

**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**

**ORDER APPROVING 2006 COMPENSATION PLAN  
FOR SPECIAL DEPUTY LIQUIDATOR**

The Court has reviewed the Liquidator's Motion for Approval of 2006 Compensation Plan for the Special Deputy Liquidator and Exhibit A, as well as the Affidavit of Roger A. Sevigny, Liquidator, in Support of Approval of 2006 Compensation Plan for the Special Deputy Liquidator.

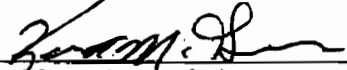
In reviewing the pending motion, and in considering the course of the liquidations of The Home Insurance Company and US International Reinsurance Company, the Court has little difficulty in recognizing the value of the knowledge and management skills that the Special Deputy Liquidator has brought to the liquidation operations. The Court also notes the analysis of Ernst & Young (Exhibit A) which indicates that Mr. Bengelsdorf's total direct compensation as proposed is below the market median for individuals in insurance industry positions ( within healthy companies, as well as those in liquidation) requiring similar experience and skills.

That being said, the Court continues to be mindful of its obligation to carefully review administrative expenses for the purpose of conserving assets for distribution. On that point the Court is pleased to note that there is a downward trend in the Special Deputy Liquidator's Incentive Award, and a slight downward trend projected for base compensation, which the Court concludes is related to a maturing of the business operations, and a diminution of unresolved opportunities to marshal assets.

The Liquidator's Motion for Approval of 2006 Compensation plan for the Special Deputy Liquidator of Home is **GRANTED**.

**SO ORDERED**

Dated: 3/3/06

  
Kathleen A. McGuire  
Presiding Justice