

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 AGREEMENTS WITH ALLSTATE AND CITIZENS

On consideration of the motion of Roger A. Sevigny, Commissioner of Insurance for the State of New Hampshire, as Liquidator (“Liquidator”) of The Home Insurance Company (“Home”), for an order approving a Reinsurance Commutation Agreement, Settlement and Release, and a related Federal Asbestos Legislation Agreement between the Liquidator and Allstate Insurance Company and Allstate Insurance Company of Canada (collectively, “Allstate”), and a Pledge Agreement between the Liquidator and Citizens Bank New Hampshire (“Citizens”) (collectively, the “Agreements”) and the supporting confidential affidavit of Peter A. Bengelsdorf, it is hereby found and ORDERED as follows:

1. The Agreements are reasonable, prudent and in full accordance with law;
2. The Agreements are in the best interests of the liquidation of Home;
3. The Agreements are entered into in good faith; and
4. The Liquidator’s Motion for Approval of Reinsurance Commutation Agreement, Settlement and Release, Federal Asbestos Legislation Agreement with Allstate Insurance Company and Allstate Insurance Company of Canada and the Pledge Agreement with Citizens Bank New Hampshire is GRANTED, and the Agreements are APPROVED.
5. As specified in the Pledge Agreement, Citizens shall have a valid, perfected, enforceable, first priority security interest in the collateral provided by the Liquidator to Citizens, the validity, perfection, enforceability and first priority of which shall continue throughout the period in which the Pledge Agreement, including any extensions or renewals thereof, remains in effect, notwithstanding the entry of any other order in this liquidation proceeding.

So Ordered.

Dated: _____

Presiding Justice