

THE STATE OF NEW HAMPSHIRE

MERRIMACK, SS.

SUPERIOR COURT

Docket No. 217-2003-EQ-00106

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

[PROPOSED]

**ORDER APPROVING SECOND INTERIM DISTRIBUTION
TO CLAIMANTS WITH ALLOWED CLASS II CLAIMS**

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 interim distribution to claimants with allowed Class II claims pursuant to RSA 402-C:46, I, and of the supporting Affidavit of Peter A. Bengelsdorf, Special Deputy Liquidator, it is hereby ORDERED as follows:

1. The proposed second interim distribution is reasonable, prudent and in accordance with RSA 402-C:46, I.

2. The Liquidator's Motion for Approval of Second Interim Distribution to Claimants with Allowed Class II Claims is GRANTED, and the proposed second interim distribution of ten (10) percent is APPROVED.

3. The second interim distribution shall be made to claimants, or their assignees, with Class II priority claims under RSA 402-C:44 allowed by the Court through the end of the month in which the waiver of federal priority claims provided for in paragraph 7 below is received. The second interim distribution shall be made to claimants with subsequently approved Class II claims following each subsequent June 30 and December 31 with respect to claims allowed during the six month period preceding that date.

4. The portion of guaranty association early access distributions previously made that is equal to the second interim distribution shall no longer be subject to recovery by the Liquidator pursuant to the Early Access Distribution Agreement.

5. In accordance with RSA 402-C:44, the first \$50 of the allowed amount on each claim shall be deducted from the claim (except for claims of insurance guaranty associations).

6. The second interim distribution to a claimant shall be subject to any setoff the Liquidator has against the claimant.

7. The second interim distribution is subject to 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.

So Ordered.

Dated: _____

Presiding Justice