

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**

**ORDER APPROVING FIRST
EARLY ACCESS DISTRIBUTION**

On consideration of the motion of Roger A. Sevigny, Commissioner of Insurance of the State of New Hampshire, as Liquidator ("Liquidator") of The Home Insurance Company ("Home"), for approval of a first early access distribution to insurance guaranty associations pursuant to RSA 402-C:29, III and the Early Access Distribution Plan approved on October 22, 2003, and of the supporting affidavit of Peter A. Bengelsdorf, Special Deputy Liquidator, it is hereby ORDERED as follows:

1. The early access distribution is reasonable, prudent and in full accordance with law.
2. The early access distribution is in the best interests of the liquidation of Home.
3. The early access distribution is made in good faith.
4. The Liquidator's Motion for Approval of First Early Access Distribution to Insurance Guaranty Associations is granted, and the proposed first early access distribution based on reported guaranty associations payments less recoveries through June 30, 2004 as set forth on Exhibit A to the Bengelsdorf affidavit is APPROVED.
5. To be eligible to receive an early access distribution, an insurance guaranty association must have executed an Early Access Distribution Agreement in the form approved as part of the Early Access Distribution Plan.
6. In the event that Home made a deposit in a state that has not been returned to the Liquidator before the date of the early access distribution, the Liquidator may deduct the amount of the deposit against the early access distribution to that state's guaranty association.

7. The early access distribution is subject to the receipt of a waiver of federal priority claims under 31 U.S.C. 3713 from the United States in a form acceptable to the Liquidator.

8. The receipt of an early access distribution by a guaranty association shall not be deemed to constitute an admission by the guaranty association that allocated loss adjustment expense ("ALAE") is a Class II claim and each guaranty association shall be deemed to have reserved the right to contend that ALAE should be paid as a Class I administration cost.

So Ordered.

Dated: _____

Presiding Justice