

EXHIBIT A – REVISED INVESTMENT GUIDELINES

Revised Statement of Investment Policy The Home Insurance Company (in liquidation)

I. Investment Objective

To maintain a portfolio of high quality, readily marketable investments that protects and enhances the assets of The Home Insurance Company (in liquidation) (“the Company”). The portfolio should produce a high level of investment income over a multiple year time horizon in accordance with expected liability payouts, and otherwise support the objectives of the Liquidator, consistent with safety and preservation of capital.

II. Investment Responsibility

The Special Deputy Liquidator and the Chief Financial Officer shall be responsible for the selection of investments and for their purchase or sale within the authority delegated to them by the Liquidator. They may seek investment advice from professional investment advisers outside the Company.

The Chief Financial Officer shall be responsible for periodic estimates and evaluation of the cash flow needs of the Company and the amounts available for investment.

III. Qualifications of Investment Policy

Those responsible for the Company’s investment program shall invest only in bonds and fixed income securities and shall, at all times, observe the General Guide to Maximum Commitment Size as stated in the Policy summary, attached hereto and made a part hereof, which supplements the following guidelines:

1. Only Baa (Moody’s), Triple B (S&P), or higher rated bonds, which are readily marketable, will be purchased.
2. Mortgage backed securities will exclude derivatives such as inverse floating rates and interest only tranches.
3. Asset backed securities will exclude franchise loan and equipment trust certificates transactions.
4. Only commercial paper with a Moody’s Rating of P-1 or S&P Rating of A-1, which are readily marketable, will be purchased.
5. The Company may invest excess cash required for operating purposes in overnight “Sweep Accounts” provided by its bank. These accounts utilize repurchase agreements which must have collateral consisting of full faith agencies, and be collateralized at approximately 101% of market value.
6. The investment portfolio shall reflect a maturity policy consistent with the cash flow needs of the Company.

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Revised Policy Summary The Home Insurance Company (in liquidation)

General Guide to Maximum Commitment Size (1)

| | <u>Percentage of total portfolio (2)</u> |
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| Maximum asset allocation for a single issuer: | |
| • US Government and US Government Agency Obligations | No limit |
| • Corporate Bonds, Asset Backed, Mortgage Backed and Commercial Mortgage Backed (CMBS) (3): | |
| Triple A (S&P) or Aaa (Moody's) | 2.50% |
| Double A (S&P) or Aa (Moody's) | 2.00% |
| Single A (S&P and Moody's) | 1.25% |
| Triple B (S&P) or Baa (Moody's) | .50% (4) |
| • Commercial paper – Prime Moody's Rating of P-1, and S&P rating of A-1 | 2.50% |
| • Certificates of Deposit | 2.50% |
| Maximum asset allocation for an asset class: | |
| • US Government and US Government Agency Obligations | No limit |
| • Corporate | 40.0% |
| • Mortgage Backed | 25.0% |
| • Commercial Mortgage Backed (CMBS) | 5.0% |
| • Asset Backed | 25.0% |
| • Commercial paper – Prime Moody's Rating of P-1, and S&P rating of A-1 | No limit |
| • Certificates of Deposit | No limit |

- (1) The guidelines are based on percentages of the portfolio, and there may be a requirement to sell investments if the portfolio size decreases. In such circumstances, those responsible for selling investments will have 90 days to bring the portfolio into compliance with the guidelines.
- (2) Portfolio size is based on market value at prior month end.
- (3) The asset allocation will be based on the lower of the S&P or Moody's rating.
- (4) No more than 5% of the total portfolio may be invested in Triple B (S&P) or Baa (Moody's) securities.