized to execute this Agreement on behalf of Home and its Liquidator.

15. The Parties acknowledge that they have entered into this Agreement in reliance on their own independent investigation and analysis of the Treaties and their rights and obligations thereunder, and not on the basis of any representation by any other party thereto.

16. This Agreement shall be governed by and construed according to the laws of the State of New York (without giving effect to conflict of law principles) and the Parties agree to submit to the jurisdiction of the New Hampshire Superior Court for Merrimack County.

17. This Agreement shall inure to the benefit of and bind the Parties and their respective predecessors, parents, affiliates, subsidiaries, successors and assigns (including their rehabilitators, liquidators or other statutory successors) to the extent permitted by law.

18. No supplement, amendment, variation, modification, waiver or termination of this Agreement shall be effective unless in writing and signed by the Parties.

19. It is hereby agreed that the Parties, including but not limited to their attorneys, agents, representatives and affiliates, will not disclose the terms of this Agreement to anyone other than is necessary to effectuate the terms of this Agreement; except that the Parties may disclose the terms of this Agreement to and through their attorneys, accountants, reinsurers, retrocessionaires and auditors for a legitimate business purpose where a specific need for such disclosure arises in the judgment of such attorneys, accountants, reinsurers and auditors, or in response to lawful process. Notwithstanding the foregoing, nothing in this provision shall restrict the ability of the Parties to disclose the terms of this Agreement to regulatory entities or in connection with reports and statements that they may be required from time to time to file or submit to government agencies, or in support of a motion for approval by the Court.

20. The Parties believe that the consideration for this Agreement, provided in exchange for the Parties' mutual promises made herein, is fair and reasonable and that they have each received and/or paid fair market value for the reinsurance protection being commuted. The Parties further agree to provide each other with an appropriate affidavit to this effect if such an affidavit becomes necessary to uphold or enforce the legitimacy of this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement by their respective authorized officers.

Copenhagen Reinsurance Company Limited

By: Susanne D. Riley H. Hilt Dated: 20 Aug. 2003

Name: Susanne D. Riley HANIK HILT-PEDERSEN
Title: Asst. Gen. Manager CFO

The Home Insurance Company, in Liquidation

By: Peter Bengelsdorf Dated: 8-19-03

Name: Peter Bengelsdorf
Title: Special Deputy Liquidator