

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 ONE HUNDRED SECOND REPORT

I, David J. Bettencourt, Insurance Commissioner of the State of New Hampshire, as Liquidator ("Liquidator") of The Home Insurance Company ("Home"), hereby submit this One Hundred Second Report on the liquidation of Home, as of September 4, 2026, in accordance with RSA 402-C:25 and the Order Concerning Liquidator's Reports issued January 19, 2005.

As an initial matter, the Liquidator notes a change of address:

Effective on April 27, 2026, Home's New York office relocated to 32 Old Slip, Suite 803, New York, New York 10005. All phone and fax numbers as well as email addresses remain unchanged.

The Home Insurance Company

1. Home's background. Home, domiciled in New Hampshire, was declared insolvent on June 11, 2003, and is one of the largest property-casualty insurer insolvencies in United States history. The Company and its predecessors began operations in 1853. The Court entered the operative Order of Liquidation on June 13, 2003. The Liquidator has created a stand-alone liquidation operation which presently consists of 19 full and part-time employees with an office in New York City, Home's former corporate headquarters. From the start in 2003, the Liquidator has been engaged in marshalling assets, principally reinsurance, and determining claims.

Since the coronavirus outbreak, liquidation staff for the most part have been working remotely. Despite this shift, liquidation operations have continued without interruption.

2. Home's assets. Home's unrestricted liquid assets as of June 30, 2026 total approximately \$286 million as set forth on the June 30, 2026 unaudited financial statement attached as Exhibit A. The June 30, 2026 figure does not include the \$1.221 billion of net interim distributions paid to claimants on allowed Class II claims, or the net \$266 million paid to insurance guaranty associations in early access distributions. These amounts are discussed in greater detail below. As of June 30, 2026, the Liquidator has marshalled approximately \$1.83 billion in assets net of the expenses of the liquidation and Class I distributions. This total includes the interim distribution amounts paid to claimants, the early access distribution amounts paid to guaranty associations, and special deposits.

3. Coordination with guaranty associations. The Liquidator has worked closely with the state insurance guaranty associations established in every state to handle and pay certain claims under policies issued by insolvent insurers subject to statutory limitations as provided in the associations' respective statutes. See, e.g., RSA 404-B. The New Hampshire Insurers Rehabilitation and Liquidation Act ("Act") provides for so-called "early access" distributions to guaranty associations. See RSA 402-C:29, III. Through September 1, 2026, the Liquidator has made, with the Court's approval, early access net distributions totaling \$266 million. (See Section 12 below.)

As a condition for receiving early access distributions, the guaranty associations entered into "claw back" agreements with the Liquidator requiring the return of any amounts advanced that exceed the eventual distribution percentage for their creditor class. In accordance with paragraph 4 of the Orders approving the interim distributions, a portion

of early access distributions have become permanent and are no longer subject to claw back by the Liquidator. The Liquidator has calculated the amount of early access distributions no longer subject to claw back to date, and has sent letters to the affected guaranty associations to apprise them of the amount of the early access distribution which is now deemed to be permanent. The Liquidator has also sent letters to those guaranty associations which have received reimbursement from special deposits in excess of the interim distribution percentage to advise them that previously paid early access distributions will not become permanent.

4. Proofs of claim. The claim filing deadline in the Home liquidation was June 13, 2004, and the Claim Amendment Deadline was January 26, 2023. Since the Claim Amendment Deadline has passed, the Liquidator is no longer accepting new claims. Based on ongoing review, the proofs of claim submitted by the Claim Amendment Deadline total 21,021. The proof of claim count includes as a single proof of claim (a) multiple proofs received from a claimant that appear to assert the same claim, and (b) claims filed on behalf of mass tort claimants against a single insured. It is difficult to summarize the proofs of claim in advance of the claim determination process because (a) those proofs of claim that quantify the claim may be overstated or understated, (b) most proofs of claim do not quantify the amount claimed, and (c) an individual proof of claim may involve many different claims and claimants.

5. Claim amendment deadline. As described below, a Claim Amendment Deadline of January 26, 2023 was established. In 2019, the Liquidator concluded that to move this proceeding toward closure and protect the interests of the creditors with allowed Class II claims it was necessary to establish a deadline by which claimants with open proofs of claim must finally amend their claims. The Liquidator accordingly filed a

Motion for Approval of Claim Amendment Deadline on August 1, 2019 seeking to establish a deadline for the amendment of claims. Claims filed after the claim amendment deadline and potential claims (claims that cannot be specifically identified by the deadline) would be barred.

After notice and a videoconference hearing, the Court issued orders approving a Claim Amendment Deadline dated January 28, 2021 (“CAD Orders”). An objector, Zurich Insurance Company, German Branch, ultimately pursued an interlocutory appeal. On August 12, 2022, the New Hampshire Supreme Court issued its Opinion affirming the Superior Court’s CAD Orders. *In the Matter of Liquidation of Home Ins. Co.*, 175 N.H. 363 (2022). The Court issued its mandate on August 29, 2022, and the January 28, 2021 Order Approving Claim Amendment Deadline became effective that day.

The Order Approving Claim Amendment Deadline established the Claim Amendment Deadline as the date 150 days from the date of the Order, or January 26, 2023. Since the Claim Amendment Deadline has passed, the Liquidator is not accepting new claims.

6. Claim determinations, reports and settlements. The process of determining proofs of claim continues. Since the last Liquidator’s report, the Liquidator has issued 4 final notices of determination pursuant to the Restated and Revised Order Establishing Procedures Regarding Claims entered January 19, 2005 (“Claims Procedures Order”). As of September 1, 2026, for all priority classes, the following table outlines activity from inception of the Liquidation:

	<u>12/1/20</u>	<u>12/1/21</u>	<u>12/1/22</u>	<u>12/1/23</u>	<u>12/1/24</u>	<u>12/1/25</u>	<u>9/1/26</u>
Proofs of Claim							
Filed (by 1/26/23):	20,834	20,936	20,962	21,021	21,021	21,021	21,021
POCs Resolved							
(Court App'd) ^{1&2}:	20,010	20,118	20,222	20,394	20,742	20,872	20,917
Total \$ Court App'd							
Determinations:	\$3.2b	\$3.3b	\$3.4b	\$3.6b	\$3.8b	\$3.9b	\$3.9b
Total \$ Class II							
Court App'd Det:	\$2.9 b	\$2.9b	\$3.0b	\$3.1b	\$3.3b	\$3.4b	\$3.5b
Total Remaining							
Open POCs:	824	818	740	627	279	149	104

Breakdown of Open POC Count

	<u>12/1/20</u>	<u>12/1/21</u>	<u>12/1/22</u>	<u>12/1/23</u>	<u>12/1/24</u>	<u>12/1/25</u>	<u>9/1/26</u>
i. Insureds ³ and Claimants	593	584	529	487	200	101	70
ii. Contribution Claims	4	6	4	4	4	4	4
iii Guaranty Associations	59	59	59	2	1	1	1
iv. Insurer	160	160	139	125	65	39	24
v. Gov't/other	8	9	9	9	9	4	5
Total	824	818	740	627	279	149	104

1 POC counts include single POCs that may encompass multiple underlying claims and multiple POCs that may concern single underlying claims. Multiple determinations may be issued for individual POCs.

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 deferred Class V determinations can change if a final determination as to amount is issued.

3 As of 9/1/26, the number of insureds with open POCs totaled 11 (based on ongoing review of POCs filed by the Claim Amendment Deadline). All entities falling within the coverage of the policy including the named insured, additional named insured and their successors are counted as one insured if they filed a consolidated POC or POCs. Where the insured, the additional named insured and/or the successors filed separate POCs, each of the entities is counted separately.

The Liquidator continues to file reports of claims and recommendations when a sufficient number of claim determinations have passed the 60-day period for objections under RSA 402-C:41, I. Since the Liquidator's last report, the Liquidator has submitted one report of claims and recommendations that has been approved by the Court, reflecting a total of \$7,295,200 in determinations for all classifications, and a second report of claims and recommendations reflecting a total of \$1,860,244.84 in determinations for all classifications.

7. Late-filed claims. The Order of Liquidation established June 13, 2004 as the deadline for filing claims in Home's liquidation proceeding. Pursuant to the Act, claims filed after the claim filing deadline are allowed to participate in distributions of the estate provided the late filing of the claim is "excused" for good cause shown. See RSA 402-C:37, II. The Act provides a non-exclusive list of five examples of "good cause" for late filing to be excused, including that the "existence of a claim was not known to the claimant and that he filed within 30 days after he learned of it." Id. "Unexcused" late filed claims are not permitted to receive the first distribution from the estate, but may receive subsequent distributions. RSA 402-C:37, III. (In both cases, payment is permitted only if it will not "prejudice the orderly administration of the liquidation." RSA 402-C:37, II, III.)

All proofs of claim received by the Liquidator by the January 26, 2023 Claim Amendment Deadline are reviewed to determine whether the claim is timely filed as respects the initial June 13, 2004 filing deadline or, if late, whether the late filing of the claim is to be "excused." Claimants with late filed claims which are found to be "unexcused" are informed of that determination and that they will not receive the first distribution in the Liquidator's notice of claim determination.

8. Requests for review and objections. A notice of determination is sent to a claimant when the Liquidator determines a claim. Each notice of determination includes instructions on how to dispute the determination under the New Hampshire statutes and the Claim Procedures Order. Since inception, 1,036 claimants have filed requests for review; 1,023 of these have been sent notices of redetermination or have withdrawn the request for review. Claimants have filed 61 objections with the Court to commence disputed claim proceedings. As of September 1, 2026, there is one pending disputed claim proceeding before the Referee, which has been stayed. The Claims Procedures Order provides for review of the Referee's reports by motion to recommit.

9. Financial reports. The unaudited June 30, 2026 financial statements are attached as Exhibit A to this report. The June 30, 2026 financials reflect \$286,775,405 in assets under the Liquidator's direct control and \$13,311,411 in reinsurance collections, net investment income, and other receipts, and \$5,047,932 in operating disbursements from January 1, 2026 through June 30, 2026.

10. 2026 Budget. A comparison of the actual and budgeted general and administrative expenses of the Home liquidation, on an incurred basis, through June 30, 2026 is attached as Exhibit B. As of June 30, 2026 actual expenses were below budget by \$466,705 or 11.1%. Below is a comparison of the annual budgeted and actual operating expenses (in millions) beginning January 1, 2004:

Year	Budget	Actual
2004	\$33.8	\$26.9
2005	\$26.8	\$26.2
2006	\$25.6	\$23.5
2007	\$22.8	\$21.5
2008	\$21.4	\$20.6
2009	\$20.6	\$20.0
2010	\$19.9	\$20.3
2011	\$18.9	\$18.2
2012	\$18.6	\$18.2
2013	\$18.4	\$17.7
2014	\$17.6	\$17.0
2015	\$17.2	\$16.2
2016	\$15.7	\$14.6
2017	\$14.5	\$13.7
2018	\$14.0	\$12.8
2019	\$13.5	\$12.7
2020	\$13.2	\$11.7
2021	\$12.4	\$11.1
2022	\$11.2	\$10.1
2023	\$10.7	\$10.2
2024	\$10.6	\$ 9.9
2025	\$ 9.5	\$ 8.4
2026	\$ 8.3	

The Liquidator filed a copy of the 2026 Budget on December 9, 2025 as Exhibit E to the Liquidator's 99th Report to the Court.

As of September 1, 2026, the liquidation staff is 19 in number, which includes seven part-time employees. In addition, there are four Information Technology consultants, and three other consultants who periodically work for the estate.

11. Investment update. The Liquidator invests Home's assets in accordance with the Fourth Revised Investment Guidelines approved September 10, 2012. A report listing the individual holdings of Home as of June 30, 2026 is attached as Exhibit C. The bonds and short-term investments managed by Conning Asset Management ("Conning") at June 30, 2026, had a book value and a market value of approximately \$278 million. The portfolio earned approximately \$5.2 million in net investment income from January to June

30, 2026, and is expected to earn approximately \$9.8 million in 2026 based on holdings at December 31, 2025, excluding a \$548,770 capital loss in the first quarter of 2026. As of September 1, 2026, the portfolio had no unrealized gain or loss. Home has terminated the Investment Management Agreement with Conning Asset Management effective September 30, 2026. The Liquidator is now holding all investments in the short-term Fidelity Money Market Government Fund FGRXX. That fund normally invests at least 99.5% of total assets in cash, U.S. Government securities and/or repurchase agreement that are collateralized fully (i.e. collateralized by cash or government securities).

12. Guaranty Association early access distributions and determinations. The Liquidator made eleven early access distributions to a total of 55 insurance guaranty associations from 2005 through 2016. The Liquidator makes an early access distribution only after obtaining approval from the Court and “claw back” agreements with the guaranty associations requiring the return of any amounts advanced that are necessary to make distributions to creditors whose claims fall in the same or a higher priority class. *See* RSA 402-C:29, III. A net total of \$266 million had been paid to guaranty associations in early access through December 31, 2025. As of December 31, 2025, \$15.9 million in early access distributions remain subject to claw back.

The Liquidator has issued final Notices of Determination to 58 Guaranty Associations and a partial Notice of Determination to the one remaining Guaranty Association, all of which have been approved by the Court. From inception, the Class II allowances for these 59 Guaranty Associations total \$818,134,443 and the Class I administrative expenses total \$143,444,053. The Liquidator is continuing to address the outstanding claims of the one remaining Guaranty Association.

13. Interim distributions. The Liquidator has made five interim distributions to creditors with allowed Class II claims beginning in 2012: a first interim distribution of 15% approved by Order dated March 13, 2012 (as amended July 2, 2012), a second interim distribution of 10% approved by Order dated November 16, 2015 (as amended March 7, 2016), a third interim distribution of 5% approved by Order dated October 18, 2018, a fourth interim distribution of 10% approved by Order dated August 16, 2023, and a fifth interim distribution of 5% approved by Order dated September 16, 2024. The cumulative interim distributions total 45%. In accordance with the Court's order, the fifth interim distribution was made to claimants, or their assignees, with Class II priority claims allowed by the Court through September 30, 2024. Class II creditors with more recently approved claims received the distributions after December 31 or June 30.

As of June 30, 2026, interim distributions paid in 2026 totaled \$360,805. \$10,231 remains outstanding as a payable at June 30, 2026.

The Liquidator will continue to issue distribution checks following each subsequent December 31 and June 30 with respect to claims allowed during the six-month period preceding that date as provided in the interim distribution approval orders. The portion of guaranty association early access distributions previously made that is equal to the fifth interim distribution is no longer subject to recovery by the Liquidator pursuant to the Early Access Distribution Agreement. In accordance with RSA 402-C:44, the first \$50 of the allowed amount on each claim is deducted from the claim allowance (except for claims of insurance guaranty associations). The interim distributions to a claimant are subject to any setoff the Liquidator has against the claimant.

The net cumulative interim distributions for all Class II creditors total \$1.221 billion as of June 30, 2026. This total does not include the amounts of prior early

access distributions to guaranty associations that are deemed interim distributions no longer subject to claw back pursuant to the interim distribution approval orders (which are included in the early access total in section 12). Certain guaranty associations have had claims satisfied from special deposits and, accordingly, have not received interim distributions from the Home estate.

14. Multiple claims. RSA 402-C:40, IV provides that in the event several claims founded on one policy are filed, and the aggregate allowed amount of all claims to which the same limit of liability in the policy is applicable exceeds that limit, then each claim as allowed shall be reduced in the same proportion so that the total equals the policy limit. This presents a potential risk for allowed claims under such policies in the event that other claims subject to the same policy limit are allowed, as the allowances subject to the same limit would need to be reduced on a pro rata basis to adjust the total of such allowances to the applicable policy limit. Distributions will be based on the reduced allowances. The Liquidator will be unable to finally determine the extent to which a claim allowance may be subject to proration until all claims against the policy have been determined. The Liquidator is tracking claims against policies and will further address this issue, if warranted, in any future application to increase the interim distribution percentage. If at the time of a distribution there are allowed claims subject to the same limit that are required to be reduced pursuant to RSA 402-C:40, IV, the Liquidator will make the reductions and advise the claimants of the reasons for them.

15. Reinsurance. The collection of reinsurance is the principal remaining asset-marshaling task of the Liquidator. The Liquidator has billed and collected reinsurance throughout the liquidation, and he has entered into commutations with many reinsurers of Home to resolve relationships with those reinsurers for agreed payments.

The Liquidator reports, in accordance with the Court's December 23, 2004 order, that since the last report there was one commutation with TIG Insurance Company. The details of this commutation are included in the confidential appendix submitted with this report.

16. Distributions to Class I Creditors. In his reports and recommendations regarding claims, the Liquidator has recommended that the Court approve certain claims by guaranty associations for expenses which are Class I claims under RSA 402-C:44 pursuant to RSA 404-B:11, II, certain other Class I claims, and the 10% part of allowed guaranty fund defense expense payments assigned to Class I under the Settlement Agreement with 56 guaranty associations approved on July 15, 2013. The Court has approved the claim reports, and the Liquidator accordingly has at various times made distributions to the Class I creditors totaling \$143.5 million (after deduction of setoffs) as of June 30, 2026.

17. Asset dispositions (including compromises) and assumptions of obligations. In accordance with paragraph 5 of the Order Establishing Procedures for Review of Certain Agreements to Assume Obligations or Dispose of Assets entered April 29, 2004, and paragraph 5 of the Liquidator's Eleventh Report, the Liquidator submits the attached confidential appendix under seal reporting on asset dispositions (including compromises) and obligation assumptions.

18. New York Office.

Since April 27, 2026, the liquidation operations have been housed at a smaller space (3,667 rentable square feet) on the eighth floor of a building at 32 Old Slip, New York, pursuant to a License Agreement approved by the Court on December 5, 2025. The term of the License Agreement commenced on March 1, 2026 and expires on May 31, 2028 (with an option to extend for one year, if necessary).

19. Mailing Address: As reflected on the liquidation website (www.hicilclerk.org) , effective as of April 27, 2026, the mailing address for the liquidation has changed from 61 Broadway, 6th Floor, New York, New York 10006 to 32 Old Slip, Suite 803, New York, NY 10005.

20. Document Storage. The contract with Iron Mountain regarding storage of Home's records housed at Iron Mountain facilities as amended and approved by the Court on November 3, 2021, extends through November 30, 2026. The Liquidator has (i) an option to renew the agreement for another five-year term from December 1, 2026 to November 30, 2031, and (ii) the right to terminate the agreement on the annual anniversary upon six months' notice. As of September 1, 2026, there are approximately 1,570 boxes of documents in storage at Iron Mountain, down from a high of 167,000 in 2004 when the record review process was commenced, resulting in considerable savings to Home's estate. On November 14, 2023, the Liquidator filed a Ninth Record Retention and Disposal Motion with the Court seeking approval to retain those categories of records which will be needed to bring the estate to closure and to destroy those records which fall outside of those categories. The motion was granted on December 1, 2023.

21. Ancillary proceedings in the United States and United Kingdom. Ancillary receiverships for Home remain pending in Oregon and New York. In addition, a provisional liquidation proceeding concerning Home's unincorporated branch in the United Kingdom ("UK Branch") remains pending. The Home's UK Branch wrote insurance and reinsurance as a participating member of the American Foreign Insurance Association ("AFIA"), and a Scheme of Arrangement with AFIA creditors was approved by the UK court in November 2005.

Respectfully submitted,



David J. Bettencourt, Insurance
Commissioner of the State of New
Hampshire, as Liquidator of the Home
Insurance Company

Dated: September 14, 2026

CERTIFICATE OF SERVICE

I hereby certify that on September 15, 2026, a copy of the Liquidator's One Hundred Second Report and its exhibits was served upon the persons named on the attached Service List, by first class mail, postage prepaid.

/s/ Eric A. Smith

Eric A. Smith
NH Bar ID No. 16952

Exhibits:

- A – Unaudited Financial Statements as of 6/30/26
- B - Comparison of actual and budgeted general and administrative expenses through 6/30/26
- C - Individual holdings report as of 6/30/26

STATE OF NEW HAMPSHIRE

MERRIMACK, SS.

SUPERIOR COURT

**In the Matter of the Liquidation of
The Home Insurance Company
Docket No. 217-2003-EQ-00106**

Lisa Snow Wade, Esq.
Orr & Reno
One Eagle Square
P.O. Box 3550
Concord, New Hampshire 03302-3550

David H. Simmons, Esq.
Daniel J. O'Malley, Esq.
DSK Law
332 N. Magnolia Avenue
Orlando, FL 32801

Robert M. Horkovich
Anderson Kill P.C.
7 Times Squares, 15th Floor
New York, NY 10036

Robin C. Dusek, Esq.
Jennifer Arnold, Esq.
Cohn Baughman
525 West Monroe Street
Chicago, IL 60661

Robert L. Best, Esq.
Suloway & Hollis, P.L.L.C.
9 Capitol Street
Concord, NH 03301

9.15.26

EXHIBIT A

The Home Insurance Company In Liquidation

Statement of Restricted and Unrestricted Net Assets Excluding Certain Amounts (Modified-Cash Basis) (Unaudited)

	June 30, 2026	December 31, 2025
Assets		
Unrestricted fixed-income securities, short-term investments, and cash and cash equivalents, at cost:		
Fixed-income securities (Note 2)	\$ -	\$ 30,616,131
Cash and cash equivalents	285,552,394	247,033,590
Total unrestricted fixed-income, short-term investments, and cash and cash equivalents, at cost	\$ 285,552,394	\$ 277,649,720
Unrestricted liquid assets:		
Interest income due and accrued	814,616	946,253
Total unrestricted liquid assets	\$ 286,367,010	\$ 278,595,973
Unrestricted illiquid assets: (Note 1)		
Limited partnership interests	408,395	412,183
Total unrestricted illiquid assets	\$ 408,395	\$ 412,183
Total restricted and unrestricted assets, excluding certain amounts	\$ 286,775,405	\$ 279,008,156
Liabilities		
Incurred but unpaid administrative expenses and investment expenses (Note 3)	\$ 580,052	\$ 901,406
Class I distribution checks outstanding (Note 8)	-	-
Class II distribution checks outstanding (Note 9)	10,231	95,835
Total liabilities	\$ 590,283	\$ 997,241
Restricted and unrestricted net assets, excluding certain amounts	\$ 286,185,122	\$ 278,010,915

See accompanying notes.

The Home Insurance Company in Liquidation

**Statement of Restricted and Unrestricted Cash Receipts and Disbursements
(Modified-Cash Basis)
(Unaudited)**

	January 1, 2026 To June 30, 2026	January 1, 2025 To December 31, 2025
Cash and marketable securities received:		
Net investment income	\$ 5,197,829	\$ 11,728,006
Reinsurance collections - unrestricted	7,880,903	17,461,084
Agents' balances	-	(191,500)
Salvage, subrogation and other claim recoveries	17,404	1,677,002
Realized capital gains -Bonds	214,650	154,397
Miscellaneous income	-	(33,545)
All other	624	543,902
Total cash receipts	\$ 13,311,411	\$ 31,339,346
Cash operating disbursements:		
Human resources costs (Note 3)	2,583,267	5,069,655
Consultant and outside service fees	1,017,684	1,887,822
General office and rent expense	(20,260)	846,956
Realized capital losses -Bonds	784,252	-
Investment expenses	76,713	362,156
Legal and audit fees	195,168	474,364
Computers and equipment cost	225,557	308,772
Administration costs	63,428	132,380
Loss expenses paid (Note 1)	4,962	139
Capital contribution	-	64,450
All other	117,161	152,289
Total cash operating disbursements	\$ 5,047,932	\$ 9,298,984
Excess of receipts over operating disbursements	\$ 8,263,479	\$ 22,040,363
 Class I Distributions (Note 8)	 -	 272,365
Class II Distributions (Note 9)	360,805	57,148,084
 Cash disbursements and distributions in excess of receipts	 \$ 7,902,674	 \$ (35,380,087)
 Beginning restricted and unrestricted fixed-income securities, short-term investments, and cash and cash equivalents, at cost	 <u>277,649,720</u>	 <u>313,029,808</u>
 Ending restricted and unrestricted fixed-income securities, short-term investments, and cash and cash equivalents, at cost	 <u>\$ 285,552,393</u>	 <u>\$ 277,649,720</u>

The Home Insurance Company in Liquidation

Statement of Changes in Restricted and Unrestricted Net Assets Excluding Certain Amounts (Modified-Cash Basis) (Unaudited)

	January 1, 2026 To June 30, 2026	January 1, 2025 To December 31, 2025
Restricted and unrestricted net assets, excluding certain amounts, beginning of year	\$ 278,010,915	\$ 311,374,764
Cash operating disbursements in excess of unrestricted and restricted cash receipts	7,902,674	(35,380,087)
Other changes in restricted and unrestricted net assets:		
Limited partnership interests, illiquid	(3,788)	(42,173)
Interest income due and accrued	(131,637)	(1,361,864)
Incurred but unpaid administrative and investment expenses (Note 3)	321,354	481,249
Deductible reimbursements (Note 7)	-	-
Class I distribution checks outstanding (Note 8)	-	0
Class II distribution checks outstanding (Note 9)	85,604	2,939,025
Restricted and unrestricted net assets, excluding certain amounts, end of year	\$ <u>286,185,122</u>	\$ <u>278,010,915</u>

See accompanying notes.

The Home Insurance Company in Liquidation ("Home")
Notes to Financial Statements)

(Modified-Cash Basis)
(Unaudited)
June 30, 2026

1) Basis of Accounting

These financial statements are prepared using the modified cash basis of accounting which differs from accounting principles generally accepted in the United States. Only those assets that are within the possession of the Liquidator and other known amounts for which ultimate realization is expected to occur, primarily investments and cash and cash equivalents, and certain receivables, are recorded. Liabilities that have been acknowledged by the Liquidator are prioritized into creditor classes in accordance with the New Hampshire Statute establishing creditor classes in insurer insolvencies, RSA 402-C: 44. Only incurred but unpaid Class I (Administration Costs) liabilities, which are in a creditor class superior to all other classes, are presented in these financial statements.

These financial statements do not record the amounts of certain assets such as outstanding receivables, reinsurance recoverables, securities on deposit with various states and the federal government, early access distributions, funds held and claims against others, and certain liabilities, including insurance claims, as such amounts have not been settled and agreed to with third parties.

The amount shown for loss expenses paid primarily represents (1) loss expenses accorded administrative expense priority by the rehabilitation order and liquidation order, and (2) expenses relating to obtaining claim recoveries which also are entitled to administrative expense priority. Checks issued for such loss expenses that are not cashed are reflected as liabilities.

The Liquidator invests Home's assets in accordance with the Fourth Revised Investment Guidelines approved September 10, 2012. Home's holdings of bonds and short-term investments as of June 30, 2026, are consistent with the investment guidelines.

The Liquidator continues to focus on preservation of capital on investments, maintaining a high-quality portfolio, and consistent with objectives and maximizing current income. The Liquidator believes that all securities in the portfolio will pay full amounts of principal in spite of fluctuating market values.

Unrestricted illiquid assets represent investments in common stock and limited partnership interests which are not liquid since these are not publicly traded.

Realized capital gains and losses on sale of bonds are calculated based on original cost of the bonds. Proceeds received above or below cost on maturity of bonds are included as part of net investment income. Proceeds received above or below original cost are treated as a gain or loss upon disposition of common stock.

This statement does not include any assets of Home's branches outside of the United States.

The Home Insurance Company in Liquidation ("Home")

Notes to Financial Statements (continued)
(Modified-Cash Basis)
(Unaudited)

2) Investments

The cost and estimated fair values of unrestricted fixed-income securities and common stock by major category are summarized as follows:

	June 30, 2026			
	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Fixed-income securities:				
U.S. Treasury notes	-	-	-	-
Corporate	-	-	-	-
Mortgage-backed	-	-	-	-
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Common Stock	\$ 346	\$ -	\$ (346)	\$ -

The amortized cost of unrestricted fixed-income securities is \$0 on June 30, 2026. Based on such amortized cost, gross unrealized gains are \$0 and gross unrealized losses are \$0.

	December 31, 2025			
	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Fixed-income securities:				
U.S. Treasury notes	-	-	-	-
Corporate	10,034,399	213,824	-	10,034,399
Mortgage-backed	<u>20,581,732</u>	<u>40,026</u>	<u>(790,582)</u>	<u>20,581,732</u>
Total	<u>\$ 30,616,131</u>	<u>\$ 253,850</u>	<u>\$ (790,582)</u>	<u>\$ 30,616,131</u>
Total Common Stock	\$ 346	\$ -	\$ (346)	\$ -

The amortized cost of unrestricted fixed-income securities is \$30,596,099 on December 31, 2025. Based on such amortized cost, gross unrealized gains are \$49,215 and gross unrealized losses are \$565,915.

The Home Insurance Company in Liquidation ("Home")

Notes to Financial Statements (continued)
(Modified-Cash Basis)
(Unaudited)

2) Investments (continued)

The cost and fair values of unrestricted fixed-income securities by contractual maturity are as follows:

Unrestricted fixed-income securities

	<u>Cost</u>	<u>Fair Value</u>
June 30, 2026		
One year or less	\$ -	\$ -
Mortgage-backed	<u>-</u>	<u>-</u>
Total	<u>\$ -</u>	<u>\$ -</u>

Unrestricted fixed-income securities

	<u>Cost</u>	<u>Fair Value</u>
December 31, 2025		
One year or less	\$10,034,399	\$ 10,248,225
Mortgage-backed	<u>20,581,731</u>	<u>19,831,175</u>
Total	<u>\$ 30,616,131</u>	<u>\$ 30,079,399</u>

The Home Insurance Company in Liquidation ("Home")

Notes to Financial Statements (continued)
(Modified-Cash Basis)
(Unaudited)

3) Incurred But Unpaid Administrative Expenses and Investment Expenses

Accrued expenses incurred in the normal course of Home's liquidation, but unpaid as of June 30, 2026, are as follows:

Human resources costs	\$	296,376
Consultant and outside service fees		173,225
General office and rent expense		3,523
Legal and auditing fees		10,990
Other administration costs		<u>61,215</u>
Total accrued administrative expenses		<u>545,329</u>
Accrued investment		<u>34,723</u>
Total accrued expenses		<u>580,052</u>

The amount of accrued expenses at December 31, 2025 is \$901,406 and net assets for 2026 increased by \$321,354 due to the decrease in the accrual.

The Annual Incentive Plan ("AIP") was terminated as of December 31, 2023 and the final AIP payments for 2023 were made in January 2024. The AIP was replaced by individual performance-based bonus programs in 2024 for employees previously participating in the AIP. The costs of these plans are primarily payable in 2026, but are based on 2025 service and are being accrued over the service period in 2026. Accrued at June 30, 2026 administrative expense includes \$296,376 incentive plan costs and other employee benefits.

4) Restricted Funds

The Liquidator has drawn down on letters of credit (LOC) upon receiving notices of cancellation or notices of non-renewal from the issuing bank. Such LOC drawdowns relate to insurance losses not yet proven and/or settled and are recognized as restricted cash receipts. Restricted funds will be recognized as unrestricted reinsurance recoveries when such balances are proven and/or settled between the beneficial owner and the Liquidator. During 2025 all funds related to the reinsurance recoveries have been released at June 30, 2026 total is \$0.

The Home Insurance Company in Liquidation (“Home”)

Notes to Financial Statements (continued)
(Modified-Cash Basis)
(Unaudited)

6) Early Access Distribution (continued)

The following summary represents early access distributions and related advances that are not reflected in the Statement of Net Assets.

Early Access Distributions paid in cash	\$ 263,246,349
Assets withdrawn from special deposits held by states to pay Home claims (market value, see note 5)	56,260,423
Other deemed Early Access advances paid in cash	<u>3,148,212</u>
Total	<u>\$ 322,654,984</u>

Early Access advances subject to “claw back” at June 30, 2026 total \$15,854,867.

7) Home Deductible Policies – Reimbursement

On April 6, 2011, the Liquidation Court approved an agreement between the Liquidator and the Guaranty Associations regarding Home Deductible policies (the Deductible Agreement). The Deductible Agreement provides that the Liquidator will reimburse the signatory Guaranty Associations for deductible amounts collected during liquidation. The Liquidator also charges a fee of 7.5% as reimbursement of the Home’s expenses incurred in the collection process. Forty-six Guaranty Associations have signed the Deductible Agreement to date. On April 6, 2023, the Liquidator paid \$280,672 after netting of the fee and advised the Guaranty Associations that Deductible collection services are discontinued.

8) Allowed Claims

As of June 30, 2026, the Liquidator has allowed, and the Liquidation Court has approved, \$143,507,961 of Class I claims, \$3,450,974,409 of Class II claims, \$2,672,527 of Class III claims, \$413,357,193 of Class V claims and \$53,887 of Class VIII claims. Class I claims paid in 2025 were \$272,365 and in 2024 were \$11,755,964 for the fifteenth, fourteenth and thirteenth distribution of Guaranty Associations’ administrative costs. It is management’s judgment that there will not be sufficient assets to make distributions on allowed claims below the Class II priority. Distributions on allowed claims will depend on the amount of assets available for distribution and allowed claims in each successive priority class under New Hampshire RSA 402-C: 44.

The Home Insurance Company in Liquidation ("Home")

Notes to Financial Statements (continued)
(Modified-Cash Basis)
(Unaudited)

9) Interim Distribution

On February 10, 2012, the Liquidator submitted a motion to the Liquidation Court seeking approval for a 15% interim distribution on allowed Class II claims. The interim distribution was approved by order of the Liquidation Court on March 13, 2012 (as amended July 2, 2012) and was subject to receipt of a waiver of federal priority claims from the United States Department of Justice. The waiver was received on November 5, 2014.

Additionally, on September 28, 2015, the Liquidator submitted a motion to the Liquidation Court seeking approval for a second interim distribution of 10% on allowed Class II claims. The Liquidation Court issued an order approving the motion on November 16, 2015 (the Order). On March 7, 2016, the Order was amended so that claimants who had not received the first interim distribution would be paid the second interim distribution coincident with the first interim distribution. The second interim distribution was subject to a waiver from the United States Department of Justice. The waiver was received on July 18, 2016.

On September 28, 2018, the Liquidator submitted a motion to the Liquidating Court seeking approval for a third interim distribution of 5% on allowed Class II claims. The Liquidation Court issued an order approving the motion on October 18, 2018, subject to a waiver from the United States Department of Justice. The waiver was received on April 10, 2019.

On August 7, 2023, the Liquidator filed a motion for approval of a fourth interim distribution of 10% to claimants with allowed Class II claims, bringing the total interim distribution percentage to 40%. The fourth interim distribution was approved by the Court on August 16, 2023. In October and December 2023, the Liquidator paid the fourth interim distribution totaling \$242.1 million to claimants, or their assignees with Class II priority claims allowed by the Court through August 31, 2023.

On August 26, 2024, the Liquidator filed a motion for approval of a fifth interim distribution of 5% to claimants with allowed Class II claims, bringing the total interim distribution percentage to 45%. The fifth interim distribution was approved by the Court on September 16, 2024.

In November, the Liquidator paid the fifth interim distribution totaling \$154,110,503. In accordance with the Court's order, the fifth interim distribution was made to claimants, or their assignees, with Class II priority claims allowed by the Court through September 30, 2024.

As of June 30, 2026, cash paid relating to the interim distributions in 2026 were \$360,805 and in 2024 were \$57,148,084 respectively, and \$10,231 and \$95,835 remains outstanding as a payable at June 30, 2026 and December 31, 2025, respectively. The total of all Class II payments issued through June 30, 2026, was \$1,220,994,481.

The Home Insurance Company in Liquidation (“Home”)

Notes to Financial Statements (continued)
(Modified-Cash Basis)
(Unaudited)

10) Claim Amendment Deadline Motion

The Liquidator filed a Motion for Approval of a Claim Amendment Deadline on August 1, 2019 seeking to establish a deadline for the amendment and submission of claims. After receiving certain objections to the proposed Claim Amendment Deadline, and the Liquidator’s responses thereto, the Court held a hearing on December 11, 2020. The Court subsequently issued orders dated January 28, 2021, approving the Claim Amendment Deadline. On February 11, 2021, certain of the objectors filed motions to reconsider the orders granting the

Liquidator’s Motion for Approval of Claim Amendment Deadline, together with a motion to stay the orders. On April 26, 2021, the Court denied the motion for reconsideration but granted a stay of the Claim Amendment Deadline order pending the objectors seeking an interlocutory appeal. One objector and the Liquidator negotiated an interlocutory appeal statement, which two other objectors joined. The Superior Court approved the statement on May 12, 2021. The objector filed the interlocutory appeal statement with the New Hampshire Supreme Court on May 19, 2021. On February 10, 2022, the New Hampshire Supreme Court heard oral argument on the appeal of the Superior Court’s order approving the Claim Amendment Deadline, and on August 12, 2022, it issued its Opinion which affirmed the Superior Court’s orders. In its Opinion, the New Hampshire Supreme Court found that the Superior Court acted within its discretion in granting the Liquidator’s Motion and approving the Claim Amendment Deadline, and in concluding that the Claim Amendment Deadline strikes a reasonable balance between the expeditious completion of the liquidation and the protection of unliquidated and undetermined claims in accordance with NH RSA 402-C:46, I. The New Hampshire Supreme Court issued its mandate on August 29, 2022, which is the effective date of the New Hampshire Supreme Court’s decision. The Order Approving Claim Amendment Deadline established the Claim Amendment Deadline as the date 150 days from the date of the Order. That date was Thursday, January 26, 2023. In accordance with the Order Approving Claim Amendment Deadline, the Liquidator mailed notices of the Claim Amendment Deadline in the approved form to all claimants who have an open proof of claim in the Home liquidation.

EXHIBIT B

The Home Insurance Company in Liquidation
G&A Expenses (Actual vs Budget)
6/30/2026

	YTD			Full Year Budget
	Actual 2026	Budget 2026	Variance 2026	
General & Administrative Expense				
Salary and Benefits	2,190,680	2,155,733	34,947	4,272,854
Travel	5,973	6,000	(27)	13,540
Rent	(76,947)	206,980	(283,927)	363,599
Equipment	213,300	196,100	17,200	392,200
Printing and Stationery	2,880	6,020	(3,140)	12,040
Postage	1,832	5,640	(3,808)	11,280
Telephone	40,226	41,600	(1,374)	83,200
Outside Services, including Special Deputy	1,109,804	956,280	153,524	1,882,560
Legal and Auditing	171,493	462,502	(291,009)	925,000
Bank Fees	58,844	62,500	(3,656)	125,000
Corporate Insurance	32,006	42,500	(10,494)	85,000
Miscellaneous Income/Expenses	59	75,000	(74,941)	150,000
Total Expenses Incurred	3,750,150	4,216,855	(466,705)	8,316,273

EXHIBIT C

**THE HOME INSURANCE COMPANY IN LIQUIDATION
HOLDINGS REPORT
AS OF JUNE 30, 2026**

CUSIP	DESCRIPTION	CPN	MATURITY	QUANTITY	BOOK VALUE	MARKET VALUE
31607A703	FIDELITY INVT MMKT GOVT PORT INSTL CL.	3.570	07/15/2026	278,201,650.82	278,201,650.82	278,201,650.82
	TOTAL CASH EQUIVALENTS			278,201,650.82	278,201,650.82	278,201,650.82
	CORPORATE					
	TOTAL CORPORATE			0.00	0.00	0.00
	MORTGAGE BACKED					
	TOTAL MORTGAGE BACKED			0.00	0.00	0.00
	TOTAL MARKETABLE SECURITIES			0.00	0.00	0.00
	TOTAL MARKETABLE AND C/E			278,201,650.82	278,201,650.82	278,201,650.82
	COMMON					
	RIMCO ROYALTY MANAGEMENT, INC			346,302.00	346.30	0.00
	TOTAL COMMON			346,302.00	346.30	0.00
	TOTAL MARKETABLE , CASH, C/E AND COMMON			278,547,952.82	278,201,997.12	278,201,650.82
	EQUITY SECURITIES					
	RIMCO ROYALTY PARTNERS, L.P.			346,302.00	3,199,497.00	408,395.00
	LIMITED PARTNERS			346,302.00	3,199,497.00	408,395.00
	TOTAL EQUITY SECURITIES			346,302.00	3,199,497.00	408,395.00
	TOTAL			278,894,254.82	281,401,494.12	278,610,045.82