

THE STATE OF NEW HAMPSHIRE

MERRIMACK, SS.

SUPERIOR COURT

Docket No. 03-E-0106

In the Matter of the Rehabilitation of  
The Home Insurance Company

MOTION TO EXTEND STAY

Paula T. Rogers, Commissioner of Insurance for the State of New Hampshire (the "Rehabilitator"), as Rehabilitator of The Home Insurance Company, by her attorneys, The Office of the Attorney General, hereby moves the Court pursuant to RSA 402-C:5, RSA 402-C:17 and RSA 402-C:18 for an order extending the stay issued by the Court on March 5, 2003 for 30 days or such time as the Court enters a liquidation order. The Rehabilitator makes this request because she has filed a Verified Petition for Order of Liquidation in this matter seeking a stay and abatement of actions pursuant to RSA 402-C:5 and RSA 402-C:21. A hearing on that Petition, however, is not possible before June 9, 2003. In support hereof, the Rehabilitator respectfully represents as follows:

1. The Home is currently under an Order of Rehabilitation entered by this Court on March 5, 2003 (the "Rehabilitation Order"). The Rehabilitation Order includes a stay against

(a) the commencement or continuation of a judicial, administrative, or other action or proceeding against The Home or any insured of The Home that was or could have been commenced before the

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- commencement of this case, or to recover a claim against The Home that arose before the commencement of this case;
- (b) the enforcement, against The Home or its property, of a judgment obtained before the commencement of this case;
  - (c) any act to obtain possession of property of The Home or to exercise control over property of The Home;
  - (d) any act to create, perfect, or enforce any lien against property of The Home;
  - (e) any act to create, perfect or enforce against property of The Home any lien to the extent that such lien secures a claim that arose before the commencement of this case;
  - (f) any act to collect, assess, or recover a claim against The Home that arose before the commencement of this case; and
  - (g) the setoff of any debt owing to The Home that arose before the commencement of this case against any claim against The Home.

2. On April 30, 2002, the Court Amended the stay order to provide that the stay would not apply to setoffs of reinsurers as provided in and in accordance with RSA 402-C:34.

3. Important aspects of the stay entered on March 5, 2003, as amended on April 30, 2003, will expire by their terms on June 3, 2003.

4. The Rehabilitator has determined that The Home is insolvent within the meaning of RSA 402-C:3, XIV(b), and RSA 402-C:20, II, in that its assets do not exceed its liabilities plus the greater of the capital and surplus required by law or its

authorized and issued capital stock. Consequently, she filed a Verified Petition for Order of Liquidation on May 8, 2003 (the "Liquidation Petition").

5. The Court has informed counsel to the Rehabilitator that the earliest date upon which the Liquidation Petition may be heard while still providing sufficient notice to interested parties is June 9, 2003.

6. The stay is a critical part of the rehabilitation and liquidation proceeding and is necessary to preserve assets of The Home for the benefit of policyholders and creditors, and to preserve the relative priorities of various classes of claimants and creditors. Accordingly, the stay should be continued in the rehabilitation until such time as the Court can enter the Liquidation Order and the stay provided therein and the rehabilitation proceeding is terminated.

7. The Rehabilitator has not sought the concurrence of Sherilyn B. Young, Esq., Counsel to certain parties seeking relief from the stay because in light of their pending motion, their opposition to the relief sought herein is manifest.

WHEREFORE, the Rehabilitator prays that this Court enter an order extending the March 5, 2003 stay for an additional 30 days, to July 3, 2003, or such earlier date that the Court enters an order imposing a stay sought by the Liquidation Petition, and grant such other and further relief as may be just.

Respectfully submitted,

NEW HAMPSHIRE INSURANCE  
DEPARTMENT  
PAULA T. ROGERS, COMMISSIONER

By her attorneys

PETER W. HEED, ATTORNEY GENERAL



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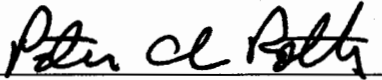
Dated: May 9, 2003

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CERTIFICATE OF SERVICE

I, Peter C.L. Roth, do hereby certify that on May 9, 2003 I served a true copy of the foregoing upon Sherilyn B. Young, of Rath, Young and Pignatelli, One Capital Plaza, PO obx 1500, Concord, NH 03302-1500, by first class mail, postage prepaid.

Dated: May 9, 2003

  
Peter C.L. Roth