



**THE STATE OF NEW HAMPSHIRE
INSURANCE DEPARTMENT**

56 OLD SUNCOOK ROAD
CONCORD, NEW HAMPSHIRE 03301-5151

Paula T. Rogers
Commissioner

June 19, 2003

BY FACSIMILE

Risk Enterprises Management Limited
59 Maiden Lane
New York, New York 10038
Attention: Peter Johnson
(fax: 212-530-7090)

Re: Notice of Disavowal of Services Agreement dated as of June 12, 1995, among Risk Enterprise Management Limited ("REM"), Zurich Centre Investments Limited ("ZCI"), Home Holdings Inc. ("Home Holdings"), The Home Insurance Company ("The Home"), US International Reinsurance Company ("USI Re"), as amended (the "Services Agreement")

Dear Mr. Johnson:

As you are aware, Orders of Liquidation for The Home and USI Re appointing me as Liquidator were entered by the Superior Court for Merrimack County, New Hampshire, on June 11, and 13, 2003. The Home includes those companies which have merged into The Home, including The Home Indemnity Company, The Home Insurance Company of Wisconsin, City Insurance Company, The Home Insurance Company of Illinois, The Home Insurance Company of Indiana, and Home Lloyds Insurance Company of Texas.

In light of the Orders of Liquidation, the operations of The Home and USI Re will cease except as is necessary to conduct orderly liquidations. In these circumstances, as Liquidator of The Home and USI Re, I hereby give notice that the Services Agreement is disavowed pursuant to New Hampshire RSA 402-C:25, XI, effective June 11, 2003 as to The Home and June 13, 2003 as to USI Re.

Certain transition services from REM will be necessary in the near term in order to, among other things, transfer claims to various insurance guaranty associations and transfer books and records and other information of The Home and USI Re to the

Liquidator so that the insurers may be liquidated pursuant to New Hampshire law. The Liquidator will pay the reasonable cost of transition services provided to the Liquidator after the liquidation dates as administrative expenses of the liquidations pursuant to RSA 402-C:44. I.

This Notice is not intended to affect any other contracts.

If you have any questions concerning these matters, please contact Peter A. Bengelsdorf, who has been appointed Special Deputy Liquidator of The Home and USI Re, at 212-530-3741.

Very truly yours,



Paula T. Rogers
New Hampshire Commissioner of
Insurance, solely as Liquidator of
The Home Insurance Company and
US International Reinsurance
Company

cc (by facsimile):

Peter A. Bengelsdorf
Special Deputy Liquidator
The Home Insurance Company
59 Maiden Lane
New York, New York 10038
(fax: 212-530-6143)

Zurich Centre Investments Limited
Crawford House
50 Cedar Avenue
P.O. Box HM 2268
Hamilton HM JX
Bermuda
Attention: President
(fax: 809-295-7132)