

THE STATE OF NEW HAMPSHIRE

MERRIMACK, SS.

SUPERIOR COURT

Docket No. 03-E-0106

**In the Matter of the Liquidation of
The Home Insurance Company**

ORDER APPROVING SECOND EARLY ACCESS DISTRIBUTION

On consideration of the motion of Roger A. Sevigny, Insurance Commissioner of the State of New Hampshire, as Liquidator (“Liquidator”) of The Home Insurance Company (“Home”), for approval of a second early access distribution to insurance guaranty associations pursuant to RSA 402-C:29, III and the Early Access Distribution Plan approved on October 22, 2003, and of the supporting Affidavit of Peter A. Bengelsdorf, Special Deputy Liquidator, it is hereby ORDERED as follows:

1. The second early access distribution is reasonable, prudent and in full accordance with law.
2. The second early access distribution is in the best interests of the liquidation of Home.
3. The second early access distribution is made in good faith.
4. The Liquidator’s Motion for Approval of Second Early Access Distribution to Insurance Guaranty Associations is GRANTED, and the proposed second early access distribution based on reported guaranty association payments through September 30, 2005, less recoveries and first early access distribution amounts, all as set forth on Exhibit A to the Bengelsdorf Affidavit, is APPROVED.
5. To be eligible to receive the second early access distribution, an insurance guaranty association must have executed an Early Access Distribution Agreement in the form approved as part of the Early Access Distribution Plan.
6. In the event that Home made a deposit in a state and that deposit has not been returned to the Liquidator before the date of the second early access distribution, the Liquidator may deduct the amount of the deposit not previously deducted from the first early access distribution from the second early access distribution to that state’s guaranty association.

7. The second early access distribution is subject to the receipt of a waiver of federal priority claims under 31 U.S.C. 3713 from the United States in a form acceptable to the Liquidator.

8. The receipt of a second early access distribution by a guaranty association shall not be deemed to constitute an admission by the guaranty association that allocated loss adjustment expense ("ALAE") is a Class II claim and each guaranty association shall be deemed to have reserved the right to contend that ALAE should be paid as a Class I administration cost.

So Ordered.

Dated: _____

Presiding Justice