

**THE STATE OF NEW HAMPSHIRE  
SUPREME COURT**

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**No. 2021-0211**

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IN THE MATTER OF THE LIQUIDATION OF THE  
HOME INSURANCE COMPANY

APPEAL OF ZURICH INSURANCE PLC, GERMAN BRANCH

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Interlocutory Appeal Pursuant to Rule 8 from an  
Order of the Merrimack County Superior Court

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**SUPPLEMENTAL APPENDIX OF  
APPELLEES BRIDGESTONE AMERICAS TIRE  
OPERATIONS LLC, ELI LILLY AND COMPANY,  
VIACOMCBS INC. and the ARCHDIOCESE OF SAINT PAUL  
AND MINNEAPOLIS SETTLEMENT TRUST**

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ViacomCBS Inc. and the Archdiocese of Saint Paul and Minneapolis Settlement Trust*

## TABLE OF CONTENTS

	<b>Page No:</b>
Liquidator's Report of Claims and Recommendations as of March 10, 2006 (relevant excerpts)	3
Liquidator's Report of Claims and Recommendations as of April 11, 2007 (relevant excerpts)	7
Liquidator's Report of Claims and Recommendations as of October 24, 2007 (relevant excerpts)	11
Liquidator's Report of Claims and Recommendations as of February 4, 2009 (relevant excerpts)	15
Liquidator's Motion for Approval of Settlement Agreement with Archdiocese of Saint Paul and Minneapolis (June 6, 2016) (relevant excerpts)	20
Order Approving Settlement Agreements..., <i>In re: The Archdiocese of Saint Paul and Minneapolis</i> , No. 15-30125 (Bankr. D. Minn. June 6, 2016)	27
Third Amended Joint Chapter 11 Plan of Reorganization, <i>In re: The Archdiocese of Saint Paul and Minneapolis</i> , No. 15-30125 (Bankr. D. Minn. Sept. 25, 2018) (relevant excerpts)	34
Order Confirming Plan, <i>In re: The Archdiocese of Saint Paul and Minneapolis</i> , No. 15-30125 (Bankr. D. Minn. Sept. 25, 2018)	41
Liquidator's Motion for Approval of Settlement Agreement with Bridgestone Americas Tire Operations LLC (August 13, 2019) (relevant excerpts)	57
Liquidator's Motion for Approval of Settlement Agreement with ViacomCBS, Inc. (May 20, 2020) (relevant excerpts)	64
Liquidator's Eighty-Second Report (September 14, 2021) (relevant excerpts)	71

**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**

**Docket No. 03-E-0112**

**In the Matter of the Liquidation of  
US International Reinsurance Company**

**LIQUIDATOR'S REPORT OF CLAIMS AND  
RECOMMENDATIONS AS OF MARCH 10, 2006**

Pursuant to Paragraph 4 of the Order Approving Liquidator's Report of Claims and Recommendations entered December 16, 2004, Roger A. Sevigny, Commissioner of Insurance for the State of New Hampshire, as Liquidator ("Liquidator") of The Home Insurance Company ("Home") and US International Reinsurance Company ("USI Re"), hereby submits this report of claims and recommendations for allowance. The particular claims that are the subject of this report are identified and the Liquidator's recommendations are set forth on Schedules 1 (Home) and 2 (USI Re) attached. These claims are not disputed, and the Liquidator recommends that the Court approve and allow the claims as set forth on the schedules pursuant to RSA 402-C:45.

1. The Liquidator has issued notices of determination concerning the claims described on the schedules in the amounts and at the priorities set forth in the schedules. Either the claimants have acknowledged that they agree with the claim determinations or more than sixty days have passed from the mailing of the notices of determination without any objection being filed with the Court. The claimants accordingly may not

object further to the determinations with respect to these claims. See RSA 402-C:41, I; Restated and Revised Order Establishing Procedures Regarding Claims Filed With The Home Insurance Company In Liquidation dated January 19, 2005, § 8.

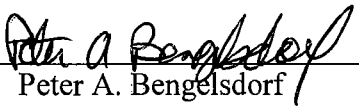
2. In accordance with RSA 402-C:45, I, the Liquidator hereby reports on the claims set forth on the schedules to the Court and recommends that the claims be allowed in the amounts and at the priority classes set forth on the schedules pursuant to RSA 402-C:45, II. The Liquidator has reviewed the claims and submits that the amounts recommended are fair and reasonable and that the priority classes recommended are proper under RSA 402-C:44.

3. Certain of the claims that are the subject of this report arise under AFIA Treaties. The determinations of these AFIA claims have been agreed by Century Indemnity Company.

4. In light of the suggestion in the Referee's Ruling on Liquidator's Motion for Clarification in Disputed Claims Docket No. 2005-HICIL-2 (Nov. 14, 2005), the Liquidator notes that there are no known or anticipated setoffs regarding the claims set forth on the Schedule. In the event any setoffs later arise, they will be applied before distributions are made.

Respectfully submitted,

ROGER A. SEVIGNY, COMMISSIONER OF  
INSURANCE OF THE STATE OF NEW  
HAMPSHIRE, AS LIQUIDATOR OF THE HOME  
INSURANCE COMPANY AND US  
INTERNATIONAL REINSURANCE COMPANY,

  
By: Peter A. Bengelsdorf  
Special Deputy Liquidator

**THE HOME INSURANCE CO. IN LIQUIDATION**

**Liquidator's Report of Claims and Recommendations Dated March 10, 2006 Pursuant to RSA402-C:45**

**(Notice of Determination Acknowledged as Agreed or Not Timely Objected To)**

**Distributions will be subject to setoff.**

Policyholder Appellees' Supplemental Appendix

POC Number	Claimant Name	Address	Brief Description of POC / Determination	NOD Amount Recommended	NOD Class	
GOVT18899-02	ALABAMA INSURANCE GUARANTY ASSOC.	2020 CANYON ROAD, SUITE 200	35216-1904	Guaranty Association partial allowance of paid loss and loss recoveries from 12/01/04 to 11/30/05.	\$921,355.84	II
INSU212865-01	AMAGANSETT UNION FREE	P O BOX 7062	11937	Policyholder has no pending claim and has not identified any potential claims.	\$0.00	II
GOVT18904-02	CALIFORNIA INSURANCE GUARANTEE ASSOCIATION	CALIFORNIA INSURANCE GUARANTEE ASSOCIATION, 700 NORTH BRAND BOULEVARD #1400	91203	Guaranty Association partial allowance of paid loss and loss recoveries from 12/01/04 to 11/30/05.	\$2,758,084.22	II
OSAP285420-01	CHARLES MAYNARD	CHARLES MAYNARD, 1200 WILDCREEK TRAIL NE	30324	Claim for W/C preliquidation benefit. Preliquidation Claim check was cashed resolving claim.	\$0.00	II
GOVT700083-02	COLORADO INSURANCE GUARANTY ASSOCIATION	WESTERN GUARANTY FUND SERVICES	80222	Guaranty Association partial allowance of paid loss and loss recoveries from 12/01/04 to 11/30/05.	\$476,723.29	II
INSU240631-01	ELI LILLY & CO	LILLY CORPORATE CENTER	46285	Determination to Insured for paid loss and expenses included in INSU240626.	\$0.00	II
INSU275224-01	ELI LILLY & CO	LILLY CORPORATE CENTER	46285	Determination to Insured for paid loss and expenses included in INSU240626.	\$0.00	II
INSU275238-01	ELI LILLY & CO	LILLY CORPORATE CENTER	46285	Determination to Insured for paid loss and expenses included in INSU240626.	\$0.00	II
INSU275239-01	ELI LILLY & CO	LILLY CORPORATE CENTER	46285	Determination to Insured for paid loss and expenses included in INSU240626.	\$0.00	II
INSU275240-01	ELI LILLY & CO	LILLY CORPORATE CENTER	46285	Determination to Insured for paid loss and expenses included in INSU240626.	\$0.00	II
INSU275334-01	ELI LILLY & CO	LILLY CORPORATE CENTER	46285	Determination to Insured for paid loss and expenses included in INSU240626.	\$0.00	II
INSU275335-01	ELI LILLY & CO	LILLY CORPORATE CENTER	46285	Determination to Insured for paid loss and expenses included in INSU240626.	\$0.00	II
INSU275410-01	ELI LILLY & CO	LILLY CORPORATE CENTER	46285	Determination to Insured for paid loss and expenses included in INSU240626.	\$0.00	II
INSU275411-01	ELI LILLY & CO	LILLY CORPORATE CENTER	46285	Determination to Insured for paid loss and expenses included in INSU240626.	\$0.00	II
INSU275412-01	ELI LILLY & CO	LILLY CORPORATE CENTER	46285	Determination to Insured for paid loss and expenses included in INSU240626.	\$0.00	II
INSU275578-01	ELI LILLY & CO	LILLY CORPORATE CENTER	46285	Determination to Insured for paid loss and expenses included in INSU240626.	\$0.00	II
INSU240626-01	ELI LILLY & CO	LILLY CORPORATE CENTER	46285	Partial Allowance to Insured for paid loss and expenses.	\$14,127,876.00	II
INSU240627-01	ELI LILLY & CO	LILLY CORPORATE CENTER	46285	Determination to Insured for paid loss and expenses included in INSU240626.	\$0.00	II
INSU702911-01	ELI LILLY & CO	LILLY CORPORATE CENTER	46285	Determination to Insured for paid loss and expenses included in INSU240626.	\$0.00	II
INSU702913-01	ELI LILLY & CO	LILLY CORPORATE CENTER	46285	Determination to Insured for paid loss and expenses included in INSU240626.	\$0.00	II
INSU702914-01	ELI LILLY & CO	LILLY CORPORATE CENTER	46285	Determination to Insured for paid loss and expenses included in INSU240626.	\$0.00	II

**THE HOME INSURANCE CO. IN LIQUIDATION**  
**Liquidator's Report of Claims and Recommendations Dated March 10, 2006 Pursuant to RSA402-C:45**  
**(Notice of Determination Acknowledged as Agreed or Not Timely Objected To)**  
**Distributions will be subject to setoff.**

Policy Number	Claimant Name	Address	Address	IN	46285	Brief Description of POC / Determination	NOD Amount Recommended	NOD Class
INSU702915-01	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Determination to Insured for paid loss and expenses included in INSU240626.	\$0.00	II
INSU702916-01	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Determination to Insured for paid loss and expenses included in INSU240626.	\$0.00	II
INSU702917-01	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Determination to Insured for paid loss and expenses included in INSU240626.	\$0.00	II
INSU702918-01	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Determination to Insured for paid loss and expenses included in INSU240626.	\$0.00	II
INSU702919-01	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Determination to Insured for paid loss and expenses included in INSU240626.	\$0.00	II
INSU702920-01	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Determination to Insured for paid loss and expenses included in INSU240626.	\$0.00	II
INSU702921-01	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Determination to Insured for paid loss and expenses included in INSU240626.	\$0.00	II
INSU702922-01	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Determination to Insured for paid loss and expenses included in INSU240626.	\$0.00	II
INSU702923-01	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Determination to Insured for paid loss and expenses included in INSU240626.	\$0.00	II
INSU702924-01	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Determination to Insured for paid loss and expenses included in INSU240626.	\$0.00	II
INSU702925-01	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Determination to Insured for paid loss and expenses included in INSU240626.	\$0.00	II
GOVT18908-02	FLORIDA INSURANCE GUARANTY ASSOCIATION	P. O. BOX 14249	TALLAHASSEE	FL	32317	Guaranty Association partial allowance of paid loss and loss recoveries from 12/01/04 to 09/30/05.	\$30,996.00	II
GOVT700050-02	FLORIDA WORKERS' COMPENSATION INS GUARANTY ASSOCIATION	P O BOX 15159	TALLAHASSEE	FL	32317	Guaranty Association partial allowance of paid loss and loss recoveries from 12/01/04 to 11/30/05.	\$4,336,863.09	II
GOVT18911-02	GEORGIA INSURERS INSOLVENCY POOL	2177 FLINTSTONE DRIVE	TUCKER	GA	30084	Guaranty Association partial allowance of paid loss and loss recoveries from 12/01/04 to 11/30/05.	\$609,720.95	II
GOVT700136-02	IDAHO INSURANCE GUARANTY ASSOCIATION	WESTERN INSURANCE GUARANTY ASSOCIATION, 1720 SOUTH BELLAIRE STREET, SUITE 408	DENVER	CO	80222	Guaranty Association partial allowance of paid loss and loss recoveries from 12/01/04 to 11/30/05.	\$31,924.81	II
GOVT18913-03	ILLINOIS INSURANCE GUARANTY FUND	120 S LASALLE ST	CHICAGO	IL	60603	Guaranty Association partial allowance of paid loss and loss recoveries from 12/01/04 to 11/30/05.	\$339,742.08	II
GOVT18915-02	IOWA INSURANCE GUARANTY ASSOCIATION	IOWA INSURANCE GUARANTY ASSOCIATION, 801 GRAND AVENUE	DES MOINES	IA	50309-2727	Guaranty Association partial allowance of paid loss and loss recoveries from 12/01/04 to 11/30/05.	\$81,935.53	II
INSU37318-01	ISADORE M. BERNSTEIN	6315 SOUTH CENTRAL AVE	CHICAGO	IL	60638	Policyholder has no pending claim and has not identified any potential claims.	\$0.00	II
INSU700277-01	JOHN WALTERS	1716 10TH AVE.	TUSCALOOSA	AL	35401	Claimant has not provided justification for an allow	\$0.00	II
GOVT700137-02	KANSAS INSURANCE GUARANTY ASSOCIATION	WESTERN GUARANTY FUND SERVICES, 1720 SOUTH BELLAIRE STREET, SUITE 408	DENVER	CO	80222	Guaranty Association partial allowance of paid loss and loss recoveries from 12/01/04 to 11/30/05.	\$366,265.26	II
GOVT18916-02	KENTUCKY INSURANCE GUARANTY ASSOCIATION	KENTUCKY INSURANCE GUARANTY ASSOCIATION, 9200 SHELBYVILLE ROAD	LOUISVILLE	KY	40222	Guaranty Association partial allowance of paid loss and loss recoveries from 12/01/04 to 11/30/05.	\$741,472.91	II
GOVT18917-02	LOUISIANA INSURANCE GUARANTY ASSOCIATION	2142 QUAIL RUN DR	BATON ROUGE	LA	70808	Guaranty Association partial allowance of paid loss and loss recoveries from 12/01/04 to 10/31/05.	\$296,541.81	II

Policyholder: Apple Supermarket, Inc.

**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**

**Docket No. 03-E-0112**

**In the Matter of the Liquidation of  
US International Reinsurance Company**

**LIQUIDATOR'S REPORT OF CLAIMS AND  
RECOMMENDATIONS AS OF APRIL 11, 2007**

Pursuant to Paragraph 4 of the Order Approving Liquidator's Report of Claims and Recommendations entered December 16, 2004, Roger A. Sevigny, Commissioner of Insurance for the State of New Hampshire, as Liquidator ("Liquidator") of The Home Insurance Company ("Home") and US International Reinsurance Company ("USI Re"), hereby submits this report of claims and recommendations for allowance. The claims are identified and the Liquidator's recommendations are set forth on the attached Schedule 1 (Home) and Schedule 2 (USI Re). The Liquidator recommends that the Court approve and allow the claims as set forth on the schedules pursuant to RSA 402-C:45.

1. The Liquidator has issued notices of determination concerning the claims described on Schedules 1 and 2 in the amounts and at the priorities set forth in the schedules. Either the claimants have acknowledged that they agree with the claim determinations or more than sixty days have passed from the mailing of the notices of determination without any objection being filed with the Court. The claimants accordingly may not object further to the determinations with respect to these claims.

See RSA 402-C:41, I; Restated and Revised Order Establishing Procedures Regarding Claims Filed With The Home Insurance Company In Liquidation dated January 19, 2005, § 8.

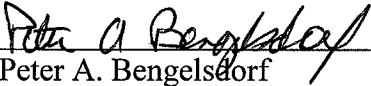
2. In accordance with RSA 402-C:45, I, the Liquidator hereby reports on the claims set forth on Schedules 1 and 2 to the Court and recommends that the claims be allowed in the amounts and at the priority classes set forth on the schedules pursuant to RSA 402-C:45, II. The Liquidator has reviewed the claims and submits that the amounts recommended are fair and reasonable and that the priority classes recommended are proper under RSA 402-C:44.

3. Certain of the claims that are the subject of this report arise under AFIA Treaties. The determinations of these AFIA claims have been agreed by Century Indemnity Company.

4. In light of the suggestion in the Referee's Ruling on Liquidator's Motion for Clarification in Disputed Claims Docket No. 2005-HICIL-2 (Nov. 14, 2005), the Liquidator notes that there may be potential setoffs regarding certain of the claims set forth on the schedule. In any such event, those setoffs will be applied before distributions are made.

Respectfully submitted,

ROGER A. SEVIGNY, COMMISSIONER OF  
INSURANCE OF THE STATE OF NEW  
HAMPSHIRE, AS LIQUIDATOR OF THE HOME  
INSURANCE COMPANY AND US  
INTERNATIONAL REINSURANCE COMPANY,

  
By: Peter A. Bengelsdorf  
Special Deputy Liquidator

Date: April 18, 2007



**THE HOME INSURANCE CO. IN LIQUIDATION**  
**Liquidator's Report of Claims and Recommendations Dated April 11, 2007 Pursuant to RSA402-C:45**  
**(Notice of Determination Acknowledged as Agreed or Not Timely Objected To)**

*Distributions will be subject to set off.*

NOD Number	Claimant Name	Address	LA	CONNER	WA	98257	Brief Description	NOD Amount Recommended	NOD Class
INSU703156-01	DUNLAP TOWING CO INC	POB 593					Determination to insured for defense expenses included in INSU391975-01.	0.00	II
CLIN705195-01	EILEEN MCCAULEY	124 SOUTH PARK AVE 1L	ROCKVILLE CENTRE	NY	11570		Claimant's underlying suit was settled by the New York Liquidation Bureau and the case discontinued. No further claim asserted against The Home.	0.00	II
INSU240631-03	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285		Determination to insured for paid losses and expenses included in INSU240626-03.	0.00	II
INSU275224-03	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285		Determination to insured for paid losses and expenses included in INSU240626-03.	0.00	II
INSU275238-03	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285		Determination to insured for paid losses and expenses included in INSU240626-03.	0.00	II
INSU275239-03	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285		Determination to insured for paid losses and expenses included in INSU240626-03.	0.00	II
INSU275240-03	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285		Determination to insured for paid losses and expenses included in INSU240626-03.	0.00	II
INSU275334-03	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285		Determination to insured for paid losses and expenses included in INSU240626-03.	0.00	II
INSU275335-03	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285		Determination to insured for paid losses and expenses included in INSU240626-03.	0.00	II
INSU275410-03	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285		Determination to insured for paid losses and expenses included in INSU240626-03.	0.00	II
INSU275411-03	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285		Determination to insured for paid losses and expenses included in INSU240626-03.	0.00	II
INSU275412-03	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285		Determination to insured for paid losses and expenses included in INSU240626-03.	0.00	II
INSU275578-03	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285		Determination to insured for paid losses and expenses included in INSU240626-03.	0.00	II
INSU240626-03	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285		Partial Allowance to insured for paid losses and expenses.	1,237,781.00	II
INSU240627-03	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285		Determination to insured for paid losses and expenses included in INSU240626-03.	0.00	II
INSU702911-03	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285		Determination to insured for paid losses and expenses included in INSU240626-03.	0.00	II
INSU702913-03	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285		Determination to insured for paid losses and expenses included in INSU240626-03.	0.00	II
INSU702914-03	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285		Determination to insured for paid losses and expenses included in INSU240626-03.	0.00	II
INSU702915-03	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285		Determination to insured for paid losses and expenses included in INSU240626-03.	0.00	II
INSU702916-03	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285		Determination to insured for paid losses and expenses included in INSU240626-03.	0.00	II
INSU702917-03	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285		Determination to insured for paid losses and expenses included in INSU240626-03.	0.00	II
INSU702918-03	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285		Determination to insured for paid losses and expenses included in INSU240626-03.	0.00	II
INSU702919-03	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285		Determination to insured for paid losses and expenses included in INSU240626-03.	0.00	II
INSU702920-03	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285		Determination to insured for paid losses and expenses included in INSU240626-03.	0.00	II
INSU702921-03	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285		Determination to insured for paid losses and expenses included in INSU240626-03.	0.00	II
INSU702922-03	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285		Determination to insured for paid losses and expenses included in INSU240626-03.	0.00	II

**THE HOME INSURANCE CO. IN LIQUIDATION**  
**Liquidator's Report of Claims and Recommendations Dated April 11, 2007 Pursuant to RSA402-C:45**  
**(Notice of Determination Acknowledged as Agreed or Not Timely Objected To)**

*Distributions will be subject to set off.*

NOD Number	Claimant Name	Address	Address	IN	IN	Brief Description	NOD Amount Recommended	NOD Class
INSU702923-03	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Determination to insured for paid losses and expenses included in INSU240626-03.	0.00	II
INSU702924-03	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Determination to insured for paid losses and expenses included in INSU240626-03.	0.00	II
INSU702925-03	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Determination to insured for paid losses and expenses included in INSU240626-03.	0.00	II
CLMN380486-01	FALZON, BARBARA	C/O STEVE FALZON, 5264 S. LISBON WAY	CENTENNIAL	CO	80015	Claimant's claim was for a pending PIP claim. The claim is being handled, and will be concluded, by the Michigan Guaranty Association. No further claim asserted against The Home.	0.00	II
CLMN478586-01	FELICIA L. ABRAM	ATTN. SHIRLEY C. BYERS, 200 6TH ST. N STE. 102	COLUMBUS	MS	39701	Claimant has not provided proof or a completed POC to support a claim against the Liquidation.	0.00	II
INSU74356-01	FRANKEL MARTIN	8 DEPOT SQUARE	TUCKAHOE	NY	10707	Policyholder has no pending claims and has not identified any potential claims.	0.00	II
CLMN705227-01	FRED VELTEN INDIVIDUALLY AND ON BEHALF OF THE ESTATE OF ROSE VOLT	120 SOUTH PARK AVE 1F	ROCKVILLE CENTRE	NY	11570	Underlying suit was settled by the New York Liquidation Bureau and the case discontinued. No further claim asserted against The Home.	0.00	II
INSU54121-01	FREDERICK ADELMAN AND ABBY ADELMAN	320 CARLETON AVENUE STE. 2500, ATTN: WILLIAM P. GRIFFIN III	CENTRAL ISLIP	NY	11722	Policyholder's underlying claim was settled by the New York Liquidation Bureau. No further claim asserted against The Home.	0.00	II
INSU192543-01	GARY WALDMAN	504 BROADWAY, PO BOX 1493	MONTICELLO	NY	12701	Policyholder has no pending claims and has not identified any potential claims.	0.00	II
CLMN379494-01	GENEVIEVE KULIKOWSKI	57 STELLA DRIVE	BRIDGEWATER	NJ	08807	Claimant's claim was for a pending PIP claim. The claim is being handled, and will be concluded, by the New Jersey Guaranty Association. No further claim asserted against The Home.	0.00	II
INSU34085-01	GEORGINA SCAIA	P. O. BOX 4880, ATTN: MARY BONDONI	SYRACUSE	NY	13221	Policyholder's underlying WC claim is being handled and will be concluded, by New York Liquidation Bureau. No further claim asserted against The Home.	0.00	II
CLMN705208-01	GREGORY & JILL RATHJEN	43 SOUTH LEWIS PLACE	ROCKVILLE CENTRE	NY	11570	Claimant's underlying suit was settled by the New York Liquidation Bureau and the case discontinued. No further claim asserted against The Home.	0.00	II
INSU73455-01	GURSKY & ODWAK	32 COURT STREET STE. 804, ATTN: BARBARA S. ODWAK	BROOKLYN	NY	11201	Policyholder has no pending claims and has not identified any potential claims.	0.00	II
CLMN379604-01	HAFITZ, SAMUELA	15 GEORGE WASHINGTON DR.	TITUSVILLE	NJ	08560	Claimant's claim was for a pending PIP claim. The claim is being handled, and will be concluded, by the New Jersey Guaranty Association. No further claim asserted against The Home.	0.00	II
CLMN379934-01	HARTER, H R	C/O ANTHONY BRUSCATO, ESQ, 2011 HUDSON LANE	MONROE	LA	71207	Claim was settled with the Louisiana Guaranty Association. No further claim asserted against The Home.	0.00	II
CLMN375427-01	IANNARONE-CAMER, VIRGINIA	1205 FRANKLIN AVENUE STE. 300, ATTN: EDWARD A. FLECK	GARDEN CITY	NY	11530	Claimant is the beneficiary of an annuity that is not affected by the insolvency.	0.00	II
INSU170034-01	J F DAY & COMPANY	2820 6TH AVE SOUTH	BIRMINGHAM	AL	35233	Policyholder's underlying claim was concluded with another carrier. No further claim asserted against The Home.	0.00	II
INSU128940-01	J F DAY & COMPANY INC	2820 6TH AVE SOUTH	BIRMINGHAM	AL	35233	Policyholder's underlying claim was concluded with another carrier. No further claim asserted against The Home.	0.00	II
INSU129083-01	J F DAY & COMPANY INC	2820 6TH AVE SOUTH	BIRMINGHAM	AL	35233	Policyholder's underlying claim was concluded with another carrier. No further claim asserted against The Home.	0.00	II

**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 REPORT OF CLAIMS AND  
RECOMMENDATIONS AS OF OCTOBER 24, 2007**

Pursuant to Paragraph 4 of the Order Approving Liquidator's Report of Claims and Recommendations entered December 16, 2004, Roger A. Sevigny, Commissioner of Insurance for the State of New Hampshire, as Liquidator ("Liquidator") of The Home Insurance Company ("Home"), hereby submits this report of claims and recommendations for allowance. The claims are identified and the Liquidator's recommendations are set forth on the attached Schedule 1. The Liquidator recommends that the Court approve the treatment of the claims as set forth on the schedule pursuant to RSA 402-C:45 and RSA 402-C:38.

1. The Liquidator has issued notices of determination concerning the claims described on Schedule 1 in the amounts and at the priorities set forth in the schedule. Either the claimants have acknowledged that they agree with the claim determinations or more than sixty days have passed from the mailing of the notices of determination without any objection being filed with the Court. The claimants accordingly may not object further to the determinations with respect to these claims. See RSA 402-C:41, I; Restated and Revised Order Establishing Procedures Regarding Claims Filed With The Home Insurance Company In Liquidation dated January 19, 2005, § 8.

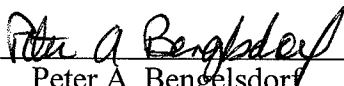
2. In accordance with RSA 402-C:45, I, the Liquidator hereby reports on the claims set forth on Schedule 1 to the Court and recommends that the claims be allowed in the amounts and at the priority classes set forth on the schedule pursuant to RSA 402-C:45, II. The Liquidator has reviewed the claims and submits that the amounts recommended are fair and reasonable and that the priority classes recommended are proper under RSA 402-C:44.

3. Certain of the claims that are the subject of this report arise under AFIA Treaties. The determinations of these AFIA claims have been agreed by Century Indemnity Company.

4. In light of the suggestion in the Referee's Ruling on Liquidator's Motion for Clarification in Disputed Claims Docket No. 2005-HICIL-2 (Nov. 14, 2005), the Liquidator notes that there may be potential setoffs regarding certain of the claims set forth on the schedule. In any such event, those setoffs will be applied before distributions are made.

Respectfully submitted,

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

  
By: Peter A. Bengelsdorf  
Special Deputy Liquidator

Date: November 16, 2007

**THE HOME INSURANCE CO. IN LIQUIDATION**  
**Liquidator's Report of Claims and Recommendations Dated October 24, 2007 Pursuant to RSA402-C:45**  
**(Notice of Determination Acknowledged as Agreed or Not Timely Objected To)**

CLMN711749-01	EDWARD & MARIE SCHNEIDER	C/O PHILLIP W. SEGUI, JR. ESQ., 864 LOWCOUNTRY BLVD.	MT. PLEASANT	SC	29464	Claim is outside The Home coverage. No further claim asserted against The Home.	0.00	II
INSU240631-04	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Determination to Insured for verified paid losses and expenses included in INSU240626-04.	0.00	II
INSU275224-04	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Determination to Insured for verified paid losses and expenses included in INSU240626-04.	0.00	II
INSU275238-04	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Determination to Insured for verified paid losses and expenses included in INSU240626-04.	0.00	II
INSU275239-04	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Determination to Insured for verified paid losses and expenses included in INSU240626-04.	0.00	II
INSU275240-04	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Determination to Insured for verified paid losses and expenses included in INSU240626-04.	0.00	II
INSU275334-04	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Determination to Insured for verified paid losses and expenses included in INSU240626-04.	0.00	II
INSU275335-04	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Determination to Insured for verified paid losses and expenses included in INSU240626-04.	0.00	II
INSU275410-04	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Determination to Insured for verified paid losses and expenses included in INSU240626-04.	0.00	II
INSU275411-04	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Determination to Insured for verified paid losses and expenses included in INSU240626-04.	0.00	II
INSU275412-04	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Determination to Insured for verified paid losses and expenses included in INSU240626-04.	0.00	II
INSU275578-04	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Determination to Insured for verified paid losses and expenses included in INSU240626-04.	0.00	II
INSU240627-04	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Determination to Insured for verified paid losses and expenses included in INSU240626-04.	0.00	II
INSU702911-04	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Determination to Insured for verified paid losses and expenses included in INSU240626-04.	0.00	II
INSU702913-04	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Determination to Insured for verified paid losses and expenses included in INSU240626-04.	0.00	II
INSU702914-04	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Determination to Insured for verified paid losses and expenses included in INSU240626-04.	0.00	II
INSU702915-04	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Determination to Insured for verified paid losses and expenses included in INSU240626-04.	0.00	II

**THE HOME INSURANCE CO. IN LIQUIDATION**  
**Liquidator's Report of Claims and Recommendations Dated October 24, 2007 Pursuant to RSA402-C:45**  
**(Notice of Determination Acknowledged as Agreed or Not Timely Objected To)**

INSU702916-04	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Determination to Insured for verified paid losses and expenses included in INSU240626-04.	0.00	II
INSU702917-04	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Determination to Insured for verified paid losses and expenses included in INSU240626-04.	0.00	II
INSU702918-04	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Determination to Insured for verified paid losses and expenses included in INSU240626-04.	0.00	II
INSU702919-04	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Determination to Insured for verified paid losses and expenses included in INSU240626-04.	0.00	II
INSU702920-04	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Determination to Insured for verified paid losses and expenses included in INSU240626-04.	0.00	II
INSU702921-04	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Determination to Insured for verified paid losses and expenses included in INSU240626-04.	0.00	II
INSU702922-04	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Determination to Insured for verified paid losses and expenses included in INSU240626-04.	0.00	II
INSU702923-04	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Determination to Insured for verified paid losses and expenses included in INSU240626-04.	0.00	II
INSU702924-04	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Determination to Insured for verified paid losses and expenses included in INSU240626-04.	0.00	II
INSU702925-04	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Determination to Insured for verified paid losses and expenses included in INSU240626-04.	0.00	II
INSU240626-04	ELI LILLY & CO.	LILLY CORPORATE CENTER, MS. JILL CALDWELL	INDIANAPOLIS	IN	46285	Partial allowance to Insured for verified paid losses and expenses.	1,285,099.00	II
CLMN701006-01	ERNESTINE JACKSON	450 SANSOME ST FL 3	SAN FRANCISCO	CA	94111-3306	Policyholder and Liquidator reached a settlement resolving all matters under the Cleaver-Brook's policies. As part of the settlement the Insured will handle and conclude the claims. No further claim asserted against The Home.	0.00	II
CLMN377545-01	ESTATE OF DELORES SHAW	42 WOODBINE ROAD	LEVITTOWN	PA	19057-3216	Claimant is deceased. The underlying WC benefits were paid and the claim closed. No further claim asserted against The Home.	0.00	II
OSAP285041-01	ESTATE OF FRANCIS MADDEN	C/O MRS. FRANCIS MADDEN, 530 STRAHLE STREET	PHILADELPHIA	PA	19111	Claimant is deceased. The underlying WC benefits were paid and the claim closed. No further claim asserted against The Home.	0.00	II
CLMN379894-01	ESTATE OF ROSALIA BUCKO	94 DEWBERRY DRIVE	HAWLEY	PA	18428	Claimant's underlying WC claim is being handled and will be concluded, by the New York Liquidation Bureau. No further claim asserted against The Home.	0.00	II

**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**

**Docket No. 03-E-0112**

**In the Matter of the Liquidation of  
US International Reinsurance Company**

**LIQUIDATOR'S REPORT OF CLAIMS AND  
RECOMMENDATIONS AS OF FEBRUARY 4, 2009**

Pursuant to Paragraph 4 of the Order Approving Liquidator's Report of Claims and Recommendations entered December 16, 2004, Roger A. Sevigny, Commissioner of Insurance for the State of New Hampshire, as Liquidator ("Liquidator") of The Home Insurance Company ("Home") and US International Reinsurance Company ("USI Re"), hereby submits this report of claims and recommendations for allowance. The claims are identified and the Liquidator's recommendations are set forth on the attached Schedules 1 (as to claims against Home) and 2 (as to claims against USI Re). The Liquidator recommends that the Court approve the treatment of the claims as set forth on the schedules pursuant to RSA 402-C:45 and RSA 402-C:38.

1. The Liquidator has issued notices of determination concerning the claims described on Schedules 1 and 2 in the amounts and at the priorities set forth in the schedules. Either the claimants have acknowledged that they agree with the claim determinations or more than sixty days have passed from the mailing of the notices of

determination without any objection being filed with the Court. The claimants accordingly may not object further to the determinations with respect to these claims. See RSA 402-C:41, I; Restated and Revised Order Establishing Procedures Regarding Claims Filed With The Home Insurance Company In Liquidation dated January 19, 2005, § 8 and Restated and Revised Order Establishing Procedures Regarding Claims Filed With US International Reinsurance Company dated January 19, 2005, § 8.

2. A number of the recommendations reflect determinations that the third-party claimant proofs of claim were incomplete because the insured was not identified and the conditional release required by RSA 402-C:38, I(a)(7), and set forth at item 14 of the proof of claim, was not executed. The Liquidator sent letters to such claimants or their law firms requesting that they complete the proofs of claim within thirty days in light of the Supreme Court's decision in Gonya v. Commissioner, New Hampshire Ins. Dept., 153 N.H. 521 (2006). A number of the claimants and/or their attorneys have responded that they do not wish to pursue the claims, and those claims have been listed on separate schedules in earlier claim reports. In the absence of a response, however, the Liquidator proceeded to issue notices of determination. Schedule 1 to this report includes a number of such determinations where the sixty day period has passed without a request for review or objection. See RSA 402-C:38, I(b) ("No claim need be considered or allowed if it does not contain all the information under subparagraph (a) which may be applicable.").

3. In accordance with RSA 402-C:45, I, the Liquidator hereby reports on the claims set forth on Schedules 1 and 2 to the Court and recommends that the claims be allowed in the amounts and at the priority classes set forth on the schedules pursuant to



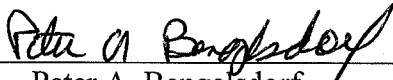
RSA 402-C:45, II. The Liquidator has reviewed the claims and submits that the amounts recommended are fair and reasonable and that the priority classes recommended are proper under RSA 402-C:44.

4. Certain of the claims that are the subject of this report arise under AFIA Treaties. The determinations of these AFIA claims have been agreed by Century Indemnity Company.

5. In light of the suggestion in the Referee's Ruling on Liquidator's Motion for Clarification in Disputed Claims Docket No. 2005-HICIL-2 (Nov. 14, 2005), the Liquidator notes that there may be potential setoffs regarding certain of the claims set forth on the schedule. In any such event, those setoffs will be applied before distributions are made.

Respectfully submitted,

ROGER A. SEVIGNY, COMMISSIONER OF  
INSURANCE OF THE STATE OF NEW  
HAMPSHIRE, AS LIQUIDATOR OF THE HOME  
INSURANCE COMPANY AND US  
INTERNATIONAL REINSURANCE COMPANY,

  
By: Peter A. Bengelsdorf  
Special Deputy Liquidator

Date: February 13, 2009

**THE HOME INSURANCE CO. IN LIQUIDATION**  
**Liquidator's Report of Claims and Recommendations Dated February 4, 2009 Pursuant to RSA402-C:45**  
**(Notice of Determination Acknowledged as Agreed or Not Timely Objected To)**  
**Distributions will be subject to set off.**

NOD Number	Claimant Name	Address				Brief Description	NOD Amount Recommended	NOD Class
CLMN704367-01	ELDEN BECKER	38289 COURTNEY CREEK RD	BROWNSVILLE	OR	97327	The claimant's POC form remains incomplete. Pursuant to RSA 402-C:39, I (b) and <u>Gonya vs. Sevigny</u> , third party claimants must answer question #14 on the POC form in its entirety and conditionally release a designated Home insured to be considered for an allowance. The release has not been signed despite request so no allowance is warranted.	0.00	II
INSU240631-07	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Partial Allowance to Insured for verified paid losses and expenses. See allowance under INSU240626-07.	0.00	II
INSU275224-07	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Partial Allowance to Insured for verified paid losses and expenses. See allowance under INSU240626-07.	0.00	II
INSU275238-07	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Partial Allowance to Insured for verified paid losses and expenses. See allowance under INSU240626-07.	0.00	II
INSU275239-07	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Partial Allowance to Insured for verified paid losses and expenses. See allowance under INSU240626-07.	0.00	II
INSU275240-07	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Partial Allowance to Insured for verified paid losses and expenses. See allowance under INSU240626-07.	0.00	II
INSU275334-07	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Partial Allowance to Insured for verified paid losses and expenses. See allowance under INSU240626-07.	0.00	II
INSU275335-07	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Partial Allowance to Insured for verified paid losses and expenses. See allowance under INSU240626-07.	0.00	II
INSU275410-07	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Partial Allowance to Insured for verified paid losses and expenses. See allowance under INSU240626-07.	0.00	II
INSU275411-07	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Partial Allowance to Insured for verified paid losses and expenses. See allowance under INSU240626-07.	0.00	II
INSU275412-07	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Partial Allowance to Insured for verified paid losses and expenses. See allowance under INSU240626-07.	0.00	II
INSU275578-07	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Partial Allowance to Insured for verified paid losses and expenses. See allowance under INSU240626-07.	0.00	II
INSU240626-07	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Partial Allowance to Insured for verified paid losses and expenses.	506,396.00	II
INSU240627-07	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Partial Allowance to Insured for verified paid losses and expenses. See allowance under INSU240626-07.	0.00	II
INSU702911-07	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Partial Allowance to Insured for verified paid losses and expenses. See allowance under INSU240626-07.	0.00	II
INSU702913-07	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Partial Allowance to Insured for verified paid losses and expenses. See allowance under INSU240626-07.	0.00	II

**THE HOME INSURANCE CO. IN LIQUIDATION**  
**Liquidator's Report of Claims and Recommendations Dated February 4, 2009 Pursuant to RSA402-C:45**  
**(Notice of Determination Acknowledged as Agreed or Not Timely Objected To)**  
**Distributions will be subject to set off.**

NOD Number	Claimant Name	Address	Brief Description			NOD Amount Recommended	NOD Class	
INSU702914-07	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Partial Allowance to Insured for verified paid losses and expenses. See allowance under INSU240626-07.	0.00	II
INSU702915-07	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Partial Allowance to Insured for verified paid losses and expenses. See allowance under INSU240626-07.	0.00	II
INSU702916-07	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Partial Allowance to Insured for verified paid losses and expenses. See allowance under INSU240626-07.	0.00	II
INSU702917-07	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Partial Allowance to Insured for verified paid losses and expenses. See allowance under INSU240626-07.	0.00	II
INSU702918-07	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Partial Allowance to Insured for verified paid losses and expenses. See allowance under INSU240626-07.	0.00	II
INSU702919-07	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Partial Allowance to Insured for verified paid losses and expenses. See allowance under INSU240626-07.	0.00	II
INSU702920-07	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Partial Allowance to Insured for verified paid losses and expenses. See allowance under INSU240626-07.	0.00	II
INSU702921-07	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Partial Allowance to Insured for verified paid losses and expenses. See allowance under INSU240626-07.	0.00	II
INSU702922-07	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Partial Allowance to Insured for verified paid losses and expenses. See allowance under INSU240626-07.	0.00	II
INSU702923-07	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Partial Allowance to Insured for verified paid losses and expenses. See allowance under INSU240626-07.	0.00	II
INSU702924-07	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Partial Allowance to Insured for verified paid losses and expenses. See allowance under INSU240626-07.	0.00	II
INSU702925-07	ELI LILLY & CO	LILLY CORPORATE CENTER	INDIANAPOLIS	IN	46285	Partial Allowance to Insured for verified paid losses and expenses. See allowance under INSU240626-07.	0.00	II
CLMN712041-01	ELIZABETH VLECK	4236 KEYS	THE COLONY	TX	75056	Claim for unpaid Post Liquidation expenses was paid by Texas Guaranty Assoc. No further claim asserted against The Home.	0.00	II
CLMN704398-01	ELMER E DOWNING JR	3102 SE HOLGATE #D111	PORTLAND	OR	97202-3416	The claimant's POC form remains incomplete. Pursuant to RSA 402-C:39, I (b) and <u>Gonya vs. Sevigny</u> , third party claimants must answer question #14 on the POC form in its entirety and conditionally release a designated Home insured to be considered for an allowance. The release has not been signed despite request so no allowance is warranted.	0.00	II

**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 MOTION FOR APPROVAL OF SETTLEMENT AGREEMENT  
WITH ARCHDIOCESE OF SAINT PAUL AND MINNEAPOLIS**

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 the Archdiocese of Saint Paul and Minneapolis, on its own behalf and as successor to the Diocese of Saint Paul (collectively, the "Archdiocese") and the Liquidator. 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, Special Deputy Liquidator, in Support of Motion for Approval of Settlement Agreement with Archdiocese of Saint Paul and Minneapolis ("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 ¶ 2(A) Bengelsdorf Aff. ¶ 5.

2. Home issued two insurance policies to the Diocese of Saint Paul under which the Archdiocese is insured for various policy periods between August 1, 1961 and August 1, 1967, which, together with all other insurance policies Home may have issued to the Archdiocese are referred to collectively as the "Policies". Settlement Agreement, first Whereas clause. Upon Home's placement in liquidation, the Archdiocese filed a proof of claim with respect to

insurance coverage for alleged bodily injury liabilities in the Home liquidation, which, together with any other proofs of claim hereinbefore or hereinafter filed by the Archdiocese in the Home liquidation are referred to collectively as the “Proofs of Claim”. Id., third Whereas clause. Bengelsdorf Aff. ¶ 3.

3. The Archdiocese is the subject of a bankruptcy proceeding pending before the United States Bankruptcy Court for the District of Minnesota (“Bankruptcy Court”), In re Archdiocese of Saint Paul and Minneapolis, No. 15-bk-30125-RJK (Bankr. D. Minn.). Settlement Agreement, fourth Whereas clause. This Settlement Agreement is subject to approval by the Bankruptcy Court. Because of the pending bankruptcy proceeding for the Archdiocese and the anticipated plan of reorganization for the Archdiocese, the Settlement Agreement contains certain provisions that vary from other settlement agreements between the Liquidator and policyholder claimants. Bengelsdorf Aff. ¶ 4.

4. The Liquidator and the Archdiocese have negotiated the Settlement Agreement reflecting a resolution of the Proofs of Claim and all matters between them under the Policies. Settlement Agreement, fifth Whereas clause. The Settlement Agreement is subject to approval by the Court. Settlement Agreement ¶ 2(A). It is also subject to approval by the Bankruptcy Court. Id. ¶ 2(B)(1). It is also conditioned upon entry by the Bankruptcy Court of an order approving a buyback of the Policies under the Bankruptcy Code, and the Bankruptcy Court’s approval of a plan of reorganization (“Plan”) for the Archdiocese that includes channeling injunctions to protect Home and the Liquidator by channeling all claims relating to the Policies to a trust to be established as part of the Plan. Id. ¶¶ 2(B)(2) and (3). The Archdiocese has recently filed such a Plan, including channeling injunctions and the creation of a trust, with the

Bankruptcy Court. (The Liquidator reviewed the Plan as provided for in paragraph 3 of the Settlement Agreement before it was filed.) Bengelsdorf Aff. ¶ 5.

5. The Settlement Agreement will become effective when all of the conditions noted in paragraph 4 above are satisfied. Settlement Agreement ¶ 2. Bengelsdorf Aff. ¶ 6.

6. The Settlement Agreement provides that the Liquidator will recommend allowance of the Proofs of Claim in the amount of \$14,200,000 (the “Recommended Amount”) as a Class II priority claim under RSA 402-C:44. Settlement Agreement ¶ 4(A). Bengelsdorf Aff. ¶ 7.

7. Allowance of the Recommended Amount as a Class II claim will fully and finally resolve the Proofs of Claim and all claims the Archdiocese has against Home under the Policies. Settlement Agreement ¶ 4(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. ¶ 4(C). Bengelsdorf Aff. ¶ 8.

8. The Settlement Agreement is intended to resolve the Proofs of Claim and all claims that the Archdiocese has under the Policies. See Settlement Agreement ¶ 4(B). To that end, the Settlement Agreement provides for mutual releases of claims arising from or related to the Proofs of Claim or the Policies between the Archdiocese and Home and the Liquidator. Id. ¶¶ 5, 6. Bengelsdorf Aff. ¶ 9.

9. In resolving all of the Archdiocese’s claims relating to the Proofs of Claim and the Policies, the Settlement Agreement is intended to resolve all matters arising out of or relating to any rights the Archdiocese ever had, now has, or hereafter may have under the Policies or the Proofs of Claim, including any asserted rights of third-party claimants against the Archdiocese under the Policies. See Settlement Agreement ¶ 7. The Archdiocese agrees to address any such

claims of third-party claimants against the Archdiocese as if there had been no liquidation proceeding for Home and as if the Archdiocese had no insurance coverage from Home by virtue of the Policies. *Id.* Such claims by third parties against the Archdiocese will be determined in accordance with the Plan as ultimately approved by the Bankruptcy Court and the Bankruptcy Code. *Bengelsdorf Aff.* ¶ 10.

10. The Liquidator is not aware of any third party claimants against the Archdiocese asserting claims under the Policies. However, the denial of any third party claimants' claims without prejudice to their claims against the Archdiocese will not harm third party claimants, who will continue to have their claims against the Archdiocese subject to the provisions of the Plan as ultimately approved by the Bankruptcy Court (including channeling injunctions which will channel such third party claims to the trust) and the Bankruptcy Code. As noted above, the Archdiocese 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 the agreement, would release the Archdiocese from those claims up to the limits of the policies but only entitle the third party claimants (assuming their claims were allowed) to the initial interim distributions and any later distribution at a presently undetermined distribution percentage from Home at the future date when distribution is made. See RSA 402-C:40, I; *Gonya v. Commissioner, New Hampshire Insurance Dept.*, 153 N.H. 521, 535 (2006) (noting the "inherent uncertainty of any creditor's recovery in a liquidation"). It is not expected that the allowed claims of any third party claimants (or other Class II creditors) of Home will be paid in full. Under the Settlement Agreement, the Archdiocese is responsible for any third party claimants' claims against it, and they will be resolved in accordance with the Plan

and applicable bankruptcy law and the procedures. See Settlement Agreement ¶ 7. Bengelsdorf Aff. ¶ 11.

11. The Liquidator is not aware of any other proof of claim asserting claims under the Policies. While the Church of the Nativity of Our Lord in St. Paul, Minnesota has asserted a right to coverage under the Policies in a settlement demand made to the Liquidator, it has not submitted a proof of claim. The Archdiocese represents that it has authority to release a claim by the Church of the Nativity of Our Lord as part of the Settlement Agreement. Settlement Agreement ¶ 7. A copy of this motion is being sent to counsel for the Church of the Nativity of Our Lord. Bengelsdorf Aff. ¶ 12.

12. In any event, if a claim of a claimant is subject to the same limit of liability as the claims resolved by the Settlement Agreement, and if the total allowed amounts for all claimants exceed the limit, then the allowed amounts for claimants will be subject to adjustment under RSA 402-C:40, IV, so that the policy limit will not be exceeded. See Settlement Agreement ¶ 9. Bengelsdorf Aff. ¶ 13.

13. The Settlement Agreement contains provisions to minimize or avoid contribution or related claims between insurers of the Archdiocese. See Settlement Agreement ¶¶ 2(B)(2) and (3), 4(D), and 8. Bengelsdorf Aff. ¶ 14.

14. The Settlement Agreement reflects a compromise of the claims asserted in the Proofs of Claim. It is the result of negotiations involving the Claims Department, under the supervision of the Special Deputy Liquidator, which has extensive experience in assessing the exposure presented by claims under Home's insurance policies. The agreed settlement amount is based on careful evaluation and negotiation of coverage obligations under the Policies respecting the underlying liabilities of the Archdiocese. The Liquidator accordingly recommends approval



of the Settlement Agreement and allowance of the \$14,200,000 settlement amount as a Class II claim of the Archdiocese in accordance with RSA 402-C:45 and RSA 402-C:44. Bengelsdorf Aff. ¶ 15.

15. 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.

16. 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 the Archdiocese.

17. 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. ¶ 16.

WHEREFORE, the Liquidator respectfully requests that this Court:

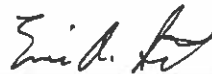
- A. Grant this Motion;
- B. Enter an Order in the form submitted herewith approving the Settlement Agreement; approving the Liquidator's claim recommendation; and allowing the Archdiocese's claims as a Class II claim in accordance with RSA 402-C:45 and RSA 402-C:44 in the amount of \$14,200,000; and
- C. Grant such other and further relief as justice may require.

Respectfully submitted,

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

JOSEPH A. FOSTER  
ATTORNEY GENERAL

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June 6, 2016

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF MINNESOTA

In re:

Case No. 15-30125

The Archdiocese of Saint Paul  
and Minneapolis,

Chapter 11

Debtor.

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**ORDER APPROVING SETTLEMENT AGREEMENTS WITH CATHOLIC MUTUAL RELIEF SOCIETY OF AMERICA; EMPLOYERS LIABILITY ASSURANCE CORPORATION; THE LIQUIDATOR FOR HOME INSURANCE COMPANY; STATE FARM FIRE AND CASUALTY COMPANY; SWISS RE AMERICA CORPORATION, AS ADMINISTRATOR FOR 21ST CENTURY CENTENNIAL INSURANCE COMPANY, FORMERLY KNOWN AS COLONIAL PENN INSURANCE COMPANY**

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This case is before the court on the *Joint Motion Pursuant to Sections 105(a) and 363 of the Bankruptcy Code and Bankruptcy Rules 6004 And 9019 for an Order (I) Approving Settlement Agreements Between the Debtor, the Catholic Entities, the Seminaries, the Official Committee Of Unsecured Creditors, and Certain Insurers and (II) Authorizing the Debtor to Sell Insurance Policies and Grant Related Releases* filed on August 3, 2018 [Doc. 1214], pursuant to sections 105(a) and 363(b), (f), and (m) of the Bankruptcy Code, Federal Rules of Bankruptcy Procedure 7052, 9014, and 9019, and Local Rules 2002-1, 9013-1, and 9013-2 for entry of an order (1) approving the settlement agreements attached to the motion as exhibits C, F, G, H, and I, (2) authorizing the debtor to sell the Archdiocesan settling insurer entity policies identified in the settlement agreements, and (3) granting such other relief as is just and proper.

Based upon the motion and the settlement agreements, the court makes the following findings of fact and conclusions of law:

**I. FINDINGS OF FACT**

IT IS FOUND AND DETERMINED:

1. The debtor demonstrated sound business reasons for the sale of the Archdiocesan settling insurer entity policies identified in the settlement agreements to the Catholic

Mutual Relief Society of America; Employers Liability Assurance Corporation; the Liquidator for Home Insurance Company; State Farm Fire and Casualty Company; Swiss Re America Corporation, as administrator for 21st Century Centennial Insurance Company, formerly known as Colonial Penn Insurance Company and the sale of any other interests in any policies or certificates issued by Catholic Mutual Relief Society of America; Employers Liability Assurance Corporation; the Liquidator for Home Insurance Company; State Farm Fire and Casualty Company; Swiss Re America Corporation, as administrator for 21st Century Centennial Insurance Company, formerly known as Colonial Penn Insurance Company to be purchased pursuant to the requirements of the settlement agreements.

2. The settlement agreements were negotiated extensively, at arms-length, and in good faith between the debtor and Catholic Mutual Relief Society of America; Employers Liability Assurance Corporation; the Liquidator for Home Insurance Company; State Farm Fire and Casualty Company; Swiss Re America Corporation, as administrator for 21st Century Centennial Insurance Company, formerly known as Colonial Penn Insurance Company. Catholic Mutual Relief Society of America; Employers Liability Assurance Corporation; the Liquidator for Home Insurance Company; State Farm Fire and Casualty Company; Swiss Re America Corporation, as administrator for 21st Century Centennial Insurance Company, formerly known as Colonial Penn Insurance Company are good faith purchasers in good faith within the meaning of Bankruptcy Code § 363(m), and are entitled to all of the protections of that statute.

3. The terms of the transactions contemplated by the settlement agreements, as well as the genesis and background of the settlement agreements, have been disclosed to the court.

4. The transactions contemplated by the settlement agreements are in the best interests of debtor's bankruptcy estate, its creditors, and other stakeholders.

5. The Archdiocese parties and Catholic entities identified in the joint plan are parties to the relief sought in the motion, and hence are deemed to have consented to the sale within the meaning of Bankruptcy Code § 363(f)(2).

6. The class 6 and class 7 claims under the joint plan are subject to *bona fide* dispute, hence the transferred interests identified in the settlement agreements may be sold free and clear of such claims pursuant to § 363(f)(4).

7. The only potential holders of interests in or against the Archdiocesan settling insurer entity policies identified in the settlement agreements are Archdiocese parties and Catholic entities under the joint plan and persons who hold claims against Archdiocese parties or Catholic entities, whose claims might be covered by the Archdiocesan settling insurer entity policies identified in the settlement agreements.

8. All holders of claims against the Archdiocesan settling insurer entity policies identified in the settlement agreements could be compelled in a legal or equitable proceeding to accept a money satisfaction of such claims, therefore the transferred interests under the settlement agreements may be sold free and clear of such claims pursuant to § 363(f)(5).

9. The compromises and settlements embodied in the settlement agreements, including the consideration to be realized by the trust to be established under the joint plan have been negotiated in good faith, and are reasonable, fair, and equitable.

10. In light of the: (1) probability of success in the litigation of the insurance coverage adversary proceeding; (2) difficulties, if any, to be encountered in the matter of collection; (3) complexity of the litigation involved, and the expense, inconvenience, and delay necessarily attending it; and (4) paramount interest of the creditors and a proper deference to their reasonable views, the settlement agreements are fair and equitable and in the best interest of the debtor's bankruptcy estate and its creditors.

11. The settlement payments are:

<b>Insurer</b>	<b>Settlement Amount</b>
Catholic Mutual Relief Society of America	\$14,100,000
Employers Liability Assurance Corporation	\$750,000
State Farm Fire and Casualty Company	\$5,000,000

Insurer	Settlement Amount
21st Century Centennial Insurance Company f/k/a Colonial Penn Insurance Company; Interstate Fire & Casualty Co.	\$500,000
Liquidator for the Home Insurance Company	\$14,200,000

12. The settlement payments are fair, adequate, and reasonable consideration for (1) the sale by Archdiocese parties and Catholic entities identified in the joint plan and buy-back by Catholic Mutual Relief Society of America; Employers Liability Assurance Corporation; the Liquidator for Home Insurance Company; State Farm Fire and Casualty Company; Swiss Re America Corporation, as administrator for 21st Century Centennial Insurance Company, formerly known as Colonial Penn Insurance Company of the settling insurer entity policies under the settlement agreements and any interests of holders of class 6 and class 7 claims under the joint plan or other claims in the Archdiocesan settling insurer entity policies identified in the settlement agreements or alleged policies, directly or indirectly, and (2) the release of Catholic Mutual Relief Society of America; Employers Liability Assurance Corporation; the Liquidator for Home Insurance Company; State Farm Fire and Casualty Company; Swiss Re America Corporation, as administrator for 21st Century Centennial Insurance Company, formerly known as Colonial Penn Insurance Company.

13. The debtor and the official committee of unsecured creditors provided due and adequate notice of the (1) sale of the Archdiocesan settling insurer entity policies identified in the settlement agreements; (2) terms and conditions of the settlement agreements; and (3) hearing on the sale, in accordance with Bankruptcy Rules 2002 and 6004 to all known and unknown creditors.

14. It would be impractical to divide the Archdiocesan settling insurer entity policies identified in the settlement agreements amongst the Archdiocese parties, Catholic entities, and holders of class 6 and class 7 claims under the joint plan; therefore, the sale of the Archdiocesan settling

insurer entity policies identified in the settlement agreements is necessary to realize the value of the Archdiocesan settling insurer entity policies identified in the settlement agreements for the Archdiocese's bankruptcy estate and the class 6 and class 7 claimants under the joint plan.

15. The sale of the Archdiocesan settling insurer entity policies identified in the settlement agreements outside the ordinary course of business satisfies the requirements of Bankruptcy Code § 363(b).

16. The sale of the Archdiocesan settling insurer entity policies identified in the settlement agreements free and clear of the interests of all persons satisfies the requirements of § 363(f).

17. The claims of any persons holding claims that would be covered by the Archdiocesan settling insurer entity policies identified in the settlement agreements, which are being acquired by Catholic Mutual Relief Society of America; Employers Liability Assurance Corporation; the Liquidator for Home Insurance Company; State Farm Fire and Casualty Company; Swiss Re America Corporation, as administrator for 21st Century Centennial Insurance Company, formerly known as Colonial Penn Insurance Company pursuant to the settlement agreements, are deemed to be "interests" as that term is used in Bankruptcy Code § 363(f).

## **II. CONCLUSIONS OF LAW**

IT IS ORDERED:

1. The motion is granted and the settlement agreements are approved pursuant to Bankruptcy Code §§ 363(b), (f), and (m), and 105(a), and Bankruptcy Rules 6004 and 9019.

2. The parties to the settlement agreements, as well as other implicated parties such as the trustee, shall perform their respective obligations pursuant to the terms and conditions of the settlement agreements.

3. In exchange for the payments contemplated in each settlement agreement, and upon payment of the same to the trust, and without any further action being required, Catholic Mutual Relief Society of America; Employers Liability Assurance Corporation; the Liquidator for Home Insurance Company; State Farm Fire and Casualty Company; Swiss Re America Corporation, as

administrator for 21st Century Centennial Insurance Company, formerly known as Colonial Penn Insurance Company shall be deemed to have bought back the Archdiocesan settling insurer entity policies identified in the settlement agreements free and clear of all interests of all persons, including all interests, if any, arising under Minn. Stat. Chapter 60A, with all interests in and to, and claims against, the interests being fully extinguished without reservation as to Catholic Mutual Relief Society of America; Employers Liability Assurance Corporation; the Liquidator for Home Insurance Company; State Farm Fire and Casualty Company; Swiss Re America Corporation, as administrator for 21st Century Centennial Insurance Company, formerly known as Colonial Penn Insurance Company and channeled to the trust.

4. Such sale of the Archdiocesan settling insurer entity policies identified in the settlement agreements is made by the debtor to Catholic Mutual Relief Society of America; Employers Liability Assurance Corporation; the Liquidator for Home Insurance Company; State Farm Fire and Casualty Company; Swiss Re America Corporation, as administrator for 21st Century Centennial Insurance Company, formerly known as Colonial Penn Insurance Company pursuant to Sections 363(b), (f), and (m) of the Bankruptcy Code.

5. Catholic Mutual Relief Society of America; Employers Liability Assurance Corporation; the Liquidator for Home Insurance Company; State Farm Fire and Casualty Company; Swiss Re America Corporation, as administrator for 21st Century Centennial Insurance Company, formerly known as Colonial Penn Insurance Company are *bona fide* good faith purchasers within the meaning of Section 363(m) of the Bankruptcy Code.

6. The terms and conditions of the settlement agreements, including the settlement amounts, constitute fair and reasonable settlements of the parties' disputes and of their respective rights and obligations relating to the Archdiocesan settling insurer entity policies identified in the settlement agreements and constitute reasonably equivalent value.

7. The releases set forth in the settlement agreements comply with the Bankruptcy Code and applicable non-bankruptcy law.

8. The court retains jurisdiction to resolve any disputes that may arise in respect of the implementation of the settlement agreements, which shall be construed in accordance



with Minnesota law, or the interpretation or enforcement of this order.

9. The settlement agreements and this order are binding upon the parties to the settlement agreements, the reorganized debtor, any trust or trustee for the debtor, its assets, or its liabilities, and shall survive the confirmation of any plan of reorganization for the debtor.

Dated: August 30, 2018

/e/ Robert J. Kressel

United States Bankruptcy Judge

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF MINNESOTA

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In re:

THE ARCHDIOCESE OF SAINT PAUL  
AND MINNEAPOLIS

Debtor.

Case No. 15-30125

Chapter 11

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**THIRD AMENDED JOINT CHAPTER 11 PLAN OF REORGANIZATION OF THE  
ARCHDIOCESE OF SAINT PAUL AND MINNEAPOLIS**

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Attorneys for the Official Committee of  
Unsecured Creditors for the  
Archdiocese of Saint Paul and  
Minneapolis

Dated: September 19, 2018

**4.18. SECURED CLAIM OF BREMER BANK (CLASS 18).**

(a) **Definition.** Class 18 Claim means the claim of Bremer Bank, National Association relating to the mortgage in favor of Bremer Bank describing and encumbering real property located at 2501 State Highway 100, St. Louis Park, Minnesota.

(b) **Treatment.** The mortgage interest of the holder of the Class 18 Claim shall remain undisturbed and the holder of such claim may exercise any and all rights and remedies against the collateral referenced in such mortgage, available to the holder.

**ARTICLE V**  
**MEANS OF IMPLEMENTATION OF THE PLAN**

**5.1. TRUST FORMATION AND FUNDING.**

(a) **Purpose, Formation and Assets.** The Trust shall be established for the purposes of assuming liability of Protected Parties and Settling Insurer Entities for Channeled Claims and receiving, liquidating, and distributing Trust Assets in accordance with this Plan and the Trust Distribution Plan. The proposed Trust Agreement is attached hereto as Exhibit D.

(b) **Funding.**

(1) **Summary.** This Plan will be funded from the sources and in the manner set forth in this Section. In addition to the contributions described herein, the Catholic Entities, Other Insured Entities, and Seminaries will waive certain claims against the Archdiocese and Settling Insurer Entities, including the Related Insurance Claims and contribution and indemnity claims referenced in Section 4.13.

(2) **Contributions.** Cash and other assets with an expected value of \$210,290,724 (the "Settlement Amount") will be paid or transferred, as applicable, to the Trust Account as provided in the Plan and as described herein.

(i) **Debtor Cash Contribution.** The Debtor will transfer \$23,475,000 to the Trust Account within two business days after the Confirmation Order has become a Non-Appealable Order (the "Debtor Cash Contribution"). The Debtor Cash Contribution will be primarily comprised of funds from the following sources.

1. Cash from (a) non-restricted cash accounts held by the Archdiocese, (b) the account established to hold the proceeds derived from the sale of Archdiocese properties during the course of this Chapter 11 case, (c) the proceeds of the settlement of the Riley Fund dispute contemplated in Article IX, and (d) the proceeds from the sale of jewelry and other personal property.

2. The GIF Tort Claim Contribution Amount, in the total amount of \$6,000,000, which shall be paid in accordance with the terms of the settlement contemplated in Article IX.

(ii) **Debtor Assignment of Certain Assets.** In addition to the Debtor Cash Contribution referenced above, the Debtor will assign to the Trust, and will pay over to the Trust, the proceeds of the interests referenced herein as and when such proceeds become available:

1. **Ward Estate.** The Archdiocese shall assign to the Trust its interest in the Estate of Austin Ward, including its interest in the net proceeds payable to the Archdiocese from the sale of property owned by Ausmar Development Company LLC.

2. **Workers' Compensation Deposit.** The Archdiocese shall assign to the Trust its interest, if any, in any excess amount held by the Minnesota Department of Commerce (the "Department") relating to the Archdiocese's self-insurance requirements under Section 79A.04(s) of the Minnesota Statutes. By statute, the Archdiocese has no right or title to the deposit. The Archdiocese believes, however, that the deposit may be subject to reduction following confirmation of the Plan. The Archdiocese agrees to cooperate with the Trustee to make a good faith effort to obtain the Department's consent to a reduction in the deposit following Plan confirmation. The balance of the deposit, if any, returned to the Archdiocese with the consent of the Department shall be promptly paid over to the Trust, to the extent such excess amounts are returned to the Archdiocese.

(iii) **Debtor Note.** The Debtor will execute a note to the Trust for a total of \$5,000,000, to be paid in annual installments of \$1,000,000 per year, beginning 365 days following the Confirmation Date. The note shall not bear interest.

(iv) **AMBP Settlement.** The AMBP Settlement Amount, in the total amount of \$4,000,000, which shall be paid in accordance with the terms of the settlement contemplated in Article IX, which will also constitute a portion of the contribution of Catholic Entities.

(v) **Proceeds from High School Sales.** Net proceeds from the \$4,000,000 sale of real estate to the High Schools, in accordance with the terms of the settlement and sale contemplated in Article IX.

(vi) **Archdiocese Home Liquidation Claim.** The Archdiocese shall assign to the Trust within one business day of the Confirmation Order becoming a Non-Appealable Order its claim in the liquidation proceeding of The Home Insurance Company (State of New Hampshire,

Merrimack Superior Court, Docket No. 217-2003-EQ-00106) in the amount of \$14,200,000.

(vii) **Archdiocesan Settling Insurer Settlement Amounts.** Each Archdiocesan Settling Insurer shall pay to the Trust the sums set forth in their respective Insurance Settlement Agreement (the “Insurance Settlement Amounts”) within the time set forth in their respective Insurance Settlement Agreements. In addition, all rights to receive payment of the Insurance Settlement Amounts under the Insurance Settlement Agreement shall be assigned to the Trust.

(vii) **Cash Contributions of Catholic Entities, Seminaries, Parish Settling Insurers and Seminary Settling Insurers.** Within ten days of the Confirmation Order becoming a Non-Appealable Order, the Catholic Entities and the Seminaries shall each pay to the Trust their separately agreed-upon contribution amounts. Each Parish Settling Insurer and Seminary Settling Insurer shall pay to the Trust within thirty days of the Effective Date the amount required by its respective Insurance Settlement Agreement. The total amount that will be paid to the Trust by the Catholic Entities, the Seminaries, the Parish Settling Insurers, and the Seminary Settling Insurers is \$22,255,724. The payment obligations of the Catholic Entities, the Seminaries, the Parish Settling Insurers, and the Seminary Settling Insurers are several, not joint. Each Parish Settling Insurer and Seminary Settling Insurer is only required to pay the amount required by its respective Insurance Settlement Agreement. Also within ten days of the Confirmation Order becoming a Non-Appealable Order, the Archdiocesan Parishes shall assign to the Trust their claim in the liquidation proceeding of Home Insurance Company (State of New Hampshire, Merrimack Superior Court, Docket No. 217-2003-EQ-00106) in the amount of \$1,500,000.

(viii) **Further Contributions of the Catholic Entities, Seminaries and the Other Insured Entities.** The contributions by the Catholic Entities, Seminaries and Other Insured Entities shall also include: (A) the consent to disallowance of all contribution and indemnity claims filed by such Catholic Entities and Other Insured Entities in this Chapter 11 case, all Class 3 Claims, any other claims against the Archdiocese, and all Related Insurance Claims, (B) consent of the Catholic Entities to the transfer of AMBP proceeds contemplated above, and (C) the consent of the Catholic Entities to the transfer the GIF proceeds as contemplated above. In consideration of the contributions referenced in subparagraph (vii) and this (viii), and in further consideration of the AMBP settlement and the GIF settlement referenced above and in Article IX, the Archdiocese agrees that it shall not increase the rate of assessments for Archdiocesan Parishes for a period of two (2) years following the Effective Date.

(c) **Vesting.** On the Effective Date, all Trust Assets shall vest in the Trust, and the Archdiocese and other Protected Parties shall be deemed for all purposes to have transferred all Interests in the Trust Assets to the Trust. On the Effective Date, or as soon as practicable thereafter, the Reorganized Debtor or any other Protected Party, as applicable, shall take all actions reasonably necessary to transfer any Trust Assets to the Trust. Upon the transfer of control of Trust Assets in accordance with this paragraph, the Archdiocese and other Protected Parties shall have no further interest in or with respect to the Trust Assets.

**5.2. PAYMENT OF PROFESSIONAL FEES.** The Trust shall pay all unpaid Allowed Professional Claims within seven (7) days after the later of the Effective Date or the Bankruptcy Court's order on such claims and shall pay or reimburse the Archdiocese for costs and expenses of publication of the notices of insurance settlement and plan confirmation within seven (7) days after the Effective Date, including the fees of the consultant employed in connection with the publication process. Professionals can elect to become a "Contributing Professional" by contributing up to ten percent (10%) of their previously unpaid Allowed Professional Claims to the Trust for distribution to Class 6 and Class 7 Claimants (the "Contributing Professionals' Funding"). Currently, the Contributing Professionals are: Stinson Leonard Street LLP.

**5.3. PAYMENT AND TREATMENT OF CLAIMS OTHER THAN TORT CLAIMS.** Payments due to creditors on account of Allowed Non-Tort Claims will be paid pursuant to the terms of the Plan.

**5.4. APPROVAL OF SECTION 363 SALES.** On or before the Effective Date, the Bankruptcy Court shall have (a) approved, either through separate order(s) or in the Confirmation Order, the Debtor's sale under Bankruptcy Code § 363, free and clear of all Interests, including all Liens, Claims, and encumbrances, of (i) the Archdiocesan Settling Insurer Entity Policies required to be purchased by the Archdiocesan Settling Insurers under the Archdiocese Insurance Settlement Agreements, and (ii) any other Interests in any policies or certificates issued by Settling Insurer Entities to be purchased pursuant to the requirements of the Archdiocese Insurance Settlement Agreements, and such order(s) shall have become a Non-Appealable Order(s); and (b) granted the Archdiocesan Settling Insurer Entities the protections available under Bankruptcy Code § 363(m).

**5.5. APPROVAL OF SETTLEMENT AGREEMENTS.** Pursuant to Bankruptcy Code § 105 and in consideration for the classification, distributions, and other benefits provided under the Plan, including, inter alia, (i) the commitment by the Debtor to fund the Debtor's obligations under the Plan, (ii) the Archdiocese Insurance Settlement Agreements, and (iii) the commitment of the Catholic Entities, Seminaries, Parish Settling Insurers, and Seminary Settling Insurers to make contributions to the Trust, the provisions of the Plan shall constitute a good faith compromise and settlement of all Claims against the Debtor. On or before the Effective Date, the Bankruptcy Court shall have entered an order, which shall have become a Non-Appealable Order, approving such global compromise. The Bankruptcy Court's findings shall constitute its determination that such compromises and settlements are in the best interests of the Debtor, the other Archdiocese Parties, Parish Parties, the Seminary Parties, the Other Insured Entities, the Tort Claimants, including Future Tort Claimants, holders of other Claims, the Settling Insurer

Entities, and other parties in interest, and are fair, equitable, and within the range of reasonableness, and an appropriate exercise of each such Person's business judgment under the applicable laws of corporate governance. The entry of the Confirmation Order, once it becomes a Non-Appealable Order, may constitute the order approving the compromises and settlements required under this Section. For avoidance of any doubt, the settlement agreements solely between Archdiocesan Parishes and Parish Settling Insurers and settlements agreements solely between the Seminary and the Seminary Settling Insurers do not require Bankruptcy Court approval.

**5.6. PAYMENTS EFFECTIVE UPON TENDER.** Whenever the Plan requires payment to be made to a creditor, such payment will be deemed made and effective upon tender thereof by the Trustee, the Debtor, or the Reorganized Debtor to the creditor to whom payment is due. If any creditor refuses a tender, the amount tendered and refused will be held by the Trust, the Debtor or the Reorganized Debtor for the benefit of that creditor pending final adjudication of the dispute. However, when and if the dispute is finally adjudicated and the creditor receives the funds previously tendered and refused, the creditor will be obliged to apply the funds in accordance with the Plan as of the date of the tender; and while the dispute is pending and after adjudication thereof, the creditor will not have the right to claim interest or other charges or to exercise any other rights which would be enforceable by the creditor, if the Trust, the Debtor or the Reorganized Debtor failed to pay the tendered payment.

## **ARTICLE VI** **TRUST**

**6.1. ESTABLISHMENT OF TRUST.** On the Confirmation Date, the Trust shall be established in accordance with the Trust Documents. The Trust is intended to qualify as a "Designated" or "Qualified Settlement Fund" pursuant to Section 468B of the Internal Revenue Code and the Treasury Regulations promulgated thereunder. The Debtor is the "transferor" within the meaning of Treasury Regulation Section 1.468B-1(d)(1). The Trustee shall be classified as the "administrator" within the meaning of Treasury Regulation Section 1.468B-2(k)(3). The Trust Documents, including the Trust Agreement, are incorporated herein by reference.

### **6.2. ALLOCATIONS WITHIN AND DISTRIBUTIONS AND PAYMENTS FROM THE TRUST.**

**(a) General Corpus.** The following distributions and payments will be made from the general corpus of the trust:

**(1) Distributions.** Distributions on Class 6 Claims as determined by the Tort Claims Reviewer in accordance with this Plan, the Trust Agreement, and the Trust Distribution Plan.

**(2) Tort Claims Reviewer and Future Tort Claim Representative.** The Trustee shall retain the Tort Claims Reviewer. Fees payable to the Tort Claims Reviewer for review of Class 6 Claims shall be paid from the Trust. Fees payable to the Tort Claims Reviewer for review of Class 7 Claims shall be paid

from the Future Tort Claims Reserve Fund. The Future Tort Claim Representative's fees shall be paid from the Future Tort Claims Reserve Fund.

(3) **Administrative Fees.** All fees, costs and expenses of administering the Trust as provided in the Plan and the Trust Agreement including: (i) as reasonably necessary to meet current liabilities and to maintain the value of the respective Assets of the Trust; (ii) to pay reasonable administrative expenses (including any taxes imposed on the Trust and any professional fees); and (iii) to satisfy other liabilities incurred by the Trust in accordance with the Plan or the Trust Agreement.

(4) **Indemnity.** The Trust's obligations, if any, to defend, indemnify or hold harmless any Person expressly set out in the Plan shall be made from the corpus of the Trust. For the avoidance of doubt, the Trust's indemnification obligation as to Tort Claims and Related Insurance Claims includes the obligation to reimburse any insurers who are not Settling Insurer Entities for the share of defense costs paid or payable by such other insurers that are allocable to Settling Insurer Entities under Minnesota law for the same Tort Claim. Nothing in the foregoing is intended to suggest that such other insurers have such a claim against any Settling Insurer Entities.

(b) **Future Tort Claim Reserve Fund.** The Trustee, in consultation with the Future Tort Claims Representative, shall establish a reserve, subject to approval by the Bankruptcy Court.

**6.3. TAX MATTERS.** The Trust shall not be deemed to be the same legal entity as the Archdiocese, but only the assignee of certain assets of the Archdiocese and a representative of the Estate for delineated purposes within the meaning of Section 1123(b)(3) of the Bankruptcy Code. The Trust is expected to be tax exempt. The Trustee shall file such income tax and other returns and documents as are required to comply with the applicable provisions of the Internal Revenue Code of 1986, 26 U.S.C. §§ 1 et seq., as may be amended, and the regulations promulgated thereunder, 31 C.F.R. §§ 900 et seq., and Minnesota law and the regulations promulgated thereunder, and shall pay from the Trust all taxes, assessments, and levies upon the Trust, if any.

**6.4. APPOINTMENT OF THE TRUSTEE.** The initial Trustee has been identified in Exhibit D to this Plan. The Trustee shall commence serving as the Trustee on the Confirmation Date; provided, however, that the Trustee shall be permitted to act in accordance with the terms of the Trust Agreement from such earlier date, as authorized by the Archdiocese and the UCC, and shall be entitled to seek compensation in accordance with the terms of the Trust Agreement and the Plan.

#### **6.5. RIGHTS AND RESPONSIBILITIES OF TRUSTEE**

(a) The Trustee shall be deemed the Estate's representative in accordance with Section 1123 of the Bankruptcy Code and shall have all the rights, powers, authority, responsibilities, and benefits specified in the Plan and the Trust Agreement,



UNITED STATES BANKRUPTCY COURT  
DISTRICT OF MINNESOTA

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In re:

Case No. 15-30125

The Archdiocese of Saint Paul  
and Minneapolis,

Chapter 11

Debtor.

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ORDER CONFIRMING PLAN

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This case came before the court pursuant to the *Third Amended Joint Plan of Reorganization* proposed by the debtor and the committee of unsecured creditors. The court conducted the plan confirmation hearing on September 25, 2018.

Pursuant to findings, conclusions and statements of the court on the record at the confirmation hearing, the entire record and the orders approving the Archdiocese Insurance Settlement Agreements as defined in the joint plan, which are incorporated into this confirmation order by reference as if set forth fully herein, the court further finds and concludes as follows:

1. The joint plan satisfies and complies with each of the provisions of 11 U.S.C. § 1129 to the extent applicable to the joint plan and this case.

NOTICE OF ELECTRONIC ENTRY AND  
FILING ORDER OR JUDGMENT  
Filed and Docket Entry made on 09/25/2018  
Lori Vosejpkka, Clerk, by LH

2. Every class that voted, all of which are impaired, accepted the joint plan. As to the Class 6 Claimants, the overwhelming majority voted in favor of the plan.

3. This case presents the rare and unique circumstances in which the channeling injunctions, supplemental injunctions, and releases provided pursuant to the joint plan and the Insurance Settlement Agreements may be approved. The debtor has numerous and significant liabilities on which the Protected Parties as defined in the joint plan and Settling Insurer Entities as defined in the joint plan are also liable or possibly liable to some extent. Under the joint plan, the Protected Parties and Settling Insurers will make substantial contributions, as will the debtor, to provide for payment to the Tort Claimants, as defined in the joint plan. Such contributions are critical and significant contributions to the effective implementation of the joint plan, and the joint plan would not be feasible without such contributions. The debtor and the Protected Parties would not release their interests under the Settling Insurer Entity Policies, as defined in the joint plan, unless they obtained the benefits of the releases and injunctions under the joint plan. Resolution of the case would not have been possible without such releases and injunctions, and the Protected Parties and Settling Insurers would not have made contributions to the joint plan without the protections,

releases, and injunctions provided in the joint plan and the Insurance Settlement Agreements.

4. The creditors most affected by the releases and injunctions - the Tort Claimants - have indicated by an overwhelming majority that they accept such provisions; indeed, the committee is a proponent of the joint plan. The debtor provided specific and adequate notice of, among other things: (i) the releases and injunctions provided for in the joint plan and the Archdiocese Insurance Settlement Agreements, (ii) the manner in which a creditor or interested party could take steps to obtain additional information regarding, or object to such, releases or injunctions, and (iii) the names of the Settling Insurers and Protected Parties. The debtor published and mailed such notice broadly.

5. The court has jurisdiction pursuant to 28 U.S.C. § 1334(a) and (b) to approve the exculpation, release, and limitation of liability provisions of the joint plan and to issue the channeling injunction and other injunctions as provided in Article XIV of the joint plan.

6. The *Future Tort Claims Representative's Report and Recommendation* has been considered by the court and is accepted. The future tort claims representative is qualified to make the analysis and conclusions set forth in the report as a result of his background and experience. The report is comprehensive, and

the future tort claims representative has acted diligently in examining the potential for Future Tort Claims, as defined in the joint plan. Accordingly, the findings and recommendations contained in the report are adopted by the court and incorporated herein.

IT IS ORDERED:

A. CONFIRMATION. The joint plan filed and dated September 19, 2018 is confirmed.

B. BINDING EFFECT OF THE JOINT PLAN. Immediately upon the entry of this order, the terms of the joint plan are approved, effective and binding, including without limitation upon any and all entities acquiring property under the joint plan, any and all holders of claims and Interests as defined in the joint plan, any and all non-debtor parties to executory contracts, any and all Tort Claimants, including Future Tort Claimants, and other creditors, whether or not such creditor has filed a proof of claim, whether or not the claim of such creditor is impaired under the joint plan, and whether or not such creditor has accepted or rejected the joint plan. All entities shall act or refrain from acting as set forth in the joint plan.

C. VESTING OF ESTATES' ASSETS. Except as otherwise provided herein or in the joint plan, and as of the effective date of the joint plan, under 11 U.S.C. §§ 1141(b) and 1141(c), all property of the debtor's estate and all property dealt with

by the joint plan are vested in the trust or the reorganized debtor, or as may be otherwise set forth in the joint plan, free and clear of all liens, interests and claims of creditors of the debtor.

D. DISCHARGE. Except as otherwise expressly provided in the joint plan or in this order, on the effective date of the joint plan, the debtor is discharged and its liability is extinguished completely in respect to any claim and debt, including all Tort Claims as defined in the joint plan and Related Insurance Claims as defined in the joint plan, whether reduced to judgment or not, liquidated or unliquidated, contingent or non-contingent, asserted or unasserted, fixed or not, matured or unmatured, disputed or undisputed, legal or equitable, known or future, that arose from any agreement the debtor entered into or obligation of the debtor incurred before the confirmation date, or from any conduct of the debtor prior to the confirmation date, or that otherwise arose before the confirmation date, including, without limitation, all interest, if any, on any such claims and debts, whether such interest accrued before or after the petition date, and including all claims and debts of the kind specified in 11 U.S.C. §§ 502(g), 502(h), and 502(i), whether or not a proof of claim is filed or is deemed filed under 11 U.S.C. § 501, such claim is allowed

under 11 U.S.C. § 502, or the holder of such claim has accepted the joint plan.

E. EXCULPATION AND LIMITATION OF LIABILITY. Except as expressly provided in the joint plan, none of the Exculpated Parties, as defined in the joint plan, will have or incur any liability to, or be subject to any right of action by, any claimant, any other party in interest, or any of their respective representatives, financial advisors, or affiliates, or any of their successors or assigns, for any act or omission in connection with, relating to, or arising out of the case, including the exercise of their respective business judgment and the performance of their respective fiduciary obligations, the pursuit of confirmation of the joint plan, or the administration of the joint plan or the property to be distributed under the joint plan or the trust created, except for their willful misconduct or gross negligence and in all respects such parties will be entitled to reasonably rely upon the advice of counsel with respect to their duties and responsibilities under the joint plan or the reorganization case. Without limiting the generality of the foregoing, the debtor, its officers, board members, committee members, employees, financial advisors and other professionals shall be entitled to and granted the benefits of 11 U.S.C. § 1125(e). The Exculpated Parties, Protected Parties, the Settling Insurers and professionals

employed by the foregoing shall not have any liability to any entity, including any governmental entity or insurer, on account of payments made to a Tort Claimant, including any liability under the MSPA.

F. CHANNELING INJUNCTION.

(a) In consideration of the undertakings of the Protected Parties and Settling Insurer Entities under the joint plan, their contributions to the trust, and other consideration, and pursuant to their respective settlements with the debtor and to further preserve and promote the agreements between and among the Protected Parties and any Settling Insurer Entities, and pursuant to 11 U.S.C § 105:

(1) any and all Channeled Claims, as defined in the joint plan, are channeled into the trust and shall be treated, administered, determined, and resolved under the procedures and protocols and in the amounts as established under the joint plan and the trust agreement as the sole and exclusive remedy for all holders of Channeled Claims; and

(2) all persons and entities who have held or asserted, hold or assert, or may in the future hold or assert any Channeled Claims are permanently stayed,

enjoined, barred and restrained from taking any action, directly or indirectly, for the purposes of asserting, enforcing, or attempting to assert or enforce any Channeled Claim against the Protected Parties or Settling Insurer Entities, including:

(i) commencing or continuing in any manner any action or other proceeding of any kind with respect to any Channeled Claim against any of the Protected Parties or Settling Insurer Entities or against the property of any of the Protected Parties or Settling Insurer Entities;

(ii) enforcing, attaching, collecting or recovering, by any manner or means, from any of the Protected Parties or Settling Insurer Entities, or the property of any of the Protected Parties or Settling Insurer Entities, any judgment, award, decree, or order with respect to any Channeled Claim against any of the Protected Parties, Settling Insurer Entities, or any other person or entity;

(iii) creating, perfecting or enforcing any lien of any kind relating to any Channeled Claim against any of the Protected Parties or the



Settling Insurer Entities, or the property of the Protected Parties or the Settling Insurer Entities; and

(iv) asserting, implementing or effectuating any Channeled Claim of any kind against:

1. any obligation due any of the Protected Parties or Settling Insurer Entities;

2. any of the Protected Parties or Settling Insurer Entities; or

3. the property of any of the Protected Parties or Settling Insurer Entities.

G. SUPPLEMENTAL INJUNCTION PREVENTING PROSECUTION OF CLAIMS AGAINST SETTLING INSURER ENTITIES. Pursuant to 11 U.S.C. §§ 105(a) and 363 and in consideration of the undertakings of the Settling Insurers pursuant to the Insurance Settlement Agreements, including the Settling Insurers' purchases of insurance policies or Interests, as defined in the joint plan, in insurance policies from the debtor, Other Insured Entities, as defined in the joint plan, Seminaries, as defined in the joint plan, and Catholic Entities, as defined in the joint plan:

Any and all persons and entities who have held, now hold or who may in the future hold any Interests, including all

debt holders, all equity holders, governmental, tax and regulatory authorities, lenders, trade and other creditors, Tort Claimants, perpetrators, other insurers, and all others holding Interests of any kind or nature whatsoever, including those Claims released or to be released pursuant to the Insurance Settlement Agreements, against any of the Protected Parties or the Settling Insurer Entities, that, directly or indirectly, arise from, relate to or is in connection with any of the Settling Insurer Entity Policies, any claim that would have been covered under a Settling Insurer Entity Policy but for an Insurance Settlement Agreement, any Tort Claim, Related Insurance Claim, Class 3 Claims, Class 12 Claims, Class 13 Claims, Class 14 Claims (as each is defined in the joint plan) are hereby permanently stayed, enjoined, barred, and restrained from taking any action, directly or indirectly, to assert, enforce or attempt to assert or enforce any such Interest against the Settling Insurer Entities, the Settling Insurer Entity Policies, or Protected Parties, including:

(a) Commencing or continuing in any manner any action or other proceeding against the Settling Insurer Entities or the Protected Parties or the property of the Settling Insurer Entities or Protected Parties;

(b) Enforcing, attaching, collecting, or recovering, by any manner or means, any judgment, award, decree or order against the Settling Insurer Entities or Protected Parties or the property of the Settling Insurer Entities or Protected Parties;

(c) Creating, perfecting, or enforcing any lien of any kind against the Settling Insurer Entities or Protected Parties or the property of the Settling Insurer Entities or Protected Parties;

(d) Asserting or accomplishing any setoff, right of indemnity, subrogation, contribution, or recoupment of any kind against any obligation due the Settling Insurer Entities or Protected Parties or the property of the Settling Insurer Entities or Protected Parties; and

(e) Taking any action, in any manner, in any place whatsoever, that does not conform to, or comply with, the provisions of the joint plan.

H. EFFECTIVENESS OF RELEASES AND INJUNCTIONS. Except as otherwise expressly provided in the joint plan, for the consideration described therein, all persons and entities who have held, hold, or may hold Channeled Claims or claims against the Protected Parties or Settling Insurer Entities under the

Settling Insurer Entity Policies, whether known or unknown, and their respective civil law and Canon Law officers, directors, officials, representatives, council members, employees, accountants, agents, attorneys, and all others acting for or on their behalf, will be permanently enjoined on and after the effective date from: (i) commencing or continuing in any manner any action or any other proceeding of any kind with respect to any claim, including, but not limited to, any Tort Claim, any Future Tort Claim, or any Channeled Claim against the Protected Parties and Settling Insurer Entities or the property of the Protected Parties and ; (ii) asserting a claim against any person if as a result of such claim such person has or may have a claim against one or more of the Protected Parties or Settling Insurer Entities; (iii) seeking the enforcement, attachment, collection, or recovery by any manner or means, from any of the Protected Parties or Settling Insurer Entities, or from property of any of the Protected Parties or Settling Insurer Entities, with respect to any such Channeled Claim, of any judgment, award, decree, or order against any of the Protected Parties or Settling Insurer Entities; (iv) creating, perfecting, or enforcing any lien of any kind against the Protected Parties or Settling Insurer Entities with respect to any discharged claim or Channeled Claim; (v) asserting any setoff, right of subrogation, or recoupment of any kind against any obligation

due to the parties with respect to any discharged claim or Channeled Claim; and (vi) taking any act, in any manner and in any place whatsoever, that does not conform to or comply with provisions of the joint plan or the joint plan documents, including the trust agreement. Any and all currently pending court proceedings, the continuation of which would violate the provisions of this section, shall be dismissed with prejudice.

I. INJUNCTIONS ARE PERMANENT; EXISTING INJUNCTIONS AND STAYS REMAIN IN EFFECT UNTIL EFFECTIVE DATE. On the Effective Date as defined in the joint plan, the injunctions provided for in the joint plan shall be deemed issued, entered, valid and enforceable according to their terms and shall be permanent and irrevocable. All injunctions and stays provided for in the joint plan, the injunctive provisions of 11 U.S.C. §§ 524 and 1141, and all injunctions or stays protecting Settling Insurer Entities are permanent and will remain in full force and effect following the Effective Date and are not subject to being vacated or modified.

J. LIABILITY OF JOINT TORTFEASORS. Pursuant to the joint plan, any person or entity that is or was alleged to be a joint tortfeasor with the debtor or the Protected Parties in connection with any Tort Claim shall not be liable for the debtor's or Protected Parties' share of liability or fault for such claim.

K. REDUCTION. In any proceeding, suit, or action to recover or obtain insurance coverage or proceeds for a Tort Claim from an insurer that is an Other Insurer, as defined in the joint plan, the following shall apply:

- a. If the trust, a Protected Party, a Tort Claimant, or any other person or entity bound by the joint plan obtains a judgment against the Other Insurer, the judgment shall automatically be reduced by the amount, if any, that all Settling Insurer Entities would have been liable to pay such Other Insurer as a result of the Other Insurer's Related Insurance Claim against the Settling Insurer Entities. To ensure that such a reduction is accomplished, (a) the person or entity pursuing the Related Insurance Claim (whether the trust, the Protected Parties, a Tort Claimant, or any other person or entity bound by the joint plan) shall inform the Other Insurer of the existence of this judgment reduction provision at the time a claim is first asserted against the Other Insurer; (b) the Other Insurer's Related Insurance Claim against a Settling Insurer Entity may be asserted as a defense in any proceeding, suit, or action to obtain insurance coverage or proceeds from that Other Insurer for a Tort Claim;

and (c) to the extent the Other Insurer's Related Insurance Claim against a Settling Insurer Entity is determined to be valid by the court presiding over such action, the liability of the Other Insurer shall be reduced dollar for dollar by the amount so determined.

b. If, for any reason, any Other Insurer asserts a claim against a Settling Insurer Entity that it is entitled to obtain a sum certain from any of the Settling Insurer Entities as a result of a Related Insurance Claim, the person or entity who obtained a judgment or settlement against the Other Insurer shall reduce its judgment or claim against, or settlement with, such Other Insurer to the extent necessary to satisfy such Related Insurance Claims against the Settling Insurer Entities. To ensure that such a reduction is accomplished, the Settling Insurer Entities shall be entitled to assert this provision as a defense to any action against them brought by any Other Insurer and shall be entitled to request that the court or appropriate tribunal issue such orders as are necessary to effectuate the reduction to protect the Settling Insurer Entities from any liability for the Related Insurance Claim.

L. PAYMENT OF PROFESSIONAL FEES. The trust shall pay all unpaid allowed professional claims within seven days after the later of the effective date of the joint plan or the court's order on such claims.

M. MAILING OF NOTICE. The debtor shall forthwith mail copies of this order as notice of entry of this order and confirmation of the joint plan to the entities specified in Local Rules 9013-3 and to all creditors and other parties in interest.

Dated: September 25, 2018

/e/ Robert J. Kressel

United States Bankruptcy Judge



**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 MOTION FOR APPROVAL OF SETTLEMENT AGREEMENT  
WITH BRIDGESTONE AMERICAS TIRE OPERATIONS LLC**

John R. Elias, Insurance Commissioner of 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 Bridgestone Americas Tire Operations LLC, successor to Bridgestone/Firestone North American Tire, LLC, successor to Bridgestone/Firestone, Inc., formerly known as The Firestone Tire & Rubber Company (collectively, “Claimant”), and the Liquidator. As reasons therefor, the Liquidator states as follows:

1. The Settlement Agreement was negotiated under the supervision of the Special Deputy Liquidator. A copy of the Settlement Agreement is attached hereto as Exhibit A. Affidavit of Peter A. Bengelsdorf, Special Deputy Liquidator, in Support of Motion for Approval of Settlement Agreement with Bridgestone Americas Tire Operations LLC (“Bengelsdorf Aff.”)

¶ 2.

2. Home issued two insurance policies under which The Firestone Tire & Rubber Company is the named insured for various policy periods between March 1, 1973 and March 1, 1976 which, together with all other insurance policies Home may have issued to The Firestone Tire & Rubber Company are referred to collectively as the “Policies”. Settlement Agreement, second Whereas clause. Bengelsdorf Aff. ¶ 3.

3. Claimant filed a proof of claim in the liquidation seeking coverage in connection with liability arising out of underlying claims against Claimant which, together with all other proofs of claim hereinbefore or hereinafter filed by Claimant in the Home liquidation, are referred to collectively as the “Proof of Claim”. Settlement Agreement, third Whereas clause. Bengelsdorf Aff. ¶ 4.

4. The Liquidator denied Claimant’s claim, and Claimant objected and initiated Disputed Claim Proceeding 2015-HICIL-60. After a decision by the Referee, Claimant filed Bridgestone’s Objections to Referee’s Report on the Issue of the Number of Occurrence and Motion to Recommit to the Referee for Further Proceedings (the “Motion to Recommit”). The Motion to Recommit is fully briefed and pending before the Court. Settlement Agreement, fourth Whereas clause. On June 10, 2019, the Court stayed proceedings on the Motion to Recommit pending decision on this motion. Bengelsdorf Aff. ¶ 5.

5. Claimant was previously allowed \$507,995 as a partial Class II allowance on February 27, 2019 (the “Prior Allowance”). Settlement Agreement, fifth Whereas clause. Bengelsdorf Aff. ¶ 6.

6. The Liquidator and the Claimant have negotiated the Settlement Agreement reflecting a resolution of all matters concerning the Proof of Claim and their rights and obligations with respect to the Policies, including Disputed Claim Proceeding 2015-HICIL-60 and the Motion to Recommit. Settlement Agreement, sixth Whereas clause. The Settlement Agreement is subject to approval by the Court. Settlement Agreement ¶ 1. Bengelsdorf Aff. ¶ 7.

7. The Settlement Agreement provides that the Liquidator will recommend allowance of the Proof of Claim in the amount of \$1,750,000 (“Recommended Amount”) as a Class II priority claim under RSA 402-C:44. Settlement Agreement ¶ 2(A). The Recommended Amount is in addition to the Prior Allowance. *Id.* Allowance of the Recommended Amount as a

Class II claim will fully and finally resolve the Proof of Claim and all claims the Claimant has under the Policies. Id. ¶ 2(B). Distributions based on that allowance and the Prior 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. ¶ 8.

8. The Settlement Agreement is intended to resolve the Proof of Claim and all claims that the Claimant has under the Policies, including the Disputed Claim Proceeding and the Motion to Recommit. See Settlement Agreement, sixth Whereas clause, ¶ 2(B). To that end, the Settlement Agreement provides that, upon approval of the Settlement Agreement, the Motion to Recommit shall be deemed withdrawn and Disputed Claim Proceeding 2015-HICIL-60 shall be deemed dismissed with prejudice, id. ¶ 3, and further provides for mutual releases of all claims among the Liquidator, Home, and the Claimant arising from or related to the Proof of Claim or the Policies. Id. ¶¶ 5, 6. Bengelsdorf Aff. ¶ 9.

9. In resolving all of the Claimant's claims relating to the Proof of Claim and the Policies, the Settlement Agreement is intended to resolve all matters arising out of or relating to any rights the Claimant ever had, now has, or hereafter may have in the Policies and the Proof of Claim, including any asserted rights of third-party claimants against the Claimant under the Policies. Settlement Agreement ¶ 7. The Claimant agrees to address, at its sole cost, any such claims of third-party claimants against the Claimant as if there had been no liquidation proceeding for Home and as if the Claimant had no insurance coverage from Home by virtue of the Policies. Id. The Claimant also agrees to indemnify and hold the Liquidator and Home harmless from all claims arising from or relating to the Proof of Claim or the Policies, including asserted rights of third party claimants, up to the amount ultimately distributed or distributable in relation to the Recommended Amount, as set forth in the Settlement Agreement. Id. Bengelsdorf Aff. ¶ 10.

10. The Liquidator is not aware of any third party claimants presently asserting claims under the Policies in the liquidation.<sup>1</sup> However, the denial of any third party claimants' claims without prejudice to their claims against the Claimant will not harm the third party claimants who will continue to have their claims against the Claimant. As noted above, the Claimant 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 the agreement, would release the Claimant from those claims up to the limits of the Policies but only entitle the third party claimants (assuming their claims were allowed) to the initial interim distributions and any later distribution at a presently undetermined distribution percentage from Home at the future date when distribution is made. See RSA 402-C:40, I; Gonya v. Commissioner, New Hampshire Insurance Dept., 153 N.H. 521, 535 (2006) (noting the "inherent uncertainty of any creditor's recovery in a liquidation"). It is not expected that the allowed claims of any third party claimants (or other Class II creditors) of Home will be paid in full. Under the Settlement Agreement, the Claimant will continue to be responsible for any third party claimants' claims against it. See Settlement Agreement ¶ 7. Bengelsdorf Aff. ¶ 11.

11. The Liquidator is not aware of any open proofs of claim asserting a claim to the same policy limit as the Proof of Claim resolved by the Settlement Agreement.<sup>2</sup> However, if a claim of another claimant is subject to the same limit of liability as the claims resolved by the Settlement Agreement, and if the total allowed amounts for all claimants exceed the limit, then the allowed amounts for all claimants will be subject to adjustment under RSA 402-C:40, IV, so that the policy limit will not be exceeded. See Settlement Agreement ¶ 8. Bengelsdorf Aff. ¶ 12.

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<sup>1</sup> Thirty-eight third party claimants initially filed proofs of claim under the Policies, but those claims were disallowed by orders approving Liquidator's claims reports issued October 11, 2012 and April 10, 2018.

<sup>2</sup> Two insurers filed proofs of claim asserting contribution claims regarding the Policies, but those claims were disallowed by orders approving Liquidator's claims reports issued May 27, 2016 and July 22, 2016.

12. 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 the supervision of the Special Deputy Liquidator, which has extensive experience in assessing the exposure presented by claims under Home's insurance policies. The agreed settlement amount is based on careful evaluation and negotiation of disputed positions regarding coverage obligations under the Policies respecting the underlying liabilities of the Claimant.<sup>3</sup> The Liquidator accordingly recommends approval of the Settlement Agreement and allowance of the \$1,750,000 settlement amount as a Class II claim of the Claimant in accordance with RSA 402-C:45 and RSA 402-C:44. Bengelsdorf Aff. ¶ 13.

13. The Court has previously approved many similar settlement agreements. See, e.g., Order Approving Settlement Agreement with Navistar, Inc. (December 11, 2018); Order Approving Settlement Agreement with Graham Corporation (July 8, 2016); Order Approving Settlement Agreement with Washington Gas (July 15, 2013); Order Approving Settlement Agreement with Wisconsin Energy (March 18, 2010); 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

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<sup>3</sup> The Liquidator and the Claimant acknowledge and agree that the Recommended Amount is a compromise of matters in dispute and does not reflect the view of any party as to the value of Claimant's claim should the matter be adjudicated. Settlement Agreement ¶ 4.

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.

14. 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 the Claimant.

15. 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. ¶ 14.

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 Claimant's claim as a Class II claim in accordance with RSA 402-C:45 and RSA 402-C:44 in the amount of \$1,750,000; and
- C. Grant such other and further relief as justice may require.

Respectfully submitted,

JOHN R. ELIAS, INSURANCE  
COMMISSIONER OF THE STATE OF  
NEW HAMPSHIRE, AS LIQUIDATOR  
OF THE HOME INSURANCE  
COMPANY,

By his attorneys,

GORDON J. MACDONALD  
ATTORNEY GENERAL

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August 13, 2019

**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 MOTION FOR APPROVAL OF  
SETTLEMENT AGREEMENT WITH VIACOMCBS INC.**

Christopher R. Nicolopoulos, Insurance Commissioner of 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 ViacomCBS Inc., successor to Westinghouse Electric Corporation ("Claimant"), and the Liquidator. As reasons therefor, the Liquidator states as follows:

1. The Settlement Agreement was negotiated under the supervision of the Special Deputy Liquidator. A copy of the Settlement Agreement is attached hereto as Exhibit A. Affidavit of Peter A. Bengelsdorf, Special Deputy Liquidator, in Support of Motion for Approval of Settlement Agreement with ViacomCBS Inc. ("Bengelsdorf Aff.") ¶ 2.

2. Home issued four policies to Westinghouse Electric Corporation for various periods between January 1, 1976 and January 1, 1986 which, together with all other insurance policies Home may have issued to Westinghouse Electric Corporation are referred to collectively as the "Westinghouse Policies". Settlement Agreement, second Whereas clause. Bengelsdorf Aff. ¶ 3.

3. Claimant submitted four proofs of claim in the Home liquidation seeking coverage in connection with liability arising out of asbestos and toxic tort bodily injury



exposures which, together with any other proofs of claim hereinbefore or hereinafter filed by Claimant in the Home liquidation, are referred to collectively as the “Westinghouse Proofs of Claim”. Settlement Agreement, third Whereas clause. Three of the proofs of claim have previously been resolved, one by two \$4 million allowances approved by the Court on November 13, 2006 and October 31, 2008, respectively (the “Westinghouse Prior Allowances”) and two by disallowances approved by the Court on December 2, 2008. Id., fourth Whereas clause. The Settlement Agreement does not alter these determinations. Id. Bengelsdorf Aff. ¶ 4.

4. Claimant also submitted a proof of claim under workers’ compensation policies issued to Westinghouse Electric Corporation. That proof of claim was resolved by a \$275,407.00 allowance approved by the Court on November 16, 2015 (the “Workers Compensation Allowance”). That determination is not altered by this Settlement Agreement. Settlement Agreement, fifth Whereas clause. Bengelsdorf Aff. ¶ 5.

5. A subsidiary of ViacomCBS Inc, CBS Operations Inc., submitted proofs of claim under seventeen policies issued to entities other than Westinghouse Electric Corporation. Those proofs of claim were resolved by a settlement agreement including a \$7 million allowed amount approved by the Court on May 5, 2016 (the “CBS Operations Allowance”). That allowance is not altered by this Settlement Agreement. Settlement Agreement, sixth Whereas clause. Bengelsdorf Aff. ¶ 6.

6. The Liquidator and the Claimant have negotiated the Settlement Agreement reflecting a resolution of all matters concerning the Westinghouse Proofs of Claim and their rights and obligations with respect to the Westinghouse Policies. The Settlement Agreement is subject to approval by the Court. Settlement Agreement ¶ 1. Bengelsdorf Aff. ¶ 7.

7. The Settlement Agreement provides that the Liquidator will recommend allowance of the Westinghouse Proofs of Claim in the amount of \$5,244,128 (“Recommended

Amount”) as a Class II priority claim under RSA 402-C:44.<sup>1</sup> Settlement Agreement ¶ 2(A). Allowance of the Recommended Amount as a Class II claim will fully and finally resolve the Westinghouse Proofs of Claim and all claims the Claimant has under the Westinghouse Policies. 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. ¶ 8.

8. The Settlement Agreement is intended to resolve the Westinghouse Proofs of Claim and all claims that the Claimant has under the Westinghouse Policies. See Settlement Agreement ¶ 2(B). To that end, the Settlement Agreement provides for mutual releases of all claims among the Liquidator, Home, and the Claimant arising from or related to the Proofs of Claim or the Policies. Id. ¶¶ 3, 4. The Claimant’s release does not release further distributions on the Westinghouse Prior Allowances, the Workers Compensation Allowance or the CBS Operations Allowance. Bengelsdorf Aff. ¶ 9.

9. In resolving all of the Claimant’s claims relating to the Westinghouse Proofs of Claim and the Westinghouse Policies, the Settlement Agreement is intended to resolve all matters arising out of or relating to any rights the Claimant ever had, now has, or hereafter may have in the Westinghouse Policies and the Westinghouse Proofs of Claim, including any asserted rights of third-party claimants against the Claimant under the Policies. Settlement Agreement ¶5. The Claimant agrees to address, at its sole cost, any such claims of third-party claimants against the Claimant as if there had been no liquidation proceeding for Home and as if the Claimant had no insurance coverage from Home by virtue of the Westinghouse Policies. Id. The Claimant also agrees to indemnify and hold the Liquidator and Home harmless from all

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<sup>1</sup> The Recommended Allowance is in addition to the Westinghouse Prior Allowances, the Workers Compensation Allowance and the CBS Operations Allowance.

claims arising from or relating to the Westinghouse Proofs of Claim or the Westinghouse Policies, including asserted rights of third party claimants up to the amount ultimately distributed or distributable in relation to the Recommended Amount. *Id.* Bengelsdorf Aff. ¶ 10.

10. The Liquidator is not aware of any third party claimants asserting claims under the Westinghouse Policies. Bengelsdorf Aff. ¶ 8. However, the denial of any third party claimants' claims without prejudice to their claims against the Claimant will not harm the third party claimants, who will continue to have their claims against the Claimant. As noted above, the Claimant has agreed to address these claims as if it had no insurance coverage from Home under the Westinghouse Policies. Settlement Agreement ¶ 5. Third party claimants' proofs of claim against the insolvent Home, if not denied with the agreement, would release the Claimant from those claims up to the limits of the Westinghouse Policies but only entitle the third party claimants (assuming their claims were allowed) to the initial interim distributions and any later distribution at a presently undetermined distribution percentage from Home at the future date when distribution is made. See RSA 402-C:40, I; Gonya v. Commissioner, New Hampshire Insurance Dept., 153 N.H. 521, 535 (2006) (noting the "inherent uncertainty of any creditor's recovery in a liquidation"). It is not expected that the allowed claims of any third party claimants (or other Class II creditors) of Home will be paid in full. Under the Settlement Agreement, the Claimant will continue to be responsible for any third party claimants' claims against it. See Settlement Agreement ¶ 5. Bengelsdorf Aff. ¶ 11.

11. The Liquidator is not aware of any proofs of claim asserting a claim to the same policy limit as the Westinghouse Proofs of Claim resolved by the Settlement Agreement. However, if a claim of another claimant is subject to the same limit of liability as the claims resolved by the Settlement Agreement, and if the total allowed amounts for all claimants exceed the limit, then the allowed amounts for all claimants will be subject to adjustment under RSA

402-C:40, IV, so that the policy limit will not be exceeded. See Settlement Agreement ¶ 6. Bengelsdorf Aff. ¶ 12.

12. The Settlement Agreement reflects a compromise of the claims asserted in the Westinghouse Proofs of Claim. It is the result of negotiations involving the Claims Department, under the supervision of the Special Deputy Liquidator, which has extensive experience in assessing the exposure presented by claims under Home's insurance policies. The agreed settlement amount is based on careful evaluation and negotiation of coverage obligations under the Westinghouse Policies respecting the underlying liabilities of the Claimant. The Liquidator accordingly recommends approval of the Settlement Agreement and allowance of the \$5,244,128 settlement amount as a Class II claim of the Claimant in accordance with RSA 402-C:45 and RSA 402-C:44. Bengelsdorf Aff. ¶ 13.

13. The Court has previously approved many similar settlement agreements. See, e.g., Order Approving Settlement Agreement with Navistar, Inc. (December 11, 2018); Order Approving Settlement Agreement with Graham Corporation (July 8, 2016); Order Approving Settlement Agreement with Washington Gas (July 15, 2013); Order Approving Settlement Agreement with Wisconsin Energy (March 18, 2010); 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.

14. 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 the Claimant.

15. 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. ¶ 14.

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 Claimant's claim as a Class II claim in accordance with RSA 402-C:45 and RSA 402-C:44 in the amount of \$5,244,128; and
- C. Grant such other and further relief as justice may require.

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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May 20, 2020

**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 EIGHTY-SECOND REPORT**

I, Christopher R. Nicolopoulos, Insurance Commissioner of the State of New Hampshire, as Liquidator (“Liquidator”) of The Home Insurance Company (“Home”), hereby submit this Eighty-Second Report on the liquidation of Home, as of September 9, 2021 in accordance with RSA 402-C:25 and the Order Concerning Liquidator’s Reports issued January 19, 2005.

**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 30 full and part time employees with offices in New York City (Home’s former corporate headquarters) and Bedford, New Hampshire. From the start in 2003, the Liquidator has been engaged in marshalling assets, principally reinsurance, and determining claims.

In light of the coronavirus outbreak and applicable orders, liquidation staff have been working remotely and communicating principally by email and telephone. Despite this shift, liquidation operations have continued without interruption.

2. Home's assets. Home's unrestricted liquid assets as of June 30, 2021 total approximately \$785 million as set forth on the June 30, 2021 financial statement attached as Exhibit A. This figure does not include the \$667 million of net interim distributions paid to non-guaranty association claimants on allowed Class II claims or the net \$256 million paid to insurance guaranty associations in early access distributions through June 30, 2021. These amounts are discussed in greater detail below. As of June 30, 2021, the Liquidator has marshalled approximately \$1.77 billion in assets net of the expenses of the liquidation and Class I distributions. This total includes the interim distribution amounts paid to non-guaranty association claimants, the early access distribution amounts paid to guaranty associations, and special deposits held by states.

3. Coordination with guaranty associations. The Liquidator works 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" distribution to guaranty associations. See RSA 402-C:29, III. Through September 1, 2021, the Liquidator has made, with the Court's approval, early access net distributions totaling \$256 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. (See Section 12 below.)

4. Proofs of claim. The claim filing deadline in the Home liquidation was June 13, 2004. The Liquidator received 54<sup>(\*)</sup> new proofs of claim between the last Liquidator's report and September 1, 2021. The proofs of claim submitted now total 20,911. 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 motion. The Liquidator has concluded that to move this proceeding toward closure and protect the interests of the creditors with allowed Class II claims it is now 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 ("Motion") on August 1, 2019 seeking to establish a deadline for the amendment of claims. As described in that motion,

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<sup>(\*)</sup> Of the 54 new proofs of claim received, 45 pertain to claims of sexual abuse which were filed due to legislation which opened the statute of limitations until August 14, 2021 for survivors of child sexual abuse.

claims filed after the claim amendment deadline and potential claims (claims that cannot be specifically identified by the deadline) will be barred if the Motion is granted.

By order of notice dated August 19, 2019, the Court set a November 18, 2019 deadline for filing objections to the Motion. The Liquidator gave notice in accordance with the order of notice. Twelve objections were timely filed, and a late objection was filed December 24, 2019. Three objections, those of U.S. Steel Corporation, MW Custom Papers LLC, and Johnson & Johnson, were later withdrawn.

After a videoconference hearing on the Motion on December 11, 2020, the Court issued orders approving a Claim Amendment Deadline dated January 28, 2021 under a Clerk's Notice dated February 1, 2021 ("CAD Order"). On February 11, 2021, two objectors, Zurich Insurance Company, German Branch, ("Zurich") and Württembergische Versicherung, filed motions to reconsider and to stay the CAD Orders. Two other objectors, Resolute and Nationwide, joined in these filings. On April 26, 2021, the Court denied the motion for reconsideration, but granted a stay of the CAD Order pending the objectors seeking an interlocutory appeal. Zurich and the Liquidator negotiated an interlocutory appeal statement, which two other objectors joined. The Superior Court approved the statement on May 12, 2021, and Zurich filed the interlocutory appeal statement with the New Hampshire Supreme Court on May 19, 2021. By order dated July 26, 2021 the court accepted the appeal and established a briefing schedule. Zurich filed its opening brief on September 9, 2021.

Due to the pending litigation, the CAD Order is not final and there presently is no Claim Amendment Deadline.

The Liquidator's motion papers, the objections, orders and further filings may be found on the Liquidation Clerk's website, [www.hicilclerk.org](http://www.hicilclerk.org).

6. Claim determinations, reports and settlements. The process of determining proofs of claim continues. Since the last Liquidator’s report, the Liquidator has issued partial or final notices of determination addressing 47 proofs of claim pursuant to the Restated and Revised Order Establishing Procedures Regarding Claims entered January 19, 2005 (“Claims Procedures Order”). As of September 1, 2021, for all priority classes, the following table outlines activity from inception of the Liquidation:

	<u>12/01/15</u>	<u>12/05/16</u>	<u>12/01/17</u>	<u>12/1/18</u>	<u>12/1/19</u>	<u>12/1/20</u>	<u>9/1/21</u>
<b>Proofs of Claim Filed:</b>	20,704.	20,733	20,768	20,775	20,802	20,834	20,911
<b>POCs Resolved (Court App'd)<sup>1&amp;2:</sup></b>	17,494	18,337	18,839	19,570	19,749	20,010	20,103
<b>Total \$ Court App'd Determinations:</b>	\$2.43b.	\$2.73b	\$2.8 b	\$3.0 b	\$3.1b <sup>3</sup>	\$3.2b	3.3b
<b>Total \$ Class II Court App'd Det:</b>	\$2.13b	\$2.41b	\$2.49b	\$2.6 b	\$2.73b <sup>3</sup>	\$2.9 b	2.9b
<b>Total Remaining Open POCs<sup>4</sup></b>	3,210	2,396	1,929	1,242	1,053	824	808

#### Breakdown of Open POC Count<sup>4</sup>

	<u>12/01/15</u>	<u>12/05/16</u>	<u>12/01/17</u>	<u>12/01/18</u>	<u>12/1/19</u>	<u>12/1/20</u>	<u>09/1/21</u>
i. Insureds <sup>5</sup> and Claimants	2,861	2,097	1,668	979	792	593	574
ii. Contribution Claims	40	43	6	12	13 <sup>6</sup>	4	6
iii Guaranty Associations	60	60	60	60	59	59	59
iv. Insurer	232	189	186	182	180	160	160
v. Government/other	17	7	9 <sup>7</sup>	9	9	8	9
<b>Total</b>	<b>3,210</b>	<b>2,396</b>	<b>1,929</b>	<b>1,242</b>	<b>1,053</b>	<b>824</b>	<b>808</b>

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 The allowance total was adjusted to reflect credits for offsets.

4 The number of open POCs excludes 304 POCs at 9/1/21 determined and approved by the Court as Class V determinations that are deferred as to amount. POCs with a filed Request for Review are considered open until the RFRs are resolved.

5 As of 9/1/21, the number of insureds with open POCs totaled 172. 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.

<sup>6</sup> The number of open contribution POCs increased due to issuance of NODs on POCs that had not been counted as open in light of previous court-approved final determinations as to priority only.

<sup>7</sup> In a review of open POCs, two were moved from another category to this category.

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 June 11, 2021, the Liquidator has submitted three reports of claims and recommendations to the Court reflecting a total of approximately \$6.2 million in determinations for all classifications. In addition, the Liquidator has submitted one motion for approval of a Class II settlement agreement reflecting a total allowance of \$915,540 .

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 are reviewed to determine whether the claim is timely filed 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, 1,015 claimants have filed requests for review; 937 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, 2021, there is one disputed claim proceeding before the Referee which is presently inactive. The Claims Procedures Order provides for review of the Referee's reports by motion to recommit.

9. Financial reports. The unaudited June 30, 2021 financial statements are attached as Exhibit A to this report. The June 30, 2021 statements reflect \$784,857,553 in net assets under the Liquidator's direct control and \$12,650,651 in reinsurance collections, net investment income, and other receipts, and \$6,634,480 in operating disbursements from January 1 through June 30, 2021.

10. 2021 Budget. A comparison of the actual and budgeted general and administrative expenses of the Home liquidation, on an incurred basis, through June 30, 2021 is attached as Exhibit B. As of June 30, 2021, actual expenses were below budget by \$611,978 or 10% with favorable variances in most categories. 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	

The Liquidator filed a copy of the 2021 Budget on November 20, 2020 as Exhibit 6 to the Liquidator’s Filing Regarding Status Report. As of September 8, 2021, the liquidation staff is 30 in number, which includes four part time employees. In addition, there are five Information Technology consultants, and 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 December 10, 2012. A summary of Home’s holdings of bonds and short-term investments as of June 30, 2021 is attached as Exhibit C, and a report listing the individual holdings of Home as of that date is attached as Exhibit D (the groupings on Exhibit C differ from those on Exhibit D). The book value of Home’s bonds and short-term investments managed by Conning Asset Management (“Conning”) at June 30, 2021, was approximately \$775.0 million compared to their market value of \$790.3 million. This represented an unrealized gain (market value above book value) of approximately \$15.3 million. Short-term holdings in the Conning-managed

portfolio at June 30, 2021 were \$58.5 million at market value. The overall portfolio earned approximately \$7.0 million in net investment income through the second quarter of 2021 and is expected to earn approximately \$13.0 million in 2021 based on holdings at June 30, 2021.

The average credit rating for the Conning-managed portfolio holdings is Aa3 by Moody's and A+ by S&P. As of June 30, 2021, the Liquidator no longer maintains investments in US Treasury securities outside of Conning's control. All Home investments are managed by Conning, and these assets, along with sweep bank accounts, will be used to fund operating requirements.

As of September 1, 2021, the Conning-managed portfolio had an unrealized gain of \$15.3 million, a \$1.8 million decrease in the unrealized gain from March 1, 2021 caused by minor market fluctuations. Bond yields remain low due to concerns about economic growth, the impact of the coronavirus outbreak, and the Federal Reserve's decision to continue holding interest rates to near zero. A market value sensitivity analysis performed by Conning indicated that market values of the portfolio could potentially fluctuate \$12.5 million downwards and \$12.1 million upwards if interest rates increased or decreased 100 basis points, respectively, based on the portfolio values as of June 30, 2021.

Consistent with the investment guidelines, the Liquidator and Conning continue to focus on (a) preservation of capital on investments, (b) maintaining a high-quality portfolio, and (c) consistent with objectives (a) and (b), maximizing current income. As of September 1, 2021, the Liquidator and Conning believe that all securities in the portfolio will pay full amounts of principal in spite of fluctuating market values.

12. Early access distributions to guaranty associations. The Liquidator made 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.

Early access distributions are generally subject to deductions for deposits, deductible reimbursements, recoveries from guaranty association statutory net worth insureds, amounts ascribed Class I and Class V priority, questioned claim items, and an early access distribution cap of 40% of the association’s paid loss and expense and case reserves. Given the large number of guaranty associations affected by the cap and the decreasing association claim volume over the last few years, the tenth and eleventh early access distributions also reflected an additional cap of 75% of the association’s cumulative paid claims in accordance with the Court’s approval orders. The eleventh early access distribution also applied a \$25,000 minimum payment threshold. A net total of \$256 million has been paid to guaranty associations in early access through June 30, 2021.

13. Interim Distributions. By Order dated March 13, 2012 (as amended July 2, 2012), the Court approved the first interim distribution of 15% to claimants with allowed Class II claims. The interim distribution was subject to receipt of a waiver of federal priority claims from the United States Department of Justice (“US DOJ”), which was received on November 5, 2014. By Order dated November 16, 2015 (as amended March 7, 2016), the Court approved the second interim distribution of 10% to claimants with allowed Class II claims (for a cumulative interim distribution percentage of 25%). The second interim distribution was also subject to receipt of a waiver of federal priority claims from the US DOJ, which was received on July 18, 2016.

The Liquidator paid first interim distributions totaling \$258.3 million to creditors with allowed Class II claims on December 5, 2014 and thereafter through July 31, 2016. In August 2016, the Liquidator paid second interim distributions totaling \$183.3 million to creditors with allowed Class II claims. It also included 25% first and second distribution amounts for those recent Class II claimant-creditors who had not previously received the first interim distribution.

By Order dated October 18, 2018, the Court approved the third interim distribution of 5% to claimants with allowed Class II claims (for a cumulative interim distribution percentage of 30%). The third interim distribution was also subject to receipt of a waiver of federal priority claims from the US DOJ. The Liquidator entered a Release Agreement with the United States in conjunction with a Settlement Agreement between the Federal Claimants and the Liquidator. The two agreements were subject to Court approval, which was given by Order dated March 26, 2019, and other conditions which were satisfied on April 10, 2019, thereby making the Settlement Agreement and the Release Agreement effective. The Release Agreement provided the necessary waiver of federal priority claims allowing the third interim distribution to proceed.

In April 2019, the Liquidator paid the third interim distribution totaling \$119 million to creditors with allowed Class II claims. This included the 30% distribution in the amount of \$8,113,243.80 on allowed United States claims which was paid to the United States on April 10, 2019 in accordance with the terms of the Settlement Agreement. It also included 30% distribution amounts for other recent Class II claimant-creditors who had not previously received the first and second interim distributions. As part of the interim distribution process, the Liquidator periodically issues distribution checks to

claimants with newly allowed Class II claims after each December 31 and June 30 as provided in the interim distribution approval orders.

The net cumulative interim distributions to non-guaranty association Class II creditors total \$671,977 million through September 1, 2021 (excluding distribution checks outstanding of \$0.185 million). 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. Milliman reserve study. The Liquidator engaged the actuarial firm Milliman, Inc. to estimate Home's unpaid direct liabilities as of December 31, 2010, December 31, 2012, and December 31, 2014. Milliman's report concerning unpaid loss and allocated loss adjustment expense ("ALAE") as of December 31, 2010, was used in the Liquidator's Motion for Approval of Interim Distribution to Claimants with Allowed Class II Claims filed February 13, 2012, and the executive summary was included in the motion papers. A copy of the executive summary of the Milliman report concerning unpaid loss and ALAE as of December 31, 2012 was attached as an exhibit to the Liquidator's Fifty-First Report. A copy of the executive summary of the Milliman report dated September 18, 2015 concerning unpaid loss and ALAE as of December 31, 2014 was attached as an exhibit to the Liquidator's Fifty-Seventh report.

Milliman's actuarial central estimate of ultimate Class II unpaid loss and ALAE as of December 31, 2010 was \$4.112 billion, and the estimate at the 95% confidence level was \$6.584 billion. Milliman's actuarial central estimate of ultimate Class II unpaid loss

and ALAE as of December 31, 2012 was \$4.372 billion, and the estimate at the 95% confidence level was \$6.602 billion. Milliman's actuarial central estimate of ultimate Class II unpaid loss and ALAE as of December 31, 2014 was \$4.034 billion, and the estimate at the 95% and 90% confidence levels was \$5.406 billion and \$4.970 billion respectively.

15. 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.

16. 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 there were no commutations since the last report, on June 11, 2021.

17. 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. Most recently, a Class I distribution totaling \$12.9 million was issued to guaranty associations in October 2020, which brought total Class I distributions to \$107.6 million (after deduction of setoffs).

18. 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 a confidential schedule of asset dispositions (including compromises) and obligation assumptions since the last report which is filed under seal as an appendix to this report.

19. New York Office Surrender of Space; Manchester Office Lease Termination. Pursuant to the terms of the Lease Agreement for office space located at 61 Broadway in New York City, the Liquidator had a unilateral contraction option to surrender 7,500 square feet or approximately one-third of the Premises effective as of January 1, 2018. The Liquidator exercised the option and vacated the space on December 31, 2017. The Lease Agreement also provided the Liquidator with a second

unilateral contraction option for approximately half of the remaining space, which the Liquidator exercised pursuant to an amendment to the Lease Agreement dated January 11, 2021. The amendment revised the terms of the contraction option and provides for (i) the surrender of a 5,492 rentable square foot portion of the Premises effective October 31, 2021; (ii) the surrender of a 1,812 rentable square foot portion of the Premises at October 31, 2022 or, upon written notice not later than April 30, 2022, at October 31, 2023, at the option of the Liquidator; and (iii) the retention of a 196 rentable square foot portion of the space otherwise to be surrendered until the expiration of the Lease Agreement which by its terms expires on January 31, 2026. The Lease Agreement also provides the Liquidator with an option to extend the term of the Lease until January 31, 2031 to be effective upon twelve months prior written notice. The Manchester, New Hampshire office has been relocated to new quarters in Bedford, New Hampshire which space has been let on a month-to-month basis.

20. Mailing Address Change: In view of the relocation of Home's Manchester office to Bedford, and as reflected on the liquidation's website ([www.hicilclerk.org](http://www.hicilclerk.org)), the mailing address for all Proofs of Claim has been changed to the following:

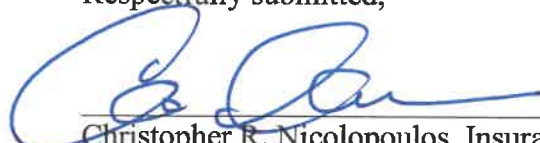
The Home Insurance Company in Liquidation  
61 Broadway, 6<sup>th</sup> Floor  
New York, New York 10006

21. Document Storage. The contract with Iron Mountain regarding storage of Home's records housed at Iron Mountain facilities as approved by the Court on November 2, 2016 extends until November 30, 2021, and provides for a further five year extension at the Liquidator's option. As of September 1, 2021, there are approximately 60,878 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. Record destruction efforts remain ongoing so as to eliminate records which are no longer useful to the estate.

22. Ancillary proceedings in the United States and United Kingdom. Ancillary receiverships for Home remain pending in Oregon and New York. By Order of the Supreme Judicial Court for the Commonwealth of Massachusetts dated May 19, 2021, the Ancillary receivership in Massachusetts was closed and the Ancillary Receiver was discharged effective upon the filing of a certificate confirming that all assets of Home had been transferred to the Massachusetts Insurers Insolvency Fund and that all other business of the ancillary receivership proceedings had been completed. The Ancillary Receiver filed the certificate on July 6, 2021. 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,



Christopher R. Nicolopoulos, Insurance  
Commissioner of the State of New  
Hampshire, as Liquidator of the Home  
Insurance Company

Dated: September 14, 2021