

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

In Re Liquidator Number:	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:	7/1/88

**RULING PURSUANT TO TELEPHONIC CONFERENCE
HELD ON MONDAY, FEBRUARY 25, 2008**

The Home Insurance Company (“Home”) reinsured Unione Italiana (UK) Reinsurance Company Limited (“Unione Italiana”) for certain losses sustained by Unione Italiana under a specific insurance account. A quarterly series of Union Italiana notices of determination have been processed by Century Indemnity Company (“CIC”) and the Liquidator under the Claims Protocol governing AFIA related claims. This disputed claim proceeding focuses upon two of those determinations.

The first is a December 21, 2006 determination (“NOD 15”) in the amount of \$556,758, which was approved by Merrimack County Superior Court on March 12, 2007, and the second is a notice of redetermination (“NOD# 16”), issued on September 21, 2007. In the redetermination, the Liquidator notified Unione Italiana that it was “offsetting” the amount of \$236,740 against NOD # 16 based upon concerns that the allowance under NOD# 15 was in excess of actual liability. A disputed claim proceeding was commenced on November 28, 2007.

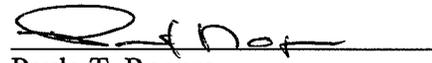
A telephonic scheduling conference was held on January 30, 2008, pursuant to which counsel for Unione Italiana and Century Indemnity Company (“CIC”), Participant, filed pleadings addressing the issue of whether the Liquidator had the authority to exercise such offset. With that matter still under advisement, a further telephonic conference was held on February 25, 2008.

During the later telephonic conference, the Referee advised counsel that, upon consideration, and in light of the fact that this particular dispute has the potential to generate an application to amend a Merrimack County Superior Court order, the Referee is inclined first to address the underlying matter of English law, i.e., whether Unione Italiana is entitled to collect certain amounts at issue under the insurance account with Home. The Referee also advised that the matter of English law at issue needs resolution, in any event, as it will continue to arise in ensuing quarterly claims.

At the conclusion of the telephonic conference, counsel for Unione Italiana requested an opportunity to consult with his client on the substance of the February 25, 2008 telephonic conference. If counsel for Unione Italiana wishes to provide further information for the Referee's consideration, he shall do so no later than March 3, 2008. Any response from CIC shall be due no later than March 10, 2008.

So ruled.

Dated: February 26, 2008



Paula T. Rogers

Referee