

THE STATE OF NEW HAMPSHIRE

MERRIMACK, SS.

SUPERIOR COURT

Docket No. 217-2003-EQ-00106

**In the Matter of the Liquidation of
The Home Insurance Company**

**LIQUIDATOR'S MOTION FOR APPROVAL OF SETTLEMENT AGREEMENT
WITH SAFETY-KLEEN SYSTEMS, INC.**

Roger A. Sevigny, Insurance Commissioner for the State of New Hampshire, as Liquidator ("Liquidator") of The Home Insurance Company ("Home"), moves that the Court enter an order in the form submitted herewith approving a Settlement Agreement and Mutual Release ("Settlement Agreement") between Safety-Kleen Systems, Inc. as successor in interest to insurance policies issued by Home to SCA Services, Inc., RLC Corp., and Rollins Environmental Services, Inc. (together, "Claimants") and the Liquidator. As reasons therefor, the Liquidator states as follows:

1. The Settlement Agreement was negotiated under the supervision of the Special Deputy Liquidator. Affidavit of Peter A. Bengelsdorf, Special Deputy Liquidator, in Support of Motion for Approval of Settlement Agreement with Safety-Kleen Systems, Inc. ("Bengelsdorf Aff.") ¶ 2. A copy of the Settlement Agreement is attached hereto as Exhibit A. The Settlement Agreement is subject to approval by the Court. Settlement Agreement ¶ 1. Bengelsdorf Aff. ¶ 2.

2. Home issued ten insurance policies to The Solvents Recovery Services of New Jersey, Inc., SCA Services, Inc., RLC Corp., and Rollins Environmental Services, Inc. under which Claimants are insureds for various periods between November 14, 1974 and August 30, 1985, which, together with all other insurance policies Home may have issued to Claimants or The Solvents Recovery Services of New Jersey, Inc., SCA Services, Inc., RLC Corp., and

Rollins Environmental Services, Inc. are referred to collectively as the “Policies”. Settlement Agreement, first Whereas clause. Upon Home’s placement in liquidation, the Claimants filed nine proofs of claim in the Home liquidation regarding various claims which, together with any other proofs of claim hereinbefore or hereinafter filed by the Claimants in the Home liquidation are referred to collectively as the “Proofs of Claim”. Id., third Whereas clause. Bengelsdorf Aff. ¶ 3.

3. The Liquidator and the Claimants have negotiated the Settlement Agreement reflecting a resolution of the Proofs of Claim and all matters between them under the Policies. The Settlement Agreement is subject to approval by the Court. Settlement Agreement ¶ 1. Bengelsdorf Aff. ¶ 4.

4. The Settlement Agreement provides that the Liquidator will recommend allowance of the Proofs of Claim in the aggregate amount of \$350,000 (“Recommended Amount”) as a Class II priority claim under RSA 402-C:44. Settlement Agreement ¶ 2(A). Allowance of the Recommended Amount as a Class II claim will fully and finally resolve the Proofs of Claim and all claims Claimants have under the Policies. Id. ¶ 2(B). Distributions based on that allowance will be made at the same intervals and at the same percentages as distributions to other Class II creditors of Home. Id. ¶ 2(C). Bengelsdorf Aff. ¶ 5.

5. The Settlement Agreement is intended to resolve the Proofs of Claim and all claims that the Claimants have under the Policies. See Settlement Agreement ¶ 2(B). Bengelsdorf Aff. ¶ 6. To that end, the Settlement Agreement provides for mutual releases of all claims among the Liquidator, Home, and the Claimants arising from or related to the Proofs of Claim or the Policies. Settlement Agreement ¶¶ 3, 4. The Liquidator also agrees not to pursue claims for contribution or other reimbursement against Claimants’ other insurers, both those who have already reached settlements with Claimants and those who reach settlements in the future,

provided such insurers similarly release their claims against Home and the Liquidator.

Settlement Agreement ¶ 5.

6. In resolving all of the Claimants' claims relating to the Proofs of Claim and the Policies, the Settlement Agreement is intended to resolve all matters arising out of or relating to any rights the Claimants ever had, now have, or hereafter may have in the Policies and the Proofs of Claim, including any asserted rights of third-party claimants against the Claimants under the Policies. See Settlement Agreement ¶ 6. The Claimants agree to address, at their sole cost, any such claims of third-party claimants against the Claimants as if there had been no liquidation proceeding for Home and as if the Claimants had no insurance coverage from Home by virtue of the Policies. Settlement Agreement ¶ 6(A). The Claimants also agree to indemnify and hold the Liquidator and Home harmless from all claims arising from or relating to the Proofs of Claim or the Policies, including asserted rights of third party claimants and claims against Home or the Liquidator by insurers of Claimants, by any individuals or entities asserting "direct action" claims, or by any Insurance Guaranty Association (except for any presently incurred amounts), up to the amount ultimately distributed or distributable to the Claimants. Settlement Agreement ¶ 6(A-B). Bengelsdorf Aff. ¶ 7.

7. The Liquidator is not aware of any third party claimants asserting claims under the Policies. Bengelsdorf Aff. ¶ 8. However, the denial of any third party claimants' claims without prejudice to their claims against the Claimants will not harm the third party claimants who will continue to have their claims against the Claimants. As noted above, the Claimants have agreed to address these claims as if they had no insurance coverage from Home under the policies. Settlement Agreement ¶ 6(A). Third party claimants' proofs of claim against the insolvent Home, if not denied with the agreement, would release the Claimants from those claims up to the limits of the policies but only entitle the third party claimants (assuming their

claims were allowed) to the initial interim distributions and any later distribution at a presently undetermined distribution percentage from Home at the future date when distribution is made. See RSA 402-C:40, I; Gonya v. Commissioner, New Hampshire Insurance Dept., 153 N.H. 521, 535 (2006) (noting the “inherent uncertainty of any creditor’s recovery in a liquidation”). It is not expected that the allowed claims of any third party claimants (or other Class II creditors) of Home will be paid in full. Under the Settlement Agreement, the Claimants are responsible for any third party claimants’ claims against it. See Settlement Agreement ¶ 6(A). Bengelsdorf Aff. ¶ 8.

8. The Liquidator is not aware of any proofs of claim asserting a claim to the same policy limits as the Proofs of Claim resolved by the Settlement Agreement. Bengelsdorf Aff. ¶ 9. However, if a claim of another claimant is subject to the same limit of liability as the claims resolved by the Settlement Agreement, and if the total allowed amounts for all claimants exceed the limit, then the allowed amounts for all claimants will be subject to adjustment under RSA 402-C:40, IV, so that the policy limit will not be exceeded. See Settlement Agreement ¶ 6(C). Bengelsdorf Aff. ¶ 9.

9. The Settlement Agreement reflects a compromise of the claims asserted in the Proofs of Claim. It is the result of negotiations involving the Claims Department, under the supervision of the Special Deputy Liquidator, which has extensive experience in assessing the exposure presented by claims under Home’s insurance policies. The agreed settlement amount is based on careful evaluation and negotiation of coverage obligations under the Policies respecting the underlying liabilities of the Claimants. The Liquidator accordingly recommends approval of the Settlement Agreement and allowance of the \$350,000 settlement amount as a Class II claim of the Claimants in accordance with RSA 402-C:45 and RSA 402-C:44. Bengelsdorf Aff. ¶ 10.

10. The Court has previously approved similar settlement agreements. See, e.g., Order Approving Settlement Agreement with Graham Corporation (July 8, 2016); Order Approving Settlement Agreement with Washington Gas (July 15, 2013); Order Approving Settlement Agreement with Wisconsin Energy (March 18, 2010); Order Approving Commutation Agreement with Northwestern National Insurance Company and Settlement Agreement and Assignment of Distribution with AK Steel Corporation (March 10, 2006). The Liquidator's negotiation and the Court's approval of such agreements are authorized by the broad authority of the Liquidator to "compound, compromise or in any other manner negotiate the amount for which claims will be recommended to the court," RSA 402-C:45, I, and the authority of the Court to "approve, disapprove or modify any report on claims by the liquidator." RSA 402-C:45, II. It is also an appropriate exercise of the Liquidator's authority ("[s]ubject to the court's control") to "do such other acts . . . as are necessary or expedient for the accomplishment of or in aid of the purpose of liquidation." RSA 402-C:25, XXII.

11. In his Motion for Approval of Commutation with Northwestern National Insurance Company and Settlement Agreement and Assignment of Distribution with AK Steel Corporation ¶¶ 19-23 (February 16, 2006), the Liquidator provided his analysis of New Hampshire law, including RSA 402-C:40, III, as it applies to this type of comprehensive policy coverage compromise and settlement in an insurer liquidation context. That analysis also applies to the proposed Settlement Agreement with the Claimants.

12. The Liquidator submits that the Settlement Agreement is fair and reasonable and in the best interests of the policyholders and creditors of Home. See Bengelsdorf Aff. ¶ 11.

WHEREFORE, the Liquidator respectfully requests that this Court:

- A. Grant this Motion;
- B. Enter an Order in the form submitted herewith approving the Settlement Agreement, approving the Liquidator's claim recommendation, and allowing the Claimants' claims as a Class II claim in accordance with RSA 402-C:45 and RSA 402-C:44 in the aggregate amount of \$350,000; and
- C. Grant such other and further relief as justice may require.

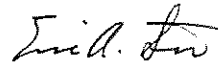
Respectfully submitted,

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

By his attorneys,

GORDON J. MACDONALD
ATTORNEY GENERAL

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NH Bar ID No. 1619
Civil Bureau
New Hampshire Department of Justice
33 Capitol Street
Concord, NH 03301-6397
(603) 271-3650



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NH Bar ID No. 16859
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NH Bar ID No. 16952
Rackemann, Sawyer & Brewster P.C.
160 Federal Street
Boston, MA 02110
(617) 542-2300

June 16, 2017

Certificate of Service

I hereby certify that a copy of the foregoing Liquidator's Motion for Approval of Settlement Agreement with Safety-Kleen Systems, Inc., the Affidavit of Peter A. Bengelsdorf, and the proposed order, were sent this 16th day of June, 2017, by first class mail, postage prepaid to all persons on the attached service list.



Eric A. Smith
NH Bar ID No. 16952

THE STATE OF NEW HAMPSHIRE

MERRIMACK, SS.

SUPERIOR COURT

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Docket No. 217-2003-EQ-00106

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SETTLEMENT AGREEMENT AND MUTUAL RELEASE

This Settlement Agreement and Mutual Release ("Settlement Agreement") is made as of this 1st day of June 2017, by and between Safety-Kleen Systems, Inc. (a Wisconsin corporation) as successor in interest to insurance policies specified herein issued by The Home Insurance Company to SCA Services, Inc., RLC Corp. and Rollins Environmental Services, Inc., and The Solvents Recovery Services of New Jersey, Inc. (together, "Claimants"), on the one hand, and Roger A. Sevigny, Insurance Commissioner of the State of New Hampshire, solely in his capacity as Liquidator ("Liquidator") of The Home Insurance Company ("Home"), on the other hand (the Claimants and the Liquidator are hereinafter referred to collectively as the "Parties").

WHEREAS, Home issued insurance policies to The Solvents Recovery Services of New Jersey, Inc., SCA Services, Inc., RLC Corp., and Rollins Environmental Services, Inc. under which Claimants are insureds:

| <u>Policy Number</u> | <u>Policy Period</u> |
|----------------------|----------------------|
| GL1350543 | 6/30/82-7/1/84 |
| GL1475892 | 7/1/84-7/1/85 |
| HEC4973353 | 11/14/74-11/14/77 |
| HEC9631211 | 10/31/77-1/1/79 |
| HEC9631212 | 10/31/77-1/1/79 |
| HEC9690225 | 10/01/78-1/1/80 |
| HEC9690226 | 1/1/79-1/1/80 |
| HEC9690227 | 1/1/79-1/1/80 |
| HEC9875739 | 1/1/80-1/1/81 |
| HXL1574594 | 8/30/84-8/30/85 |

which together with all other insurance policies Home may have issued to Claimants or The Solvents Recovery Services of New Jersey, Inc., SCA Services, Inc., RLC Corp., and Rollins Environmental Services, Inc. are defined collectively as the "Policies";

WHEREAS, Home is being liquidated pursuant to the June 13, 2003 Order of the Superior Court of the State of New Hampshire, Merrimack County (the "Liquidation Court"), pursuant to which the Liquidator was appointed as the Liquidator of Home;

WHEREAS, Claimants have submitted claims in the Home liquidation that have been assigned the following proof of claim numbers:

INSU701480
INSU701494
INSU701495
INSU701498
INSU701499
INSU701501
INSU701502
INSU701503
INSU701504

which together with any other proofs of claim hereinbefore or hereinafter filed by Claimants in the Home liquidation are defined collectively as the "Proofs of Claim";

WHEREAS, the Parties are desirous of resolving all claims that were asserted, or could have been or could be asserted, between them and resolving all matters concerning the Proofs of Claim and all rights and obligations with respect to the Policies; and

WHEREAS, the Parties agree that this Settlement Agreement is subject to and conditioned upon its approval by the Liquidation Court and allowance of the Recommended Amount (as defined below) into the Home liquidation and in the event that the Liquidation Court does not approve the Settlement Agreement and allow the Recommended Amount, this Settlement Agreement shall be null and void and without any force or effect;

NOW, THEREFORE, in consideration of all the respective transactions contemplated by this Settlement Agreement, and the mutual covenants and representations herein contained,

the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. Effectiveness. This Settlement Agreement is conditioned and shall only become effective (the "Effective Date") upon approval by the Liquidation Court. The Liquidator shall move for approval of this Settlement Agreement promptly following execution by all Parties.

2. Recommendation, Allowance, and Classification of Claims.

A. Subject to all the terms of this Settlement Agreement, and with the agreement of Claimants, which by Claimants' execution hereof is hereby granted, the Liquidator shall recommend pursuant to N.H. RSA 402-C:45 that the Proofs of Claim be allowed in the amount of \$ 350,000 (the "Recommended Amount") as a Class II priority claim under N.H. RSA 402-C:44. The Liquidator shall seek allowance of the Recommended Amount as a Class II priority claim by the Liquidation Court in the Liquidator's motion for approval of this Settlement Agreement.

B. Allowance of the Recommended Amount as a Class II claim by the Liquidation Court shall fully and finally resolve the Proofs of Claim and any and all claims of whatever nature that Claimants have under the Policies. In the event that the Liquidation Court does not allow the Recommended Amount as a Class II claim, this Settlement Agreement shall be null and void and shall have no force and effect and the Parties will be returned to *status quo ante*, as if no such agreement was ever reached, with this Settlement Agreement thereafter being inadmissible for any purpose in any dispute between the Parties.

C. If and when the Liquidation Court allows the Recommended Amount as a Class II claim, Claimants will become Class II creditors in the Home liquidation pursuant to N.H. RSA 402-C:44, and Claimants shall, subject to this Settlement Agreement, receive distributions

on the allowed amount at the same intervals and at the same percentages as other Class II creditors of Home. All distributions to Claimants shall be made to :

Safety Kleen Systems, Inc.
ATTN: Bradley A. Carl, Esq.
2600 North Central Expressway, Suite 200
Richardson, Texas 75080
Tel. 972-265-2058 or 781-792-5000
Email: Carl.Brad@cleanharbors.com,

3. Release by Claimants. Subject to the terms of this Settlement Agreement and the Liquidation Court's approval of the Recommended Amount as a Class II claim, Claimants for themselves and on behalf of each of their respective officers, directors, employees, agents, attorneys, subsidiaries, affiliates, predecessors, and their successors and assigns (including any trustee or other statutory successor), irrevocably and unconditionally release and discharge the Liquidator and Home and each of their respective officers, directors, employees, agents, attorneys, subsidiaries, affiliates, predecessors, successors, and assigns (including any trustee or other statutory successor), from any and all actions, causes of action, liabilities, adjustments, obligations, offsets, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, premiums, losses, salvage, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, extents, executions, claims, and/or demands, arising from or related to the Proofs of Claim or the Policies, in law, admiralty, or equity, which Claimants, or their subsidiaries, affiliates, predecessors, successors, and assigns, ever had, now have, or hereafter may have against the Liquidator or Home or their respective officers, directors, employees, agents, attorneys, subsidiaries, affiliates, predecessors, successors, and assigns, all whether known or unknown, suspected or unsuspected, fixed or contingent, in law, admiralty or equity, arising from or related to the Proofs of Claim or the Policies.

4. Release by Liquidator. Subject to the terms of this Settlement Agreement and the Liquidation Court's approval of the Recommended Amount as a Class II claim, the Liquidator, in his capacity as such, and on behalf of Home and each of their respective officers, directors, employees, agents, attorneys, subsidiaries, affiliates, predecessors, and their successors and assigns (including any trustee or other statutory successor), irrevocably and unconditionally releases and discharges Claimants and each of their respective officers, directors, employees, agents, attorneys, subsidiaries, affiliates, predecessors, successors, and assigns, from any and all actions, causes of action, liabilities, adjustments, obligations, offsets, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, premiums, losses, salvage, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, extents, executions, claims, and/or demands, arising from or related to the Proofs of Claim or the Policies, in law, admiralty, or equity, which the Liquidator, Home, or their subsidiaries, affiliates, predecessors, successors, and assigns, ever had, now have, or hereafter may have against Claimants or their respective officers, directors, employees, agents, attorneys, subsidiaries, affiliates, predecessors, successors, and assigns, all whether known or unknown, suspected or unsuspected, fixed or contingent, in law, admiralty or equity, arising from or related to the Proofs of Claim or the Policies.

5. Additional Release. The Liquidator, in his capacity as such and on behalf of Home, releases any and all insurers with which Claimants reach settlements ("Settling Insurers"), from any alleged or potential claims or actions for contribution, subrogation, indemnity, reimbursement or recoupment of any kind that the Liquidator or Home has made or may or could make against any Settling Insurer with regard to insurance of Claimants provided that such Settling Insurers similarly release their claims against Home and the Liquidator with regard to

insurance of Claimants. Notwithstanding the release in paragraph 3 above, in the event that a Settling Insurer asserts a claim against Home or the Liquidator for contribution, subrogation, indemnity, reimbursement or recoupment of any kind with respect to insurance of Claimants from Home, Claimants' obligations are governed by paragraph 6 below. Claimants shall use commercially reasonable efforts to obtain the right to release or prohibit the assertion of claims for contribution, subrogation, indemnity, reimbursement or recoupment as against Home or the Liquidator with respect to insurance for Claimants in any future settlements with Settling Insurers. Claimants shall use commercially reasonable efforts to release or prohibit the assertion of claims against Home or the Liquidator for contribution, subrogation, indemnity, reimbursement or recoupment of any kind by future Settling Insurers with respect to insurance of Claimants.

6. Resolution of Matters and Indemnification.

A. (1) In consideration of the Recommended Amount being allowed by the Liquidation Court as a Class II claim, Claimants agree to address at their sole cost and expense any claims asserted against Claimants by third parties as if there had been no liquidation proceeding for Home and as if Claimants had no insurance coverage from Home by virtue of the Policies. Claimants further agree to indemnify and hold Home and the Liquidator harmless from and against any and all claims, losses, liabilities, debts, damages, costs or expenses arising from or related to the Proofs of Claim or the Policies, except for any amounts regarding properly reported pending claims that have been incurred by a Guaranty Association prior to the execution date of this Settlement Agreement, but not yet paid by the Guaranty Association prior to the execution date of this Settlement Agreement. The Claimants represent that they have no claim pending against a Guaranty Association.

(2) The obligations of Claimants under subparagraph A(1) shall extend to and include (by way of example and not limitation) any claims made arising out of or relating to the Policies (including claims for defense, indemnity, contribution, reimbursement, set-off, indemnity, subrogation, attorney's fees or costs) against Home or the Liquidator by insurers of Claimants or by any individuals or entities asserting "direct action" claims, or by any Insurance Guaranty Association.

(3) With respect to any and all indemnifiable claims asserted as set forth in subparagraph A(1) above, the Liquidator shall assert all defenses reasonably available to the Liquidator to such claims against the Liquidator or Home, including defenses under the Order of Liquidation and the New Hampshire Insurers Rehabilitation and Liquidation Act. The Liquidator shall promptly notify Claimants of any such claim, shall keep Claimants informed of material developments regarding such claims, and shall afford Claimants the opportunity to reasonably participate in the defense of such claims. Claimants shall cooperate with and support the Liquidator (including but not limited to the provision of affidavits or testimony) to defend against and resolve claims against Home or the Liquidator by any insurer, individual or entity arising out of or relating to the Policies.

B. Notwithstanding any other provision of this Settlement Agreement, the amount that Claimants will pay for defense and indemnity obligations under subparagraph A above shall not, in the aggregate, exceed the amount of cash ultimately distributed or distributable to Claimants pursuant to this Settlement Agreement

C. The Policies against which the subject Proofs of Claim are made contain certain limits of liability. The Liquidator is presently unaware of any other proof of claim filed in the Home estate asserting a claim that would be subject to the same limit of liability as the subject

Proofs of Claim. However, if an allowance is made with respect to another proof of claim such that the total allowed amount of all proofs of claim that are subject to the same limit of liability exceeds that limit of liability, the Liquidator will reduce the allowed amount for each proof of claim in the same proportion so that the total allowed amount for all proofs of claim equals the limit of liability, as required by RSA 402-C: 40(IV). The Liquidator will be unable to determine whether and to what extent the Claimants' allowed amount may be reduced until all proofs of claim against the Policies are identified and evaluated. If the total allowed amount of all proofs of claim exceeds the applicable limit of liability such that Claimants' allowed amount will be reduced, the Liquidator will inform Claimants accordingly.

7. No Assignments. Claimants warrant and represent that they have not assigned, conveyed, or otherwise transferred any claims, demands, causes of action, rights, or obligations related in any way to the Policies, or any proceeds thereof, or the Proofs of Claim, or the claims, losses and expenses released herein, to any person or entity. Claimants shall not assign or otherwise transfer this Settlement Agreement or any rights or obligations thereunder without the written consent of the Liquidator, which consent shall not be unreasonably withheld.

8. Further Assurances. The Parties shall take all further actions as may be necessary to carry out the intent and purpose of this Settlement Agreement and to consummate the transactions contemplated herein. Claimants acknowledge they are aware of the requirements of the Medicare Secondary Payer Act and the Medicare, Medicaid and SCHIP Extension Act of 2007, including provisions concerning Medicare set-asides and/or notification to the Centers for Medicare and Medicaid Services ("CMS") regarding certain Medicare-eligible, or potentially eligible, claimants who enter into settlement agreements that may justify recovery for Medicare covered case-related services. Claimants acknowledge that they may be obligated,

and otherwise agree, to provide data, if and when required or requested, for CMS regarding claimants who will share in distributions from Claimants' assets that include a portion of the Recommended Amount.

9. Governing Law and Venue. This Settlement Agreement shall be governed by and construed in accordance with the laws of the State of New Hampshire without regard to the conflicts of law provisions thereof. The Parties agree that the exclusive venue for any dispute between the Parties arising out of the Proofs of Claim, the Policies or this Settlement Agreement shall be the Liquidation Court. Nothing in this paragraph shall be construed as an admission, by any of the Parties, as to the law governing the construction, interpretation or application of the Policies.

10. Due Diligence. The Parties acknowledge and agree that, in negotiating and executing this Settlement Agreement, they have relied upon their own judgment and upon the recommendations of their own legal counsel, that they have read this Settlement Agreement and have had the opportunity to consider its terms and effects, and that they have executed this Settlement Agreement voluntarily and with full understanding of its terms and effects. This Settlement Agreement is the product of negotiations between the Parties. No Party shall be charged with having promulgated this Settlement Agreement, and the general rule that ambiguities are to be construed against the drafter shall not apply to this Agreement.

11. No Third Party Rights. This Settlement Agreement is entered into solely for the benefit of the Liquidator, Home, and Claimants and is not intended to, and does not give or create any rights to or in any person or entity other than the Parties. Nothing herein is intended to affect the obligations of any insurer of Claimants other than Home.

12. Counterparts. This Settlement Agreement may be executed in multiple counterparts, each of which, when so delivered, shall be deemed an original, but all of which together shall constitute one and the same instrument. The Parties agree that a signature sent by facsimile or electronic mail to the other Party shall have the same force and effect as an original signature.

13. Power and Authority to Execute. Subject to the approval of the Liquidation Court required by paragraph 1, each Party hereto represents and warrants that it has the full power and authority to execute, deliver, and perform this Settlement Agreement; that all requisite and necessary approvals have been obtained to consummate the transactions contemplated by this Settlement Agreement; that there are no other agreements or transactions to which it is a party that would render this Settlement Agreement or any part thereof, void, voidable or unenforceable; that each individual signing on behalf of a Party has been duly authorized by that Party to execute this Settlement Agreement on its behalf; and that no claims being released under the terms of this Settlement Agreement have been assigned, sold, or otherwise transferred to any other entity.

14. Successor-in-Interest Bound. This Settlement Agreement shall be binding upon, and shall inure to the benefit of the Parties and their respective officers, directors, employees, agents, attorneys, liquidators, receivers, administrators, successors, and assigns.

15. Entire Agreement. This Settlement Agreement constitutes the entire agreement and understanding between the Parties with respect to the subject matter thereof. This Settlement Agreement supersedes all prior agreements and understandings, whether written or oral, concerning such matters.

16. Survival of Warranties and Representations. The warranties and representations made herein shall survive the execution of this Settlement Agreement.

17. Validity of Settlement Agreement. Subject to approval of this Settlement Agreement by the Liquidation Court as required by paragraph 1, each Party represents and warrants that this Settlement Agreement is a legal, valid, and binding obligation, enforceable in accordance with its terms.

18. No Waiver. No waiver of any right under this Settlement Agreement shall be deemed effective unless contained in a writing signed by the Party or an authorized representative of the Party charged with such waiver, and no waiver of any breach or failure to perform shall be deemed to be a waiver of any future breach or failure to perform or of any other provision of this Settlement Agreement. This Settlement Agreement may not be amended except in a document signed by the Party or an officer or other authorized official of the Party to be charged.

19. Notice. All notices to be given under this Settlement Agreement shall be given by email and first class U.S. mail directed to:

If to Claimants, to:

Lisa M. Campisi Esq.
Blank Rome LLP
The Chrysler Building
405 Lexington Avenue
New York, New York 10174-0208
Email: LCampisi@BlankRome.com

If to the Liquidator, to:

Thomas W. Kober, Chief Claims Officer
The Home Insurance Company in Liquidation
61 Broadway 6th Floor
New York, New York 10006
Email:tom.kober@homeinsco.com

and

J. Christopher Marshall Esq.
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and

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20. Severability. If any provision of this Settlement Agreement is invalid, unenforceable, or illegal under the law of any applicable jurisdiction, the validity and enforceability of such provision in any other jurisdiction shall not be affected thereby and the remaining provisions of this Settlement Agreement shall remain valid and enforceable. However, in the event of such invalidity, unenforceability, or illegality, the Parties shall negotiate in good faith to amend this Settlement Agreement through the insertion of additional provisions which are valid, enforceable, and legal and which reflect, to the extent possible, the purposes contained in the invalid, unenforceable, or illegal provision.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

WHEREFORE, the Parties have caused this Settlement Agreement to be executed on their respective behalves by their duly authorized representatives.

SAFETY-KLEEN SYSTEMS, INC.

By: [Signature]
Name: LOUIS PLOANSKY
Title: VP RISK MANAGEMENT
Date: ^{MAY} ~~April~~ 3, 2017

THE SOLVENTS RECOVERY SERVICES OF NEW JERSEY, INC.

By: [Signature]
Name: Michael R. McDonald
Title: Asst. Secretary
Date: ^{MAY} ~~April~~ 3, 2017

ROGER A. SEVIGNY, INSURANCE COMMISSIONER OF THE STATE OF NEW HAMPSHIRE, SOLELY IN HIS CAPACITY AS LIQUIDATOR OF THE HOME INSURANCE COMPANY

By: [Signature]
Name: Thomas W. Kobek
Title: Chief Claims Officer
Date: ^{JUNE} ~~April~~ 1, 2017