

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: 2007-HICIL-32
Proof of Claim Number: INTL 278090
Claimant Name: **Unione Italiana (UK) Reinsurance
Company Limited**
Claimant Number: **Class V**
**Insured or Reinsured
Name:** **Unione**
Date of Loss: **7/18/88**

**UNIONE ITALIANA'S FURTHER INFORMATION SERVED PURSUANT TO THE
REFEREE'S RULING DATED 26TH FEBRUARY**

Unione Italiana provides further information by making the following brief points:

1. If Unione Italiana were to win on the exercise of the purported "offset" point presently before the Referee, the English law issue would be irrelevant.
2. On the exercise of the purported "offset" point, CIC has demonstrated no legal basis for disallowing unrelated NOD 16 claims on the basis of alleged concerns regarding previously accepted NOD 15 claims: there is no mutual set-off between The Home and Unione Italiana being exercised here (which is the fundamental requirement of the liquidation statute on which CIC relies); CIC is purporting to "off-set" certain Unione Italiana claims against other previously accepted Unione Italiana claims. The set-off provisions in the liquidation statute have no application to this situation.
3. The English law issue of recoverability under the Consent Order and the Treaty has not arisen on any previous quarterly collection notes and should not arise again in the future.

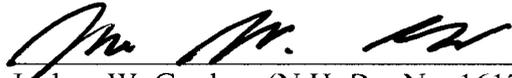
4. In any event, Unione Italiana believes that the full claim made in the collection note which resulted in NOD 15 is recoverable under English law (i.e. this is not, and never has been, a claim for IBNR, but is in respect of incurred claims which represent known “losses” that have settled within reserves and are properly payable under the terms of the Consent Order and the Treaty).

Finally, Unione Italiana reserves its rights to put the issue of the exercise of offset, presently before the Referee, to the Judge.

UNIONE ITALIANA (UK)
REINSURANCE COMPANY
LIMITED

By its attorneys,

Dated: March 3, 2008



Joshua W. Gardner (N.H. Bar No. 16170)
Edwards Angell Palmer & Dodge LLP
111 Huntington Avenue
Boston, MA 02199

Of Counsel:

Mark Everiss
Edwards Angell Palmer & Dodge UK LLP
One Fetter Lane
London, EC4A 1JB
United Kingdom

Certification

I, Joshua W. Gardner, hereby certify that on the 3rd day of March 2008, caused to be served a copy of the foregoing via regular mail, postage prepaid to:

J. David Leslie (dleslie@rackemann.com) Eric A. Smith (esmith@rackemann.com) Rackemann, Sawyer & Brewster P.C. 160 Federal Street Boston, MA 02110-1700	Lisa Snow Wade ORR & RENO, PA One Eagle Square P.O. Box 3550 Concord, NH 03302-3550 Tel: (603) 224-2381 Gary S. Lee Kathleen E. Schaaf James J. DeCristofaro Morrison & Foerster LLP 1290 Avenue of the Americas New York, NY 10104 Tel: (212) 468-8000
--	---


Joshua W. Gardner