

HENRY P. LENZ  
25 E. MADISON AVENUE  
FLORHAM PARK, NJ 07932-2605  
973-377-2949

September 28, 2006

Mr. William McGraw, Clerk of Court  
Merrimack County Superior Court  
163 North Street  
Concord, NH 03301

Re: Disputed Claim Docket No. 2006-HICIL-22  
Proof of Claim No. EMPL 17440  
Claimant Name: Henry P. Lenz

1 2006 OCT -2 A 11: 08  
NH SUPERIOR COURT  
MERRIMACK COUNTY

Dear Mr. McGraw:

My request is to "File a Motion to Reconsider" per instructions I received from Ms. Holton.

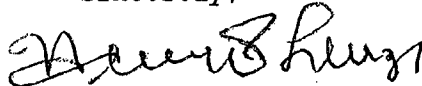
Attached is copy of my letter to Ms. Holton and my memo to Referee Rogers, both dated September 22, 2006.

For ready reference, attached are exhibits:

- No. 1: Referee Rogers Ruling dated September 11, 2006 forwarded by Ms. Holton's letter of September 18, 2006.
- No. 2: Letters dated August 25, 2006 and August 26, 2006 to Referee Rogers which were returned to me by the Post Office stamped "Attempted Not Known".
- No. 3: Letter dated August 5, 2006 as requested by Referee Rogers in telephone conference on August 4, 2006.
- No. 4: The Agreement in question dated June 19, 1981.

Thank you for your consideration. Please make it favorable - this is a settlement offer on a "small claim".

Sincerely,



Henry P. Lenz

CC: Thomas W. Kober, Esq. New York, N.Y. No Attachments  
Ms. Brooke Holton, Liquidation Clerk, Manchester, NH No Attachments

COPY

HENRY P. LENZ  
25 E. MADISON AVENUE  
FLORHAM PARK, NJ 07932-2605  
973-377-2949

September 28, 2006

~~Ms. Brooke Holton, Liquidation Clerk  
The Home Insurance Company in Liquidation  
P.O. Box 1210  
Manchester, NH 03101-1210~~

Disputed Claim Docket No. 2006-HICIL-22  
Proof of Claim No. EMPL 17440  
Claimant Name: Henry P. Lenz

Dear Ms. Holton:

*Hand* Thank you for today's telephone call regarding my letter of September 12, 2006 to you and the memo to Referee Rogers. I now understand that my letter to Referee Rogers is not in accordance with the Court's Procedures regarding claims.

Appreciated also is your giving me blow-by-blow instructions on how to use your Website. The letter to the Merrimack County Superior Court is attached without exhibits since they are in your file. Thanks again.

Sincerely,

Henry P. Lenz

HPL:K

CC: William McGraw, Clerk of Court

MERRIMACK COUNTY SUPERIOR COURT

1 2006 OCT -2 A 11:08

HENRY P. LENZ  
25 E. MADISON AVENUE  
FLORHAM PARK, NJ 07932-2605  
973-377-2949

**COPY** To William McGraw Clerk of Court  
Merrimack County Superior Court

FROM: H.P. Lenz Sept 28, 2006

September 22, 2006  
Certified Mail

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80

Ms. Brooke Holton, Liquidation Clerk  
286 Commercial Street  
P.O. Box 1210 The Home Insurance Company in Liquidation  
Manchester, NM 03101-1210

Disputed Claim Docket No.: 2006-HICIL-22  
Proof of Claim No.: EMPL 17440  
Claimant Name: Henry P. Lenz

Dear Ms. Holton:

Thank you for your letter of September 18, 2006 including the copy of Referee Roger's ruling.

Please transmit the copy of this letter and the attached memo to Referee Rogers for me. I ask this because I have written two letters dated 8-25-06 and 8-26-06 to her at this address which were returned to me by the Post Office as "Attempted Not Known". Thank you.

Sincerely,



Henry P. Lenz

HPL:K

CC: Referee Paula T. Rogers

COPY

To: Honorable Referee Paula T. Rogers  
From: Claimant Henry P. Lenz, #EMPL 17440  
Re: Referee's Ruling dated September 11, 2006

*ASH*  
SEP 2-2 2006  
2006 OCT -2 A 11:08  
MS SUPERIOR COURT  
MONTICELLO, MN

I understand your ruling and your decision to back the opinion of the Counsel of the Liquidator. I do not agree with the Counsel's reasoning that this 18 year old Iowa case is similar to my situation.

*ASH*

The Iowa case cited per your ruling states "the Court concluded that the payments former executive employees of Iowa National Mutual Insurance Company sought to recover were not properly within the classification for policyholder related claims, because that classification included only annuities issued by the insurer in the normal course of business".

Your ruling states "Mr. Lenz advances a cogent argument for classifying his claim as a Class II claim, essentially analogizing the nature of the additional distributions he should have received under Paragraph B. of the agreement to annuity payments under an insurance contract."

Again, I must disagree, I did not expect to receive my payment under the "annuity feature". Under your Formal Proceedings Section C:44 Class II states "annuity proceeds or investment values should be treated as loss claims". I was hanging my case on investment values not annuity proceeds.

What is my next step - to attempt to over rule the opinion of the Liquidator's Counsel, Thomas W. Kober, Esq.? I should have hired Counsel, but I thought I had a fixed winner, including the path that Mr. Kober traveled with me. How about bringing in Devine, Millet and Branch on my side?

P.S. I'm trying to learn to handle your Website. I should have tied my case to Lucent Docket No. 03-E-0106. They ended up getting \$9,737,517 of The Home's money. I was never involved in the Lucent account with The Home.

ExH #1

**Office of the Liquidation Clerk**  
The Home Insurance Company in Liquidation  
US International Reinsurance Company in Liquidation

286 Commercial Street, 3rd Floor  
P.O. Box 1210, Manchester, NH 03101-1210  
Telephone (603) 641-1211  
Fax (603) 622-0283  
www.hicilclerk.org

September 18, 2006

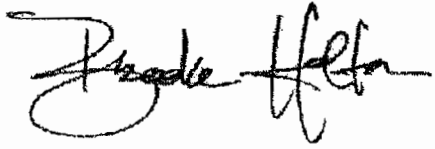
Mr. Henry P. Lenz  
25 E. Madison Avenue  
Florham Park, NJ 07932-2605

**Disputed Claims Docket Number:** 2006-HICIL-22  
**Proof of Claim Number:** EMPL17440  
**Claimant Name:** Henry P. Lenz

Dear Mr. Lenz:

Enclosed please find a copy of the Referee's ruling regarding your disputed claim.

Very truly yours,



Brooke Holton  
Liquidation Clerk

File Copy

**Henry P. Lenz**

Exhibits  
# 1 thru 4

2006 OCT -2 A 11: 08  
NH SUPERIOR COURT  
MANCHESTER, NH

COPY

ExH, # 1  
Cont

THE STATE OF NEW HAMPSHIRE

MERRIMACK, SS.

SUPERIOR COURT

BEFORE THE COURT-APPOINTED REFEREE  
IN RE THE LIQUIDATION OF THE HOME INSURANCE COMPANY  
DISPUTED CLAIMS DOCKET

In Re Liquidator Number: 2006-HICIL-22  
Proof of Claim Number: EMPL17440  
Claimant Name: Henry P. Lenz

REFEREE'S RULING

This disputed claim is initiated by Mr. Henry P. Lenz, a retired senior executive of The Home Insurance Company ("Home"), who provided many years of distinguished and dedicated service to the Home enterprise. Mr. Lenz disagreed with the Liquidator's classification of his claim as a Class V claim and therefore instituted this disputed claim proceeding.

Mr. Lenz's claim arises from an agreement, apparently unique, executed between Home and Mr. Lenz approximately three years before Home went into run-off. The agreement imposed two principal obligations upon Home. The first, which covered apportionment and distribution to Mr. Lenz of amounts held in his deferred compensation account over a ten (10) year post-retirement period, has been satisfied. At issue in this dispute is the second part of the agreement, obligating Home to boost the Claimant's "Home Insurance Retirement Plan" income by factoring the previously mentioned deferred compensation payments into the calculation of his entitlement under that plan. It is the failure of Home to follow through on this enhancement that under-girds this dispute.

As a threshold matter, the Referee is asked to determine whether Mr. Lenz's proof of claim is properly classified as a Class II or Class V claim. This threshold determination is of importance because great uncertainty pertains as to whether distributions in the Home estate will extend further than Class II claimants.

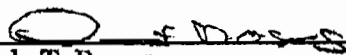
The Referee has reviewed Mr. Lenz's Section 15 submission. Recognizing that to qualify for Class II assignment claims must be "policy related claims", Mr. Lenz advances a cogent argument for classifying his claim as a Class II claim, essentially analogizing the nature of the additional distributions he should have received under Paragraph B. of the agreement to annuity payments under an insurance contract. Apparently advanced without assistance of counsel, this construction is not unimpressive. However, the Referee's misgivings over cloaking what more logically presents as an employee contract with the trappings of an insurance contract are nicely captured in the case cited by counsel for the Liquidator. In that case, *State of Iowa ex rel. William B. Hager, etc. v. Iowa National Mutual Insurance Company, et al.*, 430 N.W. 2d 420 (1988), the Iowa

Supreme Court rejected the analogy advanced by Mr. Lenz. There, the Court concluded that the payments former executive employees of Iowa National Mutual Insurance Company sought to recover were not properly within the classification for policyholder related claims, because that classification included only "annuities issued by the insurer in the normal course of business". The Court drew clear distinction between an insolvent insurance company's obligations to its insureds under policies of insurance and other obligations that such insurer might have to its employees.

Because the Referee finds no reason to take issue with the Iowa Supreme Court's analysis and holding in the referenced case, the Referee finds it necessary to affirm the Liquidator's classification of Mr. Lenz's claim as a Class V claim.

So ruled:

Dated: September 11 2006

  
\_\_\_\_\_  
Paula T. Rogers  
Referee

HENRY P. LENZ  
25 E. MADISON AVENUE  
FLORHAM PARK, NJ 07932-2605  
973-377-2949

ExH. # 2

COPY

August 25, 2006

Honorable Paula T. Rogers  
Referee, HICIL  
286 Commercial Street  
Manchester, N.H. 03101

Re: Liquidator No. 2006-HICIL-22  
Proof of Claim No. EMPL 17440  
Telephone Conference August 4, 2006  
Agreement Dated June 19, 1981

Dear Honorable Referee:

Thomas W. Kober, Esq. was kind enough to send me a copy of his 8-18-06 document to you. I know it's not my position to comment on his findings to you.

However, I can't help being "critical" at times. I believe the hours spent clocking time under Class I exceed the value of my suggested settlement. A comment of no value. Sorry.

Sincerely,

Henry P. Lenz

HPL:K

NEW JERSEY  
SUPERIOR COURT  
FLORHAM PARK COUNTY  
CLERK OF COURT

2006 OCT - 2 A 11: 08



EXH 2  
CONF  
COPY

HENRY P. LENZ  
25 E. MADISON AVENUE  
FLORHAM PARK, NJ 07932-2605

August 26, 2006

Honorable Paula T. Rogers  
Referee, HICIL  
286 Commercial Street  
Manchester, NH 03101

Re: Liquidator No. 2006-HICIL-22  
Proof of Claim EMPL-N7440  
Telephone Conference-August 4, 2006  
Agreement Dated June 19, 1981

Dear Honorable Referee:

Yesterday, I wrote you that "it's not my position to comment on (T.W.Kober's) findings to you". I withdraw that observation since he commented on my August 5, 2006 submission - on Page 3 of his report. I never stated I believed my payments constitute annuity proceeds owed under an annuity policy. My quote was from Class II that "annuity proceeds or investment values shall be treated as loss claims". The key word is OR - investment values - my interest payments. I do not consider my 6-19-81 agreement an annuity.

To compare my case with 36 employees with deferred compensation contracts that aggregate more than 1.9 million dollars is stretching law and equity to an extreme limit.

If he will check the Home Retirement Plan he will come across a feature which states that you (the employee) are not required, or even allowed, to make contributions to the plan. That is why I believe my agreement is not labeled Deferred Compensation and that is why I feel it is not a retirement benefit but interest money under loss claim - Class II.

Sincerely,

Henry P. Lenz

HPL:K  
CC: Thomas W. Kober, Esq.  
Enc. copy of 8-25-06 letter

HENRY P. LENZ  
25 E. MADISON AVENUE  
FLORHAM PARK, NJ 07932-2605  
973-377-2949

Ex 4. #3

COPY

Honorable Paula T. Rogers  
Referee, HICIL  
286 Commercial Street  
Manchester, N.H. 03101

Re: Liquidator No. 2006-HICIL-22  
Proof of Claim No. EMPL 17440  
Telephone Conference August 4, 2006  
Agreement Dated June 19, 1981

2006 OCT -2 A 11:09  
SUPERIOR COURT  
CLERK OF SUPERIOR COURT  
August 5, 2006

Dear Honorable Referee:

Thank you for giving me the opportunity to speak with you and your associates yesterday.

I do not consider the "Agreement" a supplemental retirement benefit. The monthly \$689.72 payment was not a retirement differential benefit, it was for interest earned on the money withheld by The Home. I estimate the lifetime payout for me and my wife would exceed \$70,000 from 1-1-07. Attached is note to Mr. Kober dated 7-4-06 offering a lump sum settlement of \$29,657.96 (see Exhibit 2) minus the \$50 deductible. The last payment of the deferred compensation 10 year payoff ended 12-31-97.

I wrote to Mr. Morton of REM for a lump sum payout on the interest but he declined same. This correspondence is in your file. I had a feeling REM was leading The Home to a liquidation course. I withdrew my medical coverage from The Home many years ago. I also lost the life insurance benefit but I did not make an issue of this.

I believe I should be considered Class II not Class V. Under the Formal Proceedings Section 402-C:44 Class II states "annuity proceeds or investment values shall be treated as loss claims." That I believe is my situation.

It has always been my goal to keep my letters/memos to one page. For additional information I use the exhibit route if the reader is interested. Attached are Exhibits 3 to 6 for background information.

Sincerely,

HPL:K  
Enc.

Henry P. Lenz

COPY

AGREEMENT

1. Ex H. # 4

Agreement dated June 19, 1981 between The Home Insurance Company (the "Home") and Henry P. Lenz ("Lenz").

1. Lenz is currently employed by the Home as Executive Vice President and hereby elects to defer \$2,269.23 each pay period of any base salary compensation which shall become payable to him. The deferral shall commence with the pay period beginning June 22, 1981. Lenz may also elect to defer all or any part of the amount that may be payable under the Incentive Bonus Plan of the Home or any additional salary by giving written notice to the Home on or before December 15 of the year prior to the year in which the incentive bonus or salary is earned.

2. Home shall credit Lenz with all amounts deferred under paragraph 1 above and, in addition, shall credit his account with interest on the deferred amount. The Retirement Plan Committee of The Home Insurance Company Retirement Plan (the "Committee") shall, in its sole discretion, determine from time to time, the amount of interest credit. Lenz shall not be entitled to receive the amounts credited to his account during the deferral period.

3. Home will pay to Lenz the following amounts on the dates indicated:

A. Commencing on the first day of the month following his termination from employment at the Home, in 120 monthly installments, an amount each month equal to 1/120 of the amount held in the Deferred Compensation Account on the date of such termination, appropriately increased annually to reflect the interest credit provided in paragraph 2; and

B. Monthly payments equal to the difference between (a) Lenz's monthly retirement income as computed under "The Home Insurance Company Retirement Plan" (adjusted to reflect any elections thereunder) and based on his total salary, including amounts paid to him on a then current basis and amounts deferred under this Agreement and (b) Lenz's monthly retirement income computed on the same basis under "The Home Insurance Company Retirement Plan" and based solely on that portion of his salary paid on a then current basis. Monthly payments under this subparagraph 3 B shall commence with the first,

and terminate with the last, monthly installment of retirement income payable to Lenz under "The Home Insurance Company Retirement Plan."

4. If Lenz's employment is terminated by reason of death, or in the event of his death during the 120 month payment period referred to in paragraph 3, the unpaid balance in the Deferred Compensation Account shall be paid in one lump sum payment to his estate. On his death, Lenz's spouse, if she survives him, shall also receive monthly payments equal to the difference between (a) the monthly retirement income she would receive as a surviving spouse computed under "The Home Insurance Company Retirement Plan" (adjusted to reflect any adjustments thereunder) and based on Lenz's total salary, including amounts paid to Lenz on a current basis and amounts deferred under this Agreement and (b) the monthly retirement income she would receive as a surviving spouse computed on the same basis under "The Home Insurance Company Retirement Plan" and based solely on that portion of Lenz's salary paid on a then current basis. Monthly payments under this paragraph 4 shall commence with the first, and terminate with the last, monthly installment of retirement income payable to Lenz's surviving spouse under "The Home Insurance Company Retirement Plan."

5. The Committee shall have full power and authority to interpret and construe this agreement and the Committee's interpretations and construction thereof shall be binding and conclusive on all parties.

6. The Committee shall have the right, for good cause, and in the sole discretion, to vary the manner and time of making the installment distributions provided in paragraph 3 A of this agreement.

7. The rights of Lenz or any other person to the payment of benefits under this agreement shall not be assigned, transferred, pledged or encumbered except by will or by the laws of descent and distribution and except for assignments by Lenz to his spouse or members of his immediate family or to a trust established by him for such family members.

8. Nothing contained herein shall be construed as conferring upon Lenz the right to continue in the employ of the Home.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed on the date first above written.

THE HOME INSURANCE COMPANY

Attest Timothy P. Blair  
Secretary

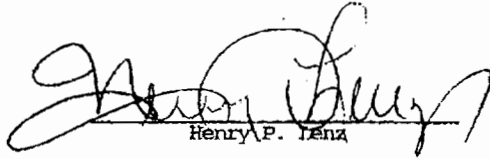
Dated June 19, 1981

BY [Signature]

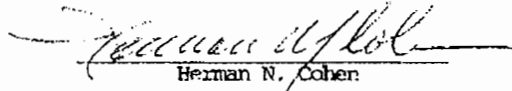
[Signature]  
Henry R. Lenz

The Agreement made on June 19, 1981 between The Home Insurance Company (The "Home") and Henry P. Lenz ("Lenz") is hereby amended as follows:

Home will pay to Lenz the installments indicated in clause 3A beginning January 1, 1988 or thereafter.

  
Henry P. Lenz

4/3/85  
Date

  
Herman N. Cohen