

**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**

**LIQUIDATOR'S REPORT OF CLAIMS AND  
RECOMMENDATIONS AS OF JANUARY 29, 2007**

Pursuant to Paragraph 4 of the Order Approving Liquidator's Report of Claims and Recommendations entered December 16, 2004, Roger A. Sevigny, Commissioner of Insurance for the State of New Hampshire, as Liquidator ("Liquidator") of The Home Insurance Company ("Home") and US International Reinsurance Company ("USI Re"), hereby submits this report of claims and recommendations for allowance. The claims are identified and the Liquidator's recommendations are set forth on the attached Schedules 1 and 2. The Liquidator recommends that the Court approve and allow the claims as set forth on the schedules pursuant to RSA 402-C:45.

1. The Liquidator has issued notices of determination concerning the claims described on Schedules 1 and 2 in the amounts and at the priorities set forth in the schedules. Either the claimants have acknowledged that they agree with the claim determinations or more than sixty days have passed from the mailing of the notices of determination without any objection being filed with the Court. The claimants accordingly may not object further to the determinations with respect to these claims.

See RSA 402-C:41, I; Restated and Revised Order Establishing Procedures Regarding Claims Filed With The Home Insurance Company In Liquidation dated January 19, 2005, § 8.

2. A number of proofs of claim submitted to the Liquidator by or on behalf of third party claimants are incomplete because the insured was not identified and the conditional release required by RSA 402-C:38, I(a)(7), and set forth at item 14 of the proof of claim was not executed. In light of the Supreme Court's decision in Gonya v. Commissioner, New Hampshire Ins. Dept., 899 A.2d 278 (N.H. 2006), the Liquidator sent letters to the claimants or law firms requesting that they complete the proofs of claim within thirty days. Several of the claimants and/or law firms have responded that they do not wish to pursue the claims. Since these proofs of claim are incomplete and have been abandoned, the Liquidator will not consider them. See RSA 402-C:38, I(b) ("No claim need be considered or allowed if it does not contain all the information under subparagraph (a) which may be applicable."). In order to formally close out these proofs of claim, they are listed on Schedule 3 to this claims report.

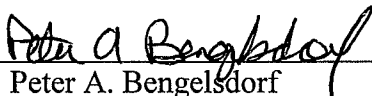
3. In accordance with RSA 402-C:45, I, the Liquidator hereby reports on the claims set forth on Schedules 1 and 2 to the Court and recommends that the claims be allowed in the amounts and at the priority classes set forth on the schedule pursuant to RSA 402-C:45, II. The Liquidator has reviewed the claims and submits that the amounts recommended are fair and reasonable and that the priority classes recommended are proper under RSA 402-C:44.

4. Certain of the claims that are the subject of this report arise under AFIA Treaties. The determinations of these AFIA claims have been agreed by Century Indemnity Company.

5. In light of the suggestion in the Referee's Ruling on Liquidator's Motion for Clarification in Disputed Claims Docket No. 2005-HICIL-2 (Nov. 14, 2005), the Liquidator notes that there may be potential setoffs regarding certain of the claims set forth on the schedule. In any such event, those setoffs will be applied before distributions are made.

Respectfully submitted,

ROGER A. SEVIGNY, COMMISSIONER OF  
INSURANCE OF THE STATE OF NEW  
HAMPSHIRE, AS LIQUIDATOR OF THE HOME  
INSURANCE COMPANY AND US  
INTERNATIONAL REINSURANCE COMPANY,

  
By: Peter A. Bengelsdorf  
Special Deputy Liquidator

Date: February 21, 2007

### Certificate of Service

I hereby certify that a copy of the foregoing Liquidator's Report of Claims and Recommendations as of January 29, 2007, and a proposed form of order were sent, this 22nd day of February, 2007, by first class mail, postage prepaid to all persons on the attached service list.

  
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J. David Leslie

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