

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**

**LIQUIDATOR'S MOTION FOR APPROVAL OF
SETTLEMENT AGREEMENT WITH WTM I COMPANY**

Roger A. Sevigny, Insurance Commissioner for the State of New Hampshire, as Liquidator ("Liquidator") of The Home Insurance Company ("Home"), moves that the Court enter an order in the form submitted herewith approving a Settlement Agreement and Mutual Release ("Settlement Agreement") between WTM I Company (the "Company") and the Liquidator. The Company is a Chapter 11 debtor and debtor-in-possession in the United State Bankruptcy Court for the Eastern District of Virginia (the "Bankruptcy Court"). Settlement Agreement, fifth Whereas clause. As reasons therefor, the Liquidator states as follows:

1. The Settlement Agreement was negotiated under the supervision of the Special Deputy Liquidator. Affidavit of Peter A. Bengelsdorf in Support of Motion for Approval of Settlement Agreement with WTM I Company ("Bengelsdorf Aff.") ¶ 2. A copy of the Settlement Agreement is attached hereto as Exhibit A. The Settlement Agreement is subject to approval by the Court. Settlement Agreement ¶ 1. Bengelsdorf Aff. ¶ 4.

2. Home issued eleven insurance policies to Philip Morris, Inc. ("PMI"), under which the Company is a named insured, for policy periods between January 1, 1977 and January 1, 1986. Settlement Agreement, first Whereas clause. Upon Home's placement in liquidation, the Company filed a proof of claim in the Home liquidation regarding claims under the policies, including but not limited to a claim for coverage of an environmental property

damage claim. See Settlement Agreement, third Whereas clause. (The proof of claim, together with any other proof of claim by the Company are the “proofs of claim.”) Settlement Agreement, third Whereas clause. Bengelsdorf Aff. ¶ 3.

3. The Liquidator and the Company have negotiated a Settlement Agreement reflecting a resolution of the proofs of claim. The Settlement Agreement is subject to authorization by the Bankruptcy Court and approval by the Court. Settlement Agreement ¶ 1. The Bankruptcy Court authorized the settlement on January 28, 2015. A copy of the Bankruptcy Court’s order is attached to the Bengelsdorf Affidavit as Exhibit 1.

4. The Settlement Agreement provides that the Liquidator will recommend allowance of the proofs of claim in the aggregate amount of \$1,260,000 as a Class II priority claim of the Company under RSA 402-C:44. Settlement Agreement ¶ 2(A). Allowance of the recommended amount as a Class II claim will fully and finally resolve the proofs of claim. Id. ¶2(B). Distributions based on that allowance will be made at the same intervals and at the same percentages as distributions to other Class II creditors of Home. Id. ¶ 2(C). Bengelsdorf Aff. ¶ 5.

5. The Settlement Agreement is intended to resolve the proofs of claim and all claims the Company has under the policies. Settlement Agreement, fourth Whereas clause, ¶ 2(B). To that end, the Settlement Agreement provides for mutual releases of all claims among the Liquidator, Home and the Company arising from or related to the proofs of claim or the policies. Id. ¶¶ 3, 4. The Liquidator also agrees not to pursue claims against the Company’s other insurers that agree not to pursue such claims against Home, and the Company agrees to use reasonable efforts to obtain such agreements in connection with settlements with other insurers. Id. ¶ 8. The Settlement Agreement and the releases therein do not in any way affect any rights or claims of PMI. Id. ¶ 6. Bengelsdorf Aff. ¶ 6.

6. The Liquidator is not aware of any unresolved proofs of claim that have been submitted in relation to the policies and the Company. Settlement Agreement, ¶ 7. However, in resolving all matters relating to the proofs of claim, the Settlement Agreement contemplates denial of any third party claimants' claims in the Home liquidation without prejudice to their claims against the Company. Accordingly, the Company agrees to address, at its sole cost, the claims of claimants against the Company as if the Company had no insurance coverage from Home under the policies. The Company also agrees to indemnify and hold the Liquidator and Home harmless from all claims arising from or relating to the policies, including asserted rights of third party claimants, up to the amount ultimately distributed or distributable to the Company. Id. Bengelsdorf Aff. ¶ 7.

7. The denial of any third party claimants' proofs of claim without prejudice to their claims against the Company will not harm the third party claimants, who will continue to have their claims against the Company, subject to the Company's bankruptcy plan. As noted above, the Company has agreed to address these claims as if it had no insurance coverage from Home under the policies. Settlement Agreement ¶ 7. Third party claimants' proofs of claim against the insolvent Home, if not denied with this agreement, would release the Company from those claims up to the limits of the policies but only entitle the third party claimants (assuming their claims were allowed) to the 15% interim distribution and any later distribution at a presently undetermined percentage at the future date when distribution is made. It is not expected that the allowed claims of any third party claimants or other Class II creditors will be paid in full. Under the Settlement Agreement, the Company will continue to be responsible for any third party claimants' claims against it in accordance with the terms of the Company's bankruptcy plan. See, id. Bengelsdorf Aff. ¶ 8.

8. The Settlement Agreement reflects a compromise of the claims asserted in the proof of claim. It is the result of negotiations involving the Claims Department, under my supervision, which has extensive experience in assessing the exposure presented by environmental property damage claims under Home's insurance policies. The agreed recommended settlement amount is based on careful evaluation and negotiation of coverage obligations under Home's policies respecting the underlying liabilities of the Company. The Liquidator accordingly recommends approval of the Settlement Agreement and allowance of the \$1,260,000 recommended amount as a Class II claim of the Company in accordance with RSA 402-C:45 and RSA 402-C:44. Bengelsdorf Aff. ¶ 9.

9. The Court has previously approved similar settlement agreements. See, e.g., Order Approving Settlement Agreement with Washington Gas (July 15, 2013); Order Approving Settlement Agreement with Wisconsin Energy (March 18, 2010); Order Approving Settlement Agreement with Straits Steel (May 3, 2009); Order Approving Commutation Agreement with Northwestern National Insurance Company and Settlement Agreement and Assignment of Distribution with AK Steel Corporation (March 10, 2006). The Liquidator's negotiation and the Court's approval of such agreements are authorized by the broad authority of the Liquidator to "compound, compromise or in any other manner negotiate the amount for which claims will be recommended to the court," RSA 402-C:45, I, and the authority of the Court to "approve, disapprove or modify any report on claims by the liquidator." RSA 402-C:45, II. It is also an appropriate exercise of the Liquidator's authority ("[s]ubject to the court's control") to "do such other acts . . . as are necessary or expedient for the accomplishment of or in aid of the purpose of liquidation." RSA 402-C:25, XXII.

10. In his Motion for Approval of Commutation with Northwestern National Insurance Company and Settlement Agreement and Assignment of Distribution with AK Steel

Corporation ¶¶ 19-23 (February 16, 2006), the Liquidator provided his analysis of New Hampshire law, including RSA 402-C:40 III, as it applies to this type of comprehensive policy coverage compromise and settlement in an insurer liquidation context. That analysis also applies to the proposed Settlement Agreement with WTM I Company.

11. The Liquidator submits that the Settlement Agreement is fair and reasonable and in the best interests of the policyholders and creditors of Home. See Bengelsdorf Aff. ¶ 10.

WHEREFORE, the Liquidator respectfully requests that this Court:

- A. Grant this Motion;
- B. Enter an Order in the form submitted herewith approving the Settlement Agreement, approving the Liquidator's claim recommendation, and allowing the Company's claim as a Class II claim in the aggregate amount of \$1,260,000; and
- C. Grant such other and further relief as justice may require.

Respectfully submitted,

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

By his attorneys,

JOSEPH A. FOSTER
ATTORNEY GENERAL

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Civil Bureau
New Hampshire Department of Justice
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160 Federal Street
Boston, MA 02110
(617) 542-2300

February 13, 2015

Certificate of Service

I hereby certify that a copy of the foregoing Liquidator's Motion for Approval of Settlement Agreement with WTM I Company, the Affidavit of Peter A. Bengelsdorf, and the Proposed Order, were sent, this 13th day of February, 2015, by first class mail, postage prepaid to all persons on the attached service list.



Eric A. Smith
NH Bar ID No. 16952

THE STATE OF NEW HAMPSHIRE

MERRIMACK, SS.

SUPERIOR COURT

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Docket No. 03-E-0106

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SETTLEMENT AGREEMENT AND MUTUAL RELEASE

This Settlement Agreement and Mutual Release (“Settlement Agreement”) is made as of this ___ day of _____, 2014, by and between WTM I Company (“Claimant”), on the one hand, and Roger A. Sevigny, Insurance Commissioner of the State of New Hampshire, solely in his capacity as Liquidator (“Liquidator”) of The Home Insurance Company (“Home”), on the other hand (the Claimant and the Liquidator are hereinafter referred to collectively as the “Parties”).

WHEREAS, Home issued the following insurance policies under which Claimant is a named insured:

<u>Policy Number</u>	<u>Policy Period</u>
HEC 9328880	1/1/77-1/1/78
HEC 9693722	1/1/78-1/1/79
HEC 9826397	1/1/79-1/1/80
HEC 1203418	1/1/81-1/1/82
HEC 1203578	1/1/81-1/1/82
HEC 1199320	1/1/82-1/1/85
HEC 1199321	1/1/82-1/1/83
HXL1574284	1/1/84-1/1/85
HXL1574285	1/1/84-1/1/85
HXL1639196	1/1/85-1/1/86
HXL1639189	1/1/85-1/1/86

which together with all other insurance policies Home may have issued under which Claimant is a named insured are defined collectively as the “Policies”;

WHEREAS, Home is being liquidated pursuant to the June 13, 2003 Order of the Superior Court of the State of New Hampshire, Merrimack County (the “Liquidation Court”), pursuant to which the Liquidator was appointed as the Liquidator of Home;

WHEREAS, Claimant has submitted a claim in the Home liquidation that has been assigned proof of claim number INSU701409 which together with any other proof of claim

hereinbefore or hereinafter filed by Claimant in the Home liquidation are defined collectively as the "Proofs of Claim";

WHEREAS, the Parties are desirous of resolving all claims that were asserted, or could have been or could be asserted, between them and resolving all matters concerning the Proofs of Claim and all rights and obligations as to Claimant with respect to the Policies;

WHEREAS, Claimant is a Chapter 11 debtor and debtor-in-possession in the United States Bankruptcy Court for the Eastern District of Virginia (the "Bankruptcy Court"), and its Chapter 11 bankruptcy case is jointly administered as Case No. 08-36642.

WHEREAS, the Parties agree that this Settlement Agreement is subject to and conditioned upon its approval by the Liquidation Court and allowance of the Recommended Amount (as defined below) in the Home liquidation, and in the event that the Liquidation Court does not approve this Settlement Agreement and allow the Recommended Amount, this Settlement Agreement shall be null and void and without any force or effect;

WHEREAS, the Parties also agree that this Settlement Agreement is subject to and conditioned upon the Bankruptcy Court authorizing Claimant to enter into this Settlement Agreement, and in the event that the Bankruptcy Court does not authorize Claimant to enter into this Settlement Agreement, this Settlement Agreement shall be null and void and without any force or effect.

NOW, THEREFORE, in consideration of all the respective transactions contemplated by this Settlement Agreement, and the mutual covenants and representations herein contained, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. Effectiveness. This Settlement Agreement is conditioned and shall only become effective (the "Effective Date") upon approval by the Liquidation Court and authorization by the Bankruptcy Court.

The Liquidator shall move the Liquidation Court for approval of this Settlement Agreement promptly following its execution by all Parties and notice from Claimant to the Liquidator that the Bankruptcy Court has authorized Claimant to enter into the Settlement Agreement.

2. Recommendation, Allowance, and Classification of Claims.

- A. Subject to all the terms of this Settlement Agreement, and with the agreement of Claimant, which by Claimant's execution hereof is hereby granted, the Liquidator shall recommend pursuant to N.H. RSA 402-C:45 that the Proofs of Claim be allowed in the amount of \$1,260,000 (one million two hundred and sixty thousand dollars) (the "Recommended Amount") as a Class II priority claim under N.H. RSA 402-C:44. The Liquidator shall seek allowance of the Recommended Amount as a Class II priority claim by the Liquidation Court in the Liquidator's motion for approval of this Settlement Agreement.
- B. Allowance of the Recommended Amount as a Class II claim by the Liquidation Court shall fully and finally resolve the Proofs of Claim and any and all claims of whatever nature that Claimant has under the Policies. In the event that the Liquidation Court does not allow the Recommended Amount as a Class II claim, or the Bankruptcy Court does not authorize Claimant to enter this Settlement Agreement, this Settlement Agreement shall be null and void and shall have no force and effect and the Parties will be returned to *status quo ante*,

as if no such agreement was ever reached, with this Settlement Agreement thereafter being inadmissible for any purpose in any dispute between the Parties.

- C. If and when the Liquidation Court allows the Recommended Amount as a Class II claim, Claimant will become a Class II creditor in the Home liquidation pursuant to N.H. RSA 402-C:44, and Claimant shall, subject to this Settlement Agreement, receive distributions on the Recommended Amount at the same intervals and at the same percentages as other Class II creditors of Home. All distributions to Claimant shall be made to WTM I Company.

3. Release by Claimant. Subject to the terms of this Settlement Agreement and the Liquidation Court's approval of the Recommended Amount as an allowed Class II claim, Claimant for itself and on behalf of each of its respective officers, directors, employees, agents, attorneys, subsidiaries, affiliates, predecessors, and their successors and assigns, irrevocably and unconditionally releases and discharges the Liquidator and Home and each of their respective officers, directors, employees, agents, attorneys, subsidiaries, affiliates, predecessors, successors, and assigns (including any trustee or other statutory successor), from any and all actions, causes of action, liabilities, adjustments, obligations, offsets, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, premiums, losses, salvage, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, extents, executions, claims, and/or demands, arising from or related to the Proofs of Claim or the Policies, in law, admiralty, or equity, which Claimant, or its subsidiaries, affiliates, predecessors, successors, and assigns, ever had, now have, or hereafter may have against the Liquidator or Home or their respective officers, directors, employees, agents, attorneys, subsidiaries, affiliates,

predecessors, successors, and assigns, all whether known or unknown, suspected or unsuspected, fixed or contingent, in law, admiralty or equity, arising from or related to the Proofs of Claim or the Policies.

4. Release by Liquidator. Subject to the terms of this Settlement Agreement and the Liquidation Court's approval of the Recommended Amount as a Class II claim, the Liquidator, in his capacity as such, and on behalf of Home and each of their respective officers, directors, employees, agents, attorneys, subsidiaries, affiliates, predecessors, and their successors and assigns, irrevocably and unconditionally releases and discharges Claimant and each of its respective officers, directors, employees, agents, attorneys, subsidiaries, affiliates, predecessors, successors, and assigns, from any and all actions, causes of action, liabilities, adjustments, obligations, offsets, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, premiums, losses, salvage, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, extents, executions, claims, and/or demands, arising from or related to the Proofs of Claim or the Policies as applied to Claimant, in law, admiralty, or equity, which the Liquidator, Home, or their subsidiaries, affiliates, predecessors, successors, and assigns, ever had, now have, or hereafter may have against Claimant or its respective officers, directors, employees, agents, attorneys, subsidiaries, affiliates, predecessors, successors, and assigns, all whether known or unknown, suspected or unsuspected, fixed or contingent, in law, admiralty or equity, arising from or related to the Proofs of Claim or the Policies as applied to Claimant.

5. Releases Do Not Extend To Obligations Under This Agreement. The releases set forth above are not intended to, and shall not, extend to or otherwise release or discharge any

rights, privileges, benefits, duties, or obligations of any of the Parties by reason of, or otherwise arising under, this Settlement Agreement.

6. Philip Morris Not a Claimant. Notwithstanding anything else herein, because the Policies subject to this Settlement Agreement were issued to Philip Morris, Inc. (“PMI”), and Claimant constituted a named insured under such Policies, it is understood and agreed that this Settlement Agreement and the releases provided hereunder do not affect or include any rights or claims that PMI (or its successors or assigns) has or may ever have under the Policies.

7. Resolution of Matters and Indemnification. Claimant acknowledges that this Settlement Agreement is intended to resolve all matters arising out of or relating to any rights Claimant ever had, now has or hereafter may have in the Policies and the Proofs of Claim, including any asserted rights of third-party claimants against Claimant under the Policies, and Claimant agrees to address, at its sole cost and expense, any such claims of third-party claimants against Claimant as if there had been no Home liquidation proceeding and as if Claimant had no insurance coverage from Home by virtue of the Policies. In consideration of the Recommended Amount being allowed by the Liquidation Court as a Class II claim, Claimant agrees to indemnify and hold the Liquidator and Home harmless from and against any and all claims, losses, liabilities, debts, damages, costs or expenses arising from or related to the Proof of Claim or the Policies and such indemnification shall be capped at the total amount ultimately distributed or distributable to Claimant as authorized by the Liquidation Court in relation to the Recommended Amount. The future obligations of Claimant under this paragraph shall extend to and include (by way of example and not limitation) any claims for defense or indemnity for claims made under the Policies against the Liquidator or Home by vendors, by other insurers of Claimant, or by any individuals or entities asserting “direct action” claims arising out of or

related to the Policies (hereafter, "Indemnified Claims."). Notwithstanding the foregoing, the indemnity provided herein shall not extend to the salaries and costs of officers, agents and employees of the Liquidation and/or Home in connection with Indemnified Claims. The Liquidator shall (a) promptly notify Claimant of any such claim and shall afford Claimant the opportunity to reasonably participate in the defense of such claims, (b) provide Claimant with copies of any proof of claim, notice, demand, summons, complaint, or other service of process received by the Liquidator or by Home with respect to such Indemnified Claim, (c) notify Claimant of any developments with respect to such Indemnified Claim that may be material to Claimant's indemnity obligation under this paragraph, and (d) advise Claimant of any settlement in principal, award, or judgment that may be material to Claimant's indemnity obligation under this paragraph. The Liquidator shall assert all defenses to such claims reasonably available to the Liquidator, including defenses under the Order of Liquidation or the New Hampshire Insurers Rehabilitation and Liquidation Act. Claimant shall cooperate with the Liquidator (including but not limited to the provision of affidavits or testimony) to defend against and resolve such claims. Notwithstanding anything to the contrary in this paragraph, the only recourse against Claimant for satisfaction of its obligations under this paragraph shall be solely from setoff(s) against distributable amounts that otherwise would be paid to Claimant and distributions Claimant receives concerning the Recommended Amount. The Liquidator represents that he has reviewed the proofs of claims submitted in the Home Liquidation and that as of the date this Settlement Agreement is signed on its behalf, it is aware of no other unresolved proofs of claim that have been submitted in relation to the Policies.

8. Mutual Release of Settling Carriers. Claimant agrees to use reasonable commercial efforts to cause any settlement agreement relating to the underlying matters covered

by the Proofs of Claim with any other insurance company to include a waiver by that other insurance company of any claim, including contribution, apportionment, indemnification, subrogation, equitable subrogation, allocation, or recoupment, against Home regarding the underlying matters covered by the Proofs of Claim. The Liquidator agrees to waive, relinquish and release any claim, including contribution, apportionment, indemnification, subrogation, equitable subrogation, allocation, or recoupment, as to the underlying matters covered by the Proofs of Claim against any other insurance company which executes a settlement with Claimant that includes a provision that is materially the same as this paragraph.

9. No Assignments. Claimant warrants and represents that it has not assigned, conveyed, or otherwise transferred any claims, demands, causes of action, rights, or obligations related in any way to the Policies, or any proceeds thereof, or the Proofs of Claim, or the claims, losses and expenses released herein, to any person or entity. Claimant shall not assign or otherwise transfer this Settlement Agreement or any rights or obligations thereunder without the written consent of the Liquidator, which consent shall not be unreasonably withheld.

10. Further Assurances. The Parties shall take all further actions as may be necessary to carry out the intent and purpose of this Settlement Agreement and to consummate the transactions contemplated herein.

11. Governing Law and Venue. This Settlement Agreement shall be governed by and construed in accordance with the laws of the State of New Hampshire without regard to the conflicts of law provisions thereof. The Parties agree that the exclusive venue for any dispute between the Parties arising out of this Settlement Agreement shall be the Liquidation Court.

12. Due Diligence. The Parties acknowledge and agree that, in negotiating and executing this Settlement Agreement, they have relied upon their own judgment and upon the

recommendations of their own legal counsel, that they have read this Settlement Agreement and have had the opportunity to consider its terms and effects, and that they have executed this Settlement Agreement voluntarily and with full understanding of its terms and effects. This Settlement Agreement is the product of negotiations between the Parties. No Party shall be charged with having promulgated this Settlement Agreement, and the general rule that ambiguities are to be construed against the drafter shall not apply to this Agreement.

13. No Third Party Rights. This Settlement Agreement is entered into solely for the benefit of the Liquidator, Home, Claimant, and the other entities and individuals expressly identified in Paragraphs 3 and 4, and is not intended to, and does not give or create any rights to or in any other person or entity.

14. Counterparts. This Settlement Agreement may be executed in multiple counterparts, each of which, when so delivered, shall be an original, but such counterparts shall together constitute one and the same instrument. The Parties agree that a signature sent by facsimile or electronic mail to the other Party shall have the same force and effect as an original signature.

15. Power and Authority to Execute. Subject to the approval of the Liquidation Court and the authorization of the Bankruptcy Court required by paragraph 1, each Party hereto represents and warrants that it has the full power and authority to execute, deliver, and perform this Settlement Agreement; that all requisite and necessary approvals have been obtained to consummate the transactions contemplated by this Settlement Agreement; that there are no other agreements or transactions to which it is a party that would render this Settlement Agreement or any part thereof, void, voidable or unenforceable; that each individual signing on behalf of a Party has been duly authorized by that Party to execute this Settlement Agreement on its behalf;

and that no claims being released under the terms of this Settlement Agreement have been assigned, sold, or otherwise transferred to any other entity.

16. Successor-in-Interest Bound. This Settlement Agreement shall be binding upon, and shall inure to the benefit of the Parties and their respective officers, directors, employees, agents, attorneys, liquidators, receivers, administrators, successors, and assigns.

17. Entire Agreement. This Settlement Agreement constitutes the entire agreement and understanding between the Parties with respect to the subject matter thereof. This Settlement Agreement supersedes all prior agreements and understandings, whether written or oral, concerning such matters.

18. Survival of Warranties and Representations. The warranties and representations made herein shall survive the execution of this Settlement Agreement.

19. Validity of Settlement Agreement. Subject to approval of this Settlement Agreement by the Liquidation Court and the authorization of the Bankruptcy Court required by paragraph 1, each Party represents and warrants that this Settlement Agreement is a legal, valid, and binding obligation, enforceable in accordance with its terms.

20. No Waiver. No waiver of any right under this Settlement Agreement shall be deemed effective unless contained in a writing signed by the Party or an authorized representative of the Party charged with such waiver, and no waiver of any breach or failure to perform shall be deemed to be a waiver of any future breach or failure to perform or of any other provision of this Settlement Agreement. This Settlement Agreement may not be amended except in a document signed by the Party or an officer or other authorized official of the Party to be charged.

21. Notice. All notices to be given under this Settlement Agreement shall be given by facsimile and first class U.S. mail directed to:

If to Claimant, to:

WTM I Company
J.P. Causey Jr.
Box 7
West Point, VA 23181

and

Nancy K. Peterson
William H. Harbeck
Quarles & Brady LLP
411 East Wisconsin Avenue, Suite 2350
Milwaukee, WI 53202

If to the Liquidator, to:

Thomas W. Kober, Chief Claims Officer
The Home Insurance Company in Liquidation
61 Broadway 6th Floor
New York, New York 10006
Fax: 212-299-3824

and

J. Christopher Marshall
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New Hampshire Department of Justice
33 Capitol Street
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Fax: 603-271-2110

and


J. David Leslie, Esq.
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160 Federal Street
Boston, MA 02110-1700
Fax: 617-542-7437

22. Severability. If any provision of this Settlement Agreement is invalid, unenforceable, or illegal under the law of any applicable jurisdiction, the validity and enforceability of such provision in any other jurisdiction shall not be affected thereby and the

enforceability of such provision in any other jurisdiction shall not be affected thereby and the remaining provisions of this Settlement Agreement shall remain valid and enforceable. However, in the event of such invalidity, unenforceability, or illegality, the Parties shall negotiate in good faith to amend this Settlement Agreement through the insertion of additional provisions which are valid, enforceable, and legal and which reflect, to the extent possible, the purposes contained in the invalid, unenforceable, or illegal provision.

WHEREFORE, the Parties have caused this Settlement Agreement to be executed on their respective behalves by their duly authorized representatives.

WTM I COMPANY


By: 

Printed Name: J. P. Causey Jr.

Title: Vice President

Date: November 10, 2014

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

By: 

Printed Name: Thomas W. Kosen

Title: Chief Claims Officer

Date: November 17, 2014