

THE STATE OF NEW HAMPSHIRE

MERRIMACK, SS.

SUPERIOR COURT
2004 MAY 17 P 3:47

Docket No. 03-E-0106

In the Matter of the Liquidation of
The Home Insurance Company

NH SUPERIOR COURT
MERRIMACK COUNTY
03/05/04

Docket No. 03-E-0112

In the Matter of the Liquidation of
US International Reinsurance Company

**LIQUIDATOR'S MOTION TO AMEND
ORDERS ESTABLISHING CLAIM PROCEDURES**

Roger A. Sevigny, Insurance Commissioner of the State of New Hampshire ("Commissioner"), as Liquidator ("Liquidator") of The Home Insurance Company ("Home") and US International Reinsurance Company ("USI Re"), by his attorneys, the Office of the Attorney General, hereby moves the Court to amend the Order Establishing Procedures Regarding Claims Filed With The Home Insurance Company In Liquidation entered December 19, 2003 and the Order Establishing Procedures Regarding Claims Filed With US International Reinsurance Company entered December 19, 2003 (the "Claim Procedures Orders") to provide that discovery in disputed claims proceedings concerning claims submitted under reinsurance agreements will be limited to that available under the contractually provided dispute resolution procedures. In support hereof, the Liquidator respectfully represents as follows:

1. On December 19, 2003, the Court entered the Claim Procedures Orders to establish procedures for determination of claims against Home and USI Re. The Claim Procedures Orders provide for discovery with respect to Disputed Claims. See Claims Procedures Orders ¶ 14(c) (incorporating N.H. Super. Ct. R. 35 through 45-A).

2. A number of class V claims against Home and USI Re will arise under reinsurance agreements under which Home or USI Re assumed insurance risk from other insurers or reinsurers. Such reinsurance agreements typically provide that disputes regarding claims under the reinsurance agreement will be resolved by means of arbitration or other dispute resolution procedures that have more limited discovery than that permitted under the Claims Procedures Orders. Discovery in accordance with the dispute resolution procedures provided for in the reinsurance agreements is likely to be less expensive than discovery under the court rules, and the class V claimants to whom it will apply have agreed to it in the respective agreements. The limited discovery will be fully consistent with these claimants' business expectations with respect to their claims.

3. The limited discovery rule sought hereby will not apply to policyholder claims.

4. For these reasons, the Liquidator submits that it is in the best interests of the liquidations and of the policyholders and other creditors of Home and USI Re to limit the discovery in Disputed Claims proceedings under reinsurance agreements to the discovery available in the dispute resolution procedures called for by those agreements.

WHEREFORE, the Liquidator prays that the Court enter an order amending the Claims Procedures Orders to provide that where a disputed claim proceeding involves a claim under a reinsurance agreement that provides for arbitration or other dispute resolution procedures with more limited discovery than that permitted under the Claims Procedures Order, the extent of discovery in the disputed claim proceeding (including, without limitation, requests for documents, interrogatories, requests for admissions, or evidence depositions) shall be limited to that which would otherwise have been available under the contractually provided procedure, in

the proposed form of order that is submitted herewith and granting such other and further relief as may be just.

Respectfully submitted,

ROGER A. SEVIGNY, INSURANCE COMMISSIONER
OF THE STATE OF NEW HAMPSHIRE, SOLELY IN
HIS CAPACITY AS LIQUIDATOR OF THE HOME
INSURANCE COMPANY,

By his attorneys

PETER W. HEED, ATTORNEY GENERAL



Peter C.L. Roth
Senior Assistant Attorney General
Environmental Protection Bureau
NEW HAMPSHIRE DEPARTMENT OF JUSTICE
33 Capitol Street
Concord, N.H. 03301-6397
(603) 271-3679

Of Counsel:

J. David Leslie
Eric A. Smith
Rackemann, Sawyer & Brewster
One Financial Center
Boston, MA 02111
(617) 542-2300

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