

**THE HOME
INSURANCE
COMPANY IN
LIQUIDATION**



59 Maiden Lane, 5th Floor
New York, New York 10038

April 7, 2005

Resolute Management Inc.
On behalf of Century Indemnity Company
1601 Chestnut Street, TL15A
Philadelphia, PA 19103

Attention: Joannie Caprice
Senior Vice President

Re: **Re-Determination of our Partial Notice of Determination
Proof of Claim AMBC 700308**

RECEIVED
APR 12 2005
MAJOR CLAIMS

Dear Ms. Caprice,

Enclosed please find Home's Re-Determination of our Partial Notice of Determination with respect to your Proof of Claim filing AMBC 700308 into the Home estate. This Re-Determination is with respect to only those paid balances claimed as due to Century Indemnity Company ("CIC") from Home through November 2004 in respect to CIC's involvement with the Excess and Casualty Reinsurance Association (ECRA Pool). Please note that this Re-Determination remains subject to admission into the Home estate by the New Hampshire Superior Court.

As you will note the allowance is zero. As was the case with our original Partial Notice of Determination sent to you under cover of our letter of January 21, 2005, our Re-Determination is based on the fact that CIC's filing is a duplication of the same amounts claimed by Excess and Treaty Management ("ETMC") on CIC's behalf with respect to balances owed CIC by Home through the ECRA Pool per Proof of Claim No. RAHM 700581.

On your behalf ETMC has also filed a Request for Review with respect to our Notice of Determination dated January 21, 2005, on the basis that ETMC has no authority to agree a set-off of amounts owed to Home that are not assumed through the ECRA Pool. Home has, per the attached, Re-Determined the claim filed by ETMC and will once accepted, make a recommendation to the New Hampshire Superior Court to allow the claim in the amount of \$1,485,719. You should be aware that once the claim is approved, \$84,414 in paid balances acknowledged by ETMC as due Home through the ECRA Pool, as well as any other appropriate offsetable amounts, will be debited against CIC's allowances in the Home estate.

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59 Maiden Lane, 6th Floor
New York, New York 10038

April 7, 2005
Joanne Caprice
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If you have any questions, please contact me at (212) 530-6033.

Very truly yours,

A handwritten signature in cursive script, appearing to read "G. P. Mitchell".

George P. Mitchell, CPCU
Vice President

THE HOME INSURANCE COMPANY IN LIQUIDATION

P.O. Box 1720
Manchester, New Hampshire 03105-1720
Tel: (800) 347-0014

Date: April 7, 2005

Class V

Century Indemnity Company
1601 Chestnut Street, TLP08
Philadelphia, PA 19103

RE: NOTICE OF REDETERMINATION
Proof of Claim No.: AMBC 700308

Redetermination Summary

Gross Amount of Claim	: \$43,483,756
Partial Amount Claimed	: \$ 1,490,508
Amount Allowed by Liquidation	: \$ 0.00

Dear Claimant:

The purpose of this letter is to respond to your Request for Review and provide you with a Redetermination set forth above of claims you have presented to The Home Insurance Company in Liquidation ("The Home"), under the Proof(s) of Claim specified above. The Home expects to present notice of this Redetermination to the Superior Court for Merrimack County, New Hampshire (the "Court") for approval in accordance with New Hampshire Revised Statute, RSA 402-C: 45. Read this Notice of Redetermination carefully as it sets forth your rights and obligations in detail.

The Home has reviewed your request for review and made a Redetermination on the claims and reinsurance contracts as set forth above in accordance with The Home Claim Procedures (the "Procedures")* approved by the Court. If the claim has been allowed, in whole or in part, it has been assigned a Class V priority as a "residual claim" pursuant to the Order of Distribution set forth in RSA 402-C:44 and will be placed in line for distribution as directed by the Court from the assets of The Home. If however, pursuant to RSA 402-C: 43 there are debts owed Home, then these debts will be set-off against amount Home has allowed. Also please note that the first \$50 of the amount allowed on each claim in this class shall be deducted from the distribution as specified in RSA 402-C: 44.

You may have other claims against The Home for which you may receive other Notices of Determination or Redetermination. You will have a separate right to dispute each Notice of Determination or Redetermination. If your claim has been allowed in whole or in part,

* A copy of the January 19, 2005 Restated and Revised Order Establishing Procedures Regarding Claims Filed with The Home Insurance Company in Liquidation may be obtained from the website of the Office of the Liquidation Clerk for The Home Insurance Company in Liquidation and US International Reinsurance Company in Liquidation, www.hicilclerk.org.

this Notice of Determination does not mean that your claim will immediately be paid, or that it will be paid in full. Pursuant to order of the Court, The Home may make distributions of its assets as a percentage of all allowed claims in a particular priority class in The Home estate as approved by the Court. The amount of the final payment for allowed claims will be determined by the final ratio of assets to liabilities and the applicable priority. Please be advised that the final percentage of payment that you receive from The Home, at the time The Home is finally closed, is the total payment amount that you will be entitled to on this claim.

Any and all distributions of assets may be affected and/or reduced by any payments you have received on this claim from any other sources not listed on the Notice of Distribution. Any such distributions by The Home are based on The Home's knowledge and/or understanding of the amounts you have received in settlement and/or reimbursement of this claim from all other sources at the time of the allowance or thereafter. Should The Home subsequently become aware of prior recoveries from other sources The Home has the right to reduce its future distribution payments to you to the extent of such other recoveries, or to seek and obtain repayment from you with respect to any previous distributions that were made to you.

Further, if you seek or receive any future payment from any other source on this claim after you receive a distribution payment from The Home, you must notify The Home at the address below, and The Home has the right to recover from you the distribution payments in whole or in part, to the extent of any such other future recoveries.

As a condition to receipt of any distributions, The Home shall be entitled to any rights to subrogation you may have against any third party and you shall be deemed to have assigned to The Home such rights upon receipt of any distributions. You shall also be obliged to reimburse The Home for any legal fees or other costs associated with The Home recovering from you any distribution payments to which you are not entitled.

The following instructions apply to this Notice of Redetermination:

Claim Allowed

1. If this claim has been allowed in whole or in part and you agree with the re-determination, sign and date the enclosed Acknowledgment of Receipt of the Notice of Redetermination and mail the completed Acknowledgment to The Home.

Claim Disallowed

2. If the Redetermination is to disallow your claim in whole or in part, you may still file an Objection with the Court at

Office of the Clerk, Merrimack County Superior Court
163 N. Main Street, P.O. Box 2880
Concord, New Hampshire 03301-2880
Attention: The Home Docket No. 03-E-0106

within sixty (60) days from the mailing of the Notice of Redetermination. You have sixty (60) days from the mailing of the Notice of Redetermination to file your Objection. Please also sign and return the Acknowledgment of Receipt form and mail a copy of the Objection to the Liquidator while maintaining copies of all documents for your reference.

IF YOU DO NOT FILE AN OBJECTION WITH THE COURT WITHIN SIXTY (60) DAYS FROM THE MAILING OF THIS NOTICE OF REDETERMINATION, YOU MAY NOT FURTHER OBJECT TO THE DETERMINATION.

A timely filed Objection will be treated as a Disputed Claim and will be referred to the Liquidation Clerk's Office for adjudication by a Referee in accordance with the Procedures.

3. You must notify The Home of any changes in your mailing address. This will ensure your participation in future distributions, as applicable. For purposes of keeping The Home informed of your current address, please notify us at the address given on the letterhead above.

Sincerely yours,

Peter Bengelsdorf, Special Deputy Liquidator
For Roger A. Sevigny, Liquidator
of THE HOME INSURANCE COMPANY

THE HOME INSURANCE COMPANY IN LIQUIDATION

P.O. Box 1720
Manchester, New Hampshire 03105-1720
Tel: (800) 347-0014

April 7, 2005

POC AMBC 700308

Century Indemnity Company
1601 Chestnut Street, TLP08
Philadelphia, PA 19103

ACKNOWLEDGMENT OF RECEIPT

Partial Allowance \$0.00

I hereby acknowledge receipt of the Notice of Redetermination as a Class V Creditor claim and confirm that I understand the content thereof. I further acknowledge and confirm that I understand the Instructions regarding the Notice of Redetermination of my Claim against The Home Insurance Company in Liquidation and in that regard advise as follows:

(Check off all applicable items).

I agree to the Redetermination.

I have not assigned any part of this claim.

I have not made any other recoveries with respect to this claim.

I have not sought and do not intend to seek any other recoveries with respect to this claim.

I have made recovery from others with respect to this claim (full details must be included with this Acknowledgement).

I have sought or intend to seek recovery from others with respect to this claim (full details must be included with this Acknowledgement).

I request that The Home mail further correspondence to:

Same name as above.

New name _____

Same address as above

New address _____

This Acknowledgment of Receipt must be completed, signed and returned to The Home in order to be eligible for distributions from The Home estate as directed by the Court.

Signature: _____

Printed Name: _____

Title: _____

Date: _____

**THE HOME
INSURANCE
COMPANY IN
LIQUIDATION**



59 Maiden Lane, 5th Floor
New York, New York 10038

April 7, 2005

Excess and Treaty Management Corp.
c/o Guy Carpenter & Company, Inc.
Two Logan Square, Suite 600
Philadelphia, PA 19103

Attention: Anna Wszalek

**Re: Re-Determination Partial Notice of Determination
Proof of Claim # RAHM 700581**

Dear Anna,

Enclosed please find Home's Re-Determination of our Partial Notice of Determination with respect to your Proof of Claim filing RAHM 700581 into the Home estate. Home's Re-Determination is with respect to only those paid balances due to Century Indemnity Company ("CIC") from Home through November 2004 in the amount of \$1,485,791. Please note that this Re-Determination remains subject to admission into the Home estate by the New Hampshire Superior Court, which we will seek promptly after you return the duly completed Acknowledgement form attached to the Re-determination notice.

Once the claim is approved by the New Hampshire Superior Court, \$84,414 in paid balances acknowledged by yourselves as due Home through the ECRA Pool, as well as any other appropriate offsetable amounts, will be debited against CIC's allowances in the Home estate.

If you have any questions, please contact me at (212) 530-6033.

Very truly yours,


George P. Mitchell, CPCU
Vice President

cc: Joanne Caprice - Senior Vice President
Resolute Management, Inc.
On behalf of Century Indemnity Company
1601 Chestnut Street - TL15A
Philadelphia, PA 19103

THE HOME INSURANCE COMPANY IN LIQUIDATION

P.O. Box 1720

Manchester, New Hampshire 03105-1720

Tel: (800) 347-0014

Date: April 7, 2005

Class V

Excess and Treaty Management Corp.
 c/o Guy Carpenter & Company, Inc.
 Two Logan Square, Suite 600
 Philadelphia, PA 19103

RE: NOTICE OF REDETERMINATION
 Proof of Claim No.: RAHM 700581

Redetermination Summary

Gross Amount of Claim	: \$71,441,278
Partial Amount Claimed	: \$ 1,485,791
Amount Allowed by Liquidation	: \$ 1,485,791

Dear Claimant:

The purpose of this letter is to respond to your Request for Review and provide you with a Redetermination set forth above of claims you have presented to The Home Insurance Company in Liquidation ("The Home"), under the Proof(s) of Claim specified above. The Home expects to present notice of this Redetermination to the Superior Court for Merrimack County, New Hampshire (the "Court") for approval in accordance with New Hampshire Revised Statute, RSA 402-C: 45. Read this Notice of Redetermination carefully as it sets forth your rights and obligations in detail.

The Home has reviewed your request for review and made a Redetermination on the claims and reinsurance contracts as set forth above in accordance with The Home Claim Procedures (the "Procedures")* approved by the Court. If the claim has been allowed, in whole or in part, it has been assigned a Class V priority as a "residual claim" pursuant to the Order of Distribution set forth in RSA 402-C:44 and will be placed in line for distribution as directed by the Court from the assets of The Home. If however, pursuant to RSA 402-C: 43 there are debts owed Home, then these debts will be set-off against amount Home has allowed. Also please note that the first \$50 of the amount allowed on each claim in this class shall be deducted from the distribution as specified in RSA 402-C: 44.

You may have other claims against The Home for which you may receive other Notices of Determination or Redetermination. You will have a separate right to dispute each Notice

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of Determination or Redetermination. If your claim has been allowed in whole or in part, this Notice of Determination does not mean that your claim will immediately be paid, or that it will be paid in full. Pursuant to order of the Court, The Home may make distributions of its assets as a percentage of all allowed claims in a particular priority class in The Home estate as approved by the Court. The amount of the final payment for allowed claims will be determined by the final ratio of assets to liabilities and the applicable priority. Please be advised that the final percentage of payment that you receive from The Home, at the time The Home is finally closed, is the total payment amount that you will be entitled to on this claim.

Any and all distributions of assets may be affected and/or reduced by any payments you have received on this claim from any other sources not listed on the Notice of Distribution. Any such distributions by The Home are based on The Home's knowledge and/or understanding of the amounts you have received in settlement and/or reimbursement of this claim from all other sources at the time of the allowance or thereafter. Should The Home subsequently become aware of prior recoveries from other sources The Home has the right to reduce its future distribution payments to you to the extent of such other recoveries, or to seek and obtain repayment from you with respect to any previous distributions that were made to you.

Further, if you seek or receive any future payment from any other source on this claim after you receive a distribution payment from The Home, you must notify The Home at the address below, and The Home has the right to recover from you the distribution payments in whole or in part, to the extent of any such other future recoveries.

As a condition to receipt of any distributions, The Home shall be entitled to any rights to subrogation you may have against any third party and you shall be deemed to have assigned to The Home such rights upon receipt of any distributions. You shall also be obliged to reimburse The Home for any legal fees or other costs associated with The Home recovering from you any distribution payments to which you are not entitled.

The following instructions apply to this Notice of Redetermination:

Claim Allowed

1. If this claim has been allowed in whole or in part and you agree with the re-determination, sign and date the enclosed Acknowledgment of Receipt of the Notice of Redetermination and mail the completed Acknowledgment to The Home.

Claim Disallowed

2. If the Redetermination is to disallow your claim in whole or in part, you may still file an Objection with the Court at

Office of the Clerk, Merrimack County Superior Court
163 N. Main Street, P.O. Box 2880
Concord, New Hampshire 03301-2880
Attention: The Home Docket No. 03-E-0106

within sixty (60) days from the mailing of the Notice of Redetermination. You have sixty (60) days from the mailing of the Notice of Redetermination to file your Objection. Please also sign and return the Acknowledgment of Receipt form and mail a copy of the Objection to the Liquidator while maintaining copies of all documents for your reference.

IF YOU DO NOT FILE AN OBJECTION WITH THE COURT WITHIN SIXTY (60) DAYS FROM THE MAILING OF THIS NOTICE OF REDETERMINATION, YOU MAY NOT FURTHER OBJECT TO THE DETERMINATION.

A timely filed Objection will be treated as a Disputed Claim and will be referred to the Liquidation Clerk's Office for adjudication by a Referee in accordance with the Procedures.

3. You must notify The Home of any changes in your mailing address. This will ensure your participation in future distributions, as applicable. For purposes of keeping The Home informed of your current address, please notify us at the address given on the letterhead above.

Sincerely yours,

Peter Bengelsdorf, Special Deputy Liquidator
For Roger A. Sevigny, Liquidator
of THE HOME INSURANCE COMPANY

THE HOME INSURANCE COMPANY IN LIQUIDATION

P.O. Box 1720
Manchester, New Hampshire 03105-1720
Tel: (800) 347-0014

April 7, 2005

POC #: RAHM 700581

Excess and Treaty Management Corp.
c/o Guy Carpenter & Company, Inc.
Two Logan Square, Suite 600
Philadelphia, PA 19103

ACKNOWLEDGMENT OF RECEIPT

Partial Allowance \$1,485,791

I hereby acknowledge receipt of the Notice of Redetermination as a Class V Creditor claim and confirm that I understand the content thereof. I further acknowledge and confirm that I understand the Instructions regarding the Notice of Redetermination of my Claim against The Home Insurance Company in Liquidation and in that regard advise as follows:

(Check off all applicable items).

I agree to the Redetermination.

I have not assigned any part of this claim.

I have not made any other recoveries with respect to this claim.

I have not sought and do not intend to seek any other recoveries with respect to this claim.

I have made recovery from others with respect to this claim (full details must be included with this Acknowledgement).

I have sought or intend to seek recovery from others with respect to this claim (full details must be included with this Acknowledgement).

I request that The Home mail further correspondence to:

Same name as above.

New name _____

Same address as above

New address _____

This Acknowledgment of Receipt must be completed, signed and returned to The Home in order to be eligible for distributions from The Home estate as directed by the Court.

Signature: _____

Printed Name: _____

Title: _____

Date: _____