

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**

LIQUIDATOR'S FILING REGARDING STATUS REPORT

Pursuant to RSA 402-C:25, Christopher R. Nicolopoulos, Insurance Commissioner of the State of New Hampshire, as Liquidator of The Home Insurance Company, hereby files for the benefit of the Court, claimants, and other interested persons the information submitted herewith on the status of the liquidation that supplements and updates similar information filed at about this time in previous years

Respectfully submitted,

CHRISTOPHER R. NICOLOPOULOS, INSURANCE
COMMISSIONER OF THE STATE OF NEW
HAMPSHIRE, AS LIQUIDATOR OF THE HOME
INSURANCE COMPANY,

By his attorneys,

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October 31, 2022

Certificate of Service

I hereby certify that a copy of the foregoing Liquidator's Filing Regarding Status Report was sent, this 31st day of October, 2022, by first class mail, postage prepaid to all persons on the attached service list.

/s/ Eric A. Smith
Eric A. Smith

THE STATE OF NEW HAMPSHIRE

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Docket No. 217-2003-EQ-00106

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Exhibit 1 - Cash and Invested Assets

	September 30, 2022	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017	December 31, 2016	December 31, 2015	December 31, 2014	December 31, 2013	December 31, 2012
Cash and Cash Equivalents	30,383,968	18,830,313	7,437,959	34,871,056	154,973,851	65,176,379	\$12,980,174	\$61,071,556	\$88,319,643	\$45,275,553	\$78,525,441
Marketable Securities, Liquid, at cost	759,893,711	765,370,530	777,797,135	777,688,556	749,762,900	845,481,282	899,709,197	988,617,956	996,888,947	1,141,238,750	1,056,976,579
Common Stock, Liquid, at Market Value	2	2	2	2	2	2	2	2	2	224,628	233,450
Interest Income Receivable	2,896,936	3,146,304	3,952,832	4,485,145	4,296,062	5,007,814	4,931,823	5,099,249	5,853,279	6,744,455	6,789,115
Total Liquid Assets	793,174,817	787,347,149	789,187,928	817,044,769	909,032,815	915,665,477	\$907,621,196	\$1,054,788,763	\$1,090,841,871	\$1,193,483,386	\$1,142,524,595
Preferred Stock, Non Liquid, at Equity											
Common Stock, Non Liquid, at Equity	463,829	475,276	475,276	592,358	592,358	654,785	695,440	800,556	869,083	925,034	961,085
Surplus Notes, Non Liquid											
Total Cash and Invested Assets	793,638,646	787,822,425	789,663,204	817,637,117	909,625,173	916,320,262	\$908,316,636	\$1,055,589,319	\$1,091,710,954	\$1,194,408,420	\$1,143,485,680
Add:											
Credit for Early Access Distributions											
to Guaranty Associations	252,942,104	252,942,104	252,942,104	252,942,104	252,942,104	252,942,104	257,948,068	244,107,133	232,018,572	232,018,572	222,464,338
Class I distribution to Guaranty Assoc.	108,163,320	108,163,320	107,607,634	94,674,409	86,022,844	80,589,485	72,489,981	71,408,893	51,865,748	47,238,764	47,238,764
Class II distributions	680,937,930	671,796,641	658,135,942	625,263,233	513,085,532	483,473,823	441,328,593	250,636,071	186,587,340	-	-
WC Advance Payments to Guaranty Assoc.	3,148,212	3,148,212	3,148,212	3,148,212	3,148,212	3,148,212	3,148,212	3,148,212	3,148,212	3,148,212	3,148,212
Assets held by States to pay Home											
Claims (Market Value)	56,260,423	56,260,423	54,835,498	55,744,793	55,873,235	55,873,235	56,588,869	56,567,800	56,443,936	55,814,650	55,744,250
Adjusted total cash and invested assets	1,895,090,434	1,880,133,124	1,866,332,594	1,849,409,868	1,820,497,099	1,792,147,121	\$1,739,820,357	\$1,661,457,428	\$1,621,774,762	\$1,532,628,638	\$1,472,051,264

	December 31, 2012	December 31, 2011	December 31, 2010	December 31, 2009	December 31, 2008	December 31, 2007	December 31, 2006	December 31, 2005	December 31, 2004	December 31, 2003	March 5, 2003
Cash and Cash Equivalents	\$78,525,441	\$59,221,326	\$40,212,353	\$50,794,466	\$69,153,205	\$108,485,965	\$144,971,913	\$188,480,732	\$88,879,918	\$47,822,700	(\$93,085)
Marketable Securities, Liquid, at cost	1,056,976,579	1,048,273,796	1,024,968,409	926,786,229	830,169,359	745,870,995	650,912,179	585,008,998	570,369,950	400,464,024	321,943
Common Stock, Liquid, at Market Value	233,460	173,378	217,668	229,120	277,937	1,078	10,359	156,570	366,748	18,710,427	13,299,185
Interest Income Receivable	6,789,115	8,071,024	8,486,876	8,572,125	7,060,880	7,505,546	6,400,611	5,531,287	4,064,169	1,390,004	38,845
Total Liquid Assets	\$1,142,524,595	\$1,115,739,524	\$1,073,885,306	\$986,381,940	\$936,661,381	\$861,863,584	\$802,295,062	\$779,177,587	\$663,650,785	\$468,387,154	\$12,706,888
Preferred Stock, Non Liquid, at Equity											
Common Stock, Non Liquid, at Equity	961,085	878,668	1,388,452	1,775,790	2,116,726	3,649,346	4,229,589	4,578,050	17,467,773	17,232,275	10,777,739
Surplus Notes, Non Liquid					148,800	146,800	146,800	129,200			15,925,398
Total Cash and Invested Assets	\$1,143,485,680	\$1,116,618,192	\$1,075,273,758	\$988,157,730	\$938,924,907	\$865,659,630	\$806,671,451	\$783,902,437	\$681,277,758	\$485,619,430	\$39,410,025
Add:											
Credit for Early Access Distributions											
to Guaranty Associations	222,464,338	211,596,866	203,769,505	187,559,006	195,628,934	131,823,053	92,531,225	35,321,789	-	-	-
Class I distribution to Guaranty Assoc.	47,238,784	35,270,839	35,270,839	17,239,636	14,307,128	14,307,128	14,307,128	14,307,128	3,221,557	3,221,557	-
WC Advance Payments to Guaranty Assoc.	3,148,212	3,152,304	3,152,304	3,152,304	3,152,304	3,152,304	3,221,557	3,221,557	3,221,557	3,221,557	-
Assets held by States to pay Home											
Claims (Market Value)	55,744,250	55,744,250	49,516,486	49,516,486	49,516,486	49,516,486	49,557,548	49,427,549	35,951,299	30,464,419	-
Adjusted total cash and invested assets	\$1,472,081,264	\$1,422,382,451	\$1,366,982,891	\$1,245,625,162	\$1,171,529,759	\$1,064,458,601	\$951,981,782	\$871,873,332	\$720,456,614	\$519,305,406	\$39,410,025

Exhibit 2 - Home Proofs of Claim and Notices of Determination ⁽¹⁾

As of: September 30, 2022

<u>CLAIMS</u>	<u>Count</u>
Total POCs Mailed	369,644
Total POCs Returned	20,956
<u>FINAL DETERMINATIONS</u>	<u>Count</u>
NODs Mailed- Approved by the Court.(2)	21,014
NODs RFRed or OBJ. Resolution is pending.	61
NODs within 60 days and/or pending court approval. (3)	12
<u>PARTIAL DETERMINATIONS</u> (4)	<u>Count</u>
NODs Mailed- Approved by the Court.	4,468
NODs RFRed or OBJ. Resolution is pending.	5
NODs within 60 days and/or pending court approval. (3)	10
TOTAL # of NODs (Final and Partial)	25,570
<u>TOTAL NUMBER OF POCs UNRESOLVED</u>	<u>Count</u>
Partial NODs, NODs pending court approval and POCs to be determined.	741

(1) Proofs of Claim and Notices of Determination for all priority classes. Notices of Determination include Notices of Redetermination.


(2) The number of POCs resolved includes POCs determined and approved by the Court as Class V determinations that are deferred as to amount. The number of determinations can change if a final determination as to amount is issued.

(3) Claimants may object to Liquidator's Notices of Determination within 60 days.

(4) Some POCs were issued one or more interim NOD allowances as satisfactory documentation was presented to the Liquidator. The POC remains open subject to and/or final determinations as warranted.

September 30, 2022

Exhibit 3 - Guaranty Fund Incurred



Guaranty Fund Reported Indemnity & ALAE Paid (as of 09/30/22)	\$693M
Early Access Distributions (Indemnity and ALAE) (as of 09/30/22)	\$256M *
Amount of Early Access deemed permanent and not subject to claw back - \$127M	
Early Access amount available to a potential clawback request - \$129M	
Guaranty Fund Incurred (as of 09/30/22)	\$969M

*Includes WC Prefunded Advance, but excludes special deposits held by states to pay Home claims.

September 30, 2022

Exhibit 4- Investments

The Home Insurance Company in Liquidation
Portfolio Summary Report- Bonds and Short Term Investments
Securities Held as of September 30, 2022
(000's)

Conning Managed:		Book Value	Market Value	Unrealized Gain (Loss)	Eff Mat (Years)	Book Yield	Average Credit Quality	Earned Income 9/30/22
<u>% of BV</u>								
Fixed Income								
8.6%	Short Term	67,621	67,621	(0)	0.06	2.63	Aaa	217
2.9%	Agency	22,473	21,950	(523)	1.41	2.47	Aa2	336
14.4%	Government	112,432	107,740	(4,692)	1.45	1.49	Aaa	927
61.9%	Corporate	484,324	465,737	(18,587)	1.53	2.19	A2	6,984
5.4%	Mortgage Backed	41,835	38,985	(2,850)	3.63	2.66	Aaa	895
6.5%	Asset Backed	50,818	49,431	(1,387)	0.89	1.23	Aaa	646
0.3%	CMBS	<u>2,396</u>	<u>2,241</u>	<u>(155)</u>	<u>3.32</u>	<u>2.78</u>	<u>Aaa</u>	<u>66</u>
100.0%	Total	781,900	753,704	(28,195)	1.46	2.19	Aa3	10,072

(1) Investment balances do not include cash amounts invested in sweep accounts of Citizens Bank and investments in common stocks and limited partnerships.

(2) On an annualized basis, the total estimated income generated by the portfolio, calculated based on holdings as of September 2022, would be \$14.5 million over the next 12 months.

(3) US Treasury bills and notes previously managed separately from Conning are part of the Conning managed portfolio as of June 30, 2021.

Exhibit 5- Operating Expenses

The Home Insurance Company in Liquidation
 G&A Expenses (Actual vs Budget)
 September 30, 2022

General & Administrative Expense	YTD			Full Year Budget
	Actual 2022	Budget 2022	Variance 2022	
Salary and Benefits	4,267,529	4,548,603	(281,073)	6,031,110
Travel	15,389	20,750	(5,361)	29,050
Rent	613,309	742,046	(128,737)	972,519
Equipment	159,510	275,250	(115,740)	367,000
Printing and Stationery	8,378	12,000	(3,621)	16,000
Postage	7,356	4,200	3,156	5,600
Telephone	82,454	107,250	(24,796)	143,000
Outside Services, including Special Deputy	1,842,895	1,951,500	(108,606)	2,602,000
Licensing Fees	-	-	-	-
Legal and Auditing	220,869	525,000	(304,131)	720,000
Bank Fees	121,029	131,250	(10,221)	175,000
Corporate Insurance	54,050	75,000	(20,950)	75,000
Miscellaneous Income/Expenses	3,741	-	3,741	100,000
Total Expenses Incurred	7,396,510	8,392,849	(996,339)	11,236,279

Exhibit 6- Budget

The Home Insurance Company in Liquidation
Budget 2023
Expected Full Year 2022 and Budget 2022 and 2023

General & Administrative Expense	Expected	Budget	Budget
	Actual 2022	2022	2023
Salary and Benefits	5,827,603	6,031,110	5,875,674
Travel	20,356	29,050	12,000
Rent	1,027,991	972,519	937,526
Equipment	215,911	367,000	115,000
Printing and Stationery	12,464	16,000	14,600
Postage	7,287	5,600	9,000
Telephone	115,679	143,000	115,000
Outside Services, including Special Deputy	2,600,117	2,602,000	2,529,700
Legal and Auditing	590,000	720,000	870,500
Bank Fees	148,530	175,000	150,000
Corporate Insurance	74,050	75,000	55,000
Miscellaneous (Income) Expenses	100,000	100,000	50,000
Total Expenses Incurred	10,739,990	11,236,279	10,734,000