

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 SEVENTY-FIRST REPORT

I, John R. Elias, Insurance Commissioner of the State of New Hampshire, as Liquidator ("Liquidator") of The Home Insurance Company ("Home"), hereby submit this Seventy-First Report on the liquidation of Home, as of December 11, 2018 in accordance with RSA 402-C:25 and the Order Concerning Liquidator's Reports issued January 19, 2005.

The Home Insurance Company

1. Home's background. Home, domiciled in New Hampshire, was declared insolvent on June 11, 2003, and is one of the largest property-casualty insurer insolvencies in United States history. The Company and its predecessors began operations in 1853. The Court entered the operative Order of Liquidation on June 13, 2003. The Liquidator has created a stand-alone liquidation operation which presently consists of 40 full and part time employees with offices in New York City (Home's former corporate headquarters) and Manchester, New Hampshire. From the start in 2003, the Liquidator has been engaged in marshalling assets, principally reinsurance, and determining claims.

2. Home's assets. Home's unrestricted liquid assets currently total approximately \$902 million as set forth on the September 30, 2018 financial statement attached as Exhibit A. This figure does not include the \$ 513.1 million of interim

distributions paid to non-guaranty association claimants on allowed Class II claims or the net \$256 million paid to insurance guaranty associations in early access distributions through September 30, 2018. These amounts are discussed in greater detail below. The Liquidator estimates that total assets net of all Class I expenses will be approximately \$1.9 billion. This estimate includes the interim distribution amounts paid to non-guaranty association claimants, the early access distributions amounts paid to guaranty associations, and special deposits held by states. It can vary depending on a number of factors, including but not limited to future collection of reinsurance and investment income.

3. Coordination with guaranty associations. The Liquidator works closely with the state insurance guaranty associations established in every state to handle and pay certain claims under policies issued by insolvent insurers subject to statutory limitations as provided in the associations' respective statutes. See, e.g., RSA 404-B. The New Hampshire Insurers Rehabilitation and Liquidation Act ("Act") provides for so-called "early access" distribution to guaranty associations. See RSA 402-C:29, III. Through December 1, 2018, the Liquidator has made, with the Court's approval, early access net distributions totaling \$256 million. (See Section 11 below.)

As a condition for receiving early access distributions, the guaranty associations entered into "claw back" agreements with the Liquidator requiring the return of any amounts advanced that exceed the eventual distribution percentage for their creditor class. In accordance with paragraph 4 of the Orders approving the first interim distribution and the second interim distribution, a portion of early access distributions have become permanent and are no longer subject to claw back by the Liquidator. The Liquidator has calculated the amount of early access distributions no longer subject to claw back to date,

and has sent letters to the affected guaranty associations to apprise them of the amount of the early access distribution which is now deemed to be permanent. The Liquidator has also sent letters to those guaranty associations which have received reimbursement from special deposits in excess of the interim distribution percentage to advise them that previously paid early access distributions will not become permanent. (See Section 12 below.)

4. Proofs of claim. The claim filing deadline in the Home liquidation was June 13, 2004. The Liquidator received one new proof of claim between the last Liquidator's report and December 1, 2018. The proofs of claim submitted now total 20,775. The proof of claim count includes as a single proof of claim (a) multiple proofs received from a claimant that appear to assert the same claim, and (b) claims filed on behalf of mass tort claimants against a single insured. It is difficult to summarize the proofs of claim in advance of the claim determination process because (a) those proofs of claim that quantify the claim may be overstated or understated, (b) most proofs of claim do not quantify the amount claimed, and (c) an individual proof of claim may involve many different claims and claimants.

5. Claim determinations and reports. The process of determining proofs of claim continues. Since the last Liquidator's report, the Liquidator has issued partial or final notices of determination addressing 95 proofs of claim for Home pursuant to the Restated and Revised Order Establishing Procedures Regarding Claims entered January 19, 2005 ("Claims Procedures Order"). As of December 1, 2018, for all priority classes, the following table outlines activity from inception of the Liquidation:

	<u>12/01/14</u>	<u>12/01/15</u>	<u>12/05/16</u>	<u>12/01/17</u>	<u>12/1/18</u>
Proofs of Claim Filed:	20,672	20,704	20,733	20,768	20,775
POCs Resolved (Court App'd) ⁽¹⁾⁻⁽²⁾	15,729	17,494	18,337	18,839	19,570
Total \$ Court App'd Determinations:	\$2.18b	\$2.43b	\$2.73b	\$2.8 b	\$3.0 b
Total \$ Class II Court App'd Det:	\$1.94b	\$2.13b	\$2.41b	\$2.49b	\$2.6 b
Total Remaining Open POCs ⁽³⁾	4,225	3,210	2,396	1,929	1,242

Breakdown of Open POC Count as of 12/05/16, 12/01/17 & 12/01/18 ⁽³⁾

		<u>12/05/16</u>	<u>12/01/17</u>	<u>12/01/18</u>
i.	Insureds ⁽⁶⁾ and Claimants	2,097	1,668	979
ii.	Contribution Claims	43	6	12 ⁽⁴⁾
iii.	Guaranty Associations	60	60	60
iv.	Insurer	189	186	182
v.	Government/other	7	9 ⁽⁵⁾	9
vi.	<u>Total</u>	<u>2,396</u>	<u>1,929</u>	<u>1,242</u>

(1) POC counts include single POCs that may encompass multiple underlying claims and multiple POCs that may concern single underlying claims. Multiple determinations may be issued for individual POCs.

(2) The number of POCs resolved includes POCs determined and approved by the Court as Class V determinations that are deferred as to amount. The number of deferred Class V determinations can change if a final determination as to amount is issued.

(3) The number of open POCs excludes 303 POCs at 12/1/18 determined and approved by the Court as Class V determinations that are deferred as to amount. POCs with a filed Request for Review are considered open until the NODs are resolved.

(4) The number of open contribution POCs increased due to issuance of NODs on POCs that had not been counted as open in light of previous court-approved final determinations as to priority class only.

(5) In the course of a review of the open POCs, two records were moved from another category to this category.

(6) As of 12/1/18, the number of insureds with open POCs totaled 271. All entities falling within the coverage of the policy including the named insured, additional named insured and their successors are counted as one insured if they filed a consolidated POC or POCs. Where the insured, the additional named insured and/or the successors filed separate POCs, each of the entities is counted separately.

The Liquidator continues to file reports of claims and recommendations when a sufficient number of claim determinations have passed the 60-day period for objections under RSA 402-C:41, I. Since the last Liquidator's report, the Liquidator has submitted two reports of claims and recommendations to the Court reflecting a total of approximately \$1.9 million in determinations for all classifications. The Liquidator has also moved for approval of three Class II settlement agreements reflecting total allowances of approximately \$46.5 million.

6. Late-filed claims. The Order of Liquidation established June 13, 2004 as the deadline for filing claims in Home's liquidation proceeding. Pursuant to the Act, claims filed after the claim filing deadline are allowed to participate in distributions of the estate provided the late filing of the claim is "excused" for good cause shown. See RSA 402-C:37, II. The Act provides a non-exclusive list of five examples of "good cause" for late filing to be excused, including that the "existence of a claim was not known to the claimant and that he filed within 30 days after he learned of it." Id. "Unexcused" late filed claims are not permitted to receive the first distribution from the estate, but may receive subsequent distributions. RSA 402-C:37, III. (In both cases, payment is permitted only if it will not "prejudice the orderly administration of the liquidation." RSA 402-C:37, II, III.)

All proofs of claim received by the Liquidator are reviewed to determine whether the claim is timely filed or, if late, whether the late filing of the claim is to be "excused." Claimants with late filed claims which are found to be "unexcused" are informed of that determination and that they will not receive the first distribution in the Liquidator's notice of claim determination.

7. Requests for review and objections. A notice of determination is sent to a claimant when the Liquidator determines a claim. Each notice of determination includes instructions on how to dispute the determination under the New Hampshire statutes and the Claim Procedures Order. Since inception, 1004 claimants have filed requests for review; 900 of these have been sent notices of redetermination or have withdrawn the request for review. Claimants have filed 59 objections with the Court to commence disputed claim proceedings. As of December 1, 2018, there is one disputed claim proceeding pending before the Referee. The Claims Procedures Order provides for review of the Referee's reports by motion to recommit. One such motion is presently being briefed.

8. Financial reports. The unaudited September 30, 2018 Home statements are attached as Exhibit A to this report. The September 30, 2018 statements reflect \$899,105,930 in assets under the Liquidator's direct control and \$30,390,251 in reinsurance collections, net investment income, and other receipts, and \$10,759,678 in operating disbursements from January 1 through September 30, 2018.

9. 2018 Budget. A comparison of the actual and budgeted general and administrative expenses of the Home liquidation, on an incurred basis, through September 30, 2018 is attached as Exhibit B. As of September 30, 2018, actual expenses were below budget by \$494,475 or 4.7 % with favorable variances in most categories. Below is a comparison of the annual budgeted and actual operating expenses (in millions) beginning January 1, 2004:

Year	Budget	Actual
2004	\$33.8	\$26.9
2005	\$26.8	\$26.2
2006	\$25.6	\$23.5
2007	\$22.8	\$21.5
2008	\$21.4	\$20.6
2009	\$20.6	\$20.0
2010	\$19.9	\$20.3
2011	\$18.9	\$18.2
2012	\$18.6	\$18.2
2013	\$18.4	\$17.7
2014	\$17.6	\$17.0
2015	\$17.2	\$16.2
2016	\$15.7	\$14.6
2017	\$14.5	\$13.7
2018	\$14.0	
2019	\$13.5	

The Liquidator filed a copy of the 2018 Budget on November 2, 2017 as Exhibit 8 to the Liquidator's Filing Regarding Status Report. As of September 1, 2018, the liquidation staff is 40 in number, which includes seven part time employees. In addition, there are five Information Technology consultants, and other consultants who periodically work for the estate.

10. Investment update. The Liquidator invests Home's assets in accordance with the Fourth Revised Investment Guidelines approved December 10, 2012. A summary of Home's holdings of bonds and short-term investments as of September 30, 2018 is attached as Exhibit C, and a report listing the individual holdings of Home as of that date is attached as Exhibit D (the groupings on Exhibit C differ from those on Exhibit D). The book value of Home's bonds and short-term investments managed by Conning Asset Management ("Conning") at September 30, 2018, was approximately \$875.3 million compared to their market value of \$853.5 million. This represented an unrealized loss (book value above market value) of approximately \$21.8 million. Short-term holdings in

the Conning-managed portfolio at September 30, 2018 were \$112 million at market value. The portfolio is expected to generate approximately \$23.0 million of cash from net investment income in 2018 and \$22.4 million in 2019.

The average credit rating for the Conning-managed portfolio holdings is Aa3 by Moody's and AA- by S&P. The Liquidator continues to maintain, outside of Conning's control, investments in US Treasury bills. As of September 30, 2018, such investments for Home had a market value of approximately \$9.6 million. These assets, along with sweep bank accounts, will be used to fund operating requirements.

As of December 1, 2018, the Conning-managed portfolio had an unrealized loss of \$24.4 million, a \$2.2 million increase in the unrealized loss from September 30, 2018 due to an increase in bond yields. Bond yields for the first nine months of 2018 had increased because of expectations for economic growth and additional inflation and bond market uncertainty about the Federal Reserve's unwinding of its \$4.5 trillion balance sheet. The Federal Reserve increased rates in March, June and September 2018 and has indicated that it will increase rates through 2019, although the timing and magnitude of such increases is not yet known. A market value sensitivity analysis performed by Conning indicated that market values of the portfolio could potentially fluctuate \$25 million downwards and \$27 million upwards if interest rates increased or decreased 100 basis points, respectively, based on the portfolio values as of September 30, 2018. Consistent with the investment guidelines, the Liquidator and Conning continue to focus on (a) preservation of capital on investments, (b) maintaining a high quality portfolio, and (c) consistent with objectives (a) and (b), maximizing current income. As of September 1, 2018, the Liquidator and

Conning believe that all securities in the portfolio will pay full amounts of principal in spite of fluctuating market values.

11. Early access distributions to guaranty associations. The Liquidator made early access distributions to a total of 55 insurance guaranty associations from 2005 through 2016. The Liquidator makes an early access distribution only after obtaining approval from the Court and “claw back” agreements with the guaranty associations requiring the return of any amounts advanced that are necessary to make distributions to creditors whose claims fall in the same or a higher priority class. See RSA 402-C:29, III.

Early access distributions are generally subject to deductions for deposits, deductible reimbursements, recoveries from guaranty association statutory net worth insureds, amounts ascribed Class I and Class V priority, questioned claim items and an early access distribution cap of 40% of the association’s paid loss and expense and case reserves. Given the large number of guaranty associations affected by the cap and the decreasing association claim volume over the last few years, the tenth and eleventh early access distributions also reflected an additional cap of 75% of the association’s cumulative paid claims in accordance with the Court’s approval orders. The eleventh early access distribution also reflected a \$25,000 minimum payment threshold. A net total of \$256 million has been paid to guaranty associations in early access through September 30, 2018.

12. Interim Distributions.

(a) First and second interim distributions. By Order dated March 13, 2012 (as amended July 2, 2012), the Court approved the first interim distribution of 15% to claimants with allowed Class II claims. The interim distribution was subject to receipt of a

waiver of federal priority claims from the United States Department of Justice (“US DOJ”), which was received on November 5, 2014. By Order dated November 16, 2015 (as amended March 7, 2016), the Court approved the second interim distribution of 10% to claimants with allowed Class II claims (for a cumulative interim distribution percentage of 25%). The second interim distribution was also subject to receipt of a waiver of federal priority claims from the US DOJ, which was received on July 18, 2016.

The Liquidator paid first interim distributions totaling \$258.3 million to creditors with allowed Class II claims through July 31, 2016. This total included \$36.3 million paid into the escrow account for the Western Asbestos Settlement Trust distribution that was approved by Order dated June 22, 2015. In August 2016, the Liquidator paid second interim distributions totaling \$183.3 million to creditors with allowed Class II claims. This total included an additional \$24.2 million payment into the Western Asbestos Settlement Trust escrow.¹ It also included 25% first and second distribution amounts for those recent Class II claimant-creditors who had not previously received the first interim distribution. As part of the interim distribution process, the Liquidator periodically issues distribution checks to claimants with newly allowed Class II claims after each December 31 and June 30 as provided in the interim distribution approval orders.

The cumulative interim distributions total \$513.1 million through December 1, 2018. This total does not include the amounts of prior early access distributions to guaranty associations that are deemed interim distributions no longer subject to claw back pursuant to the interim distribution approval orders (which are included in the early access

¹ In accordance with the Settlement Agreement between the Western Asbestos Settlement Trust and the Liquidator approved by the Court on May 2, 2011, and the New Hampshire Supreme Court’s order in In the Matter of Liquidation of Home Ins. Co., Case No. 2016-0569 (N.H., Oct. 27, 2017), the Western Asbestos Settlement Trust returned \$528,166 from the escrow to the Liquidator on August 8, 2018.

total in paragraph 11). Certain guaranty associations have had claims satisfied from special deposits and, accordingly, have not received interim distributions from the Home estate.

(b) Third interim distribution. By Order dated October 18, 2018, the Court approved the third interim distribution of 5% to claimants with allowed Class II claims (for a cumulative interim distribution percentage of 30%). The third interim distribution is also subject to receipt of a waiver of federal priority claims from the US DOJ. As described below, the Liquidator has entered a Release Agreement with the United States in conjunction with a Settlement Agreement between Federal Claimants and the Liquidator. The two agreements are subject to conditions, including Court approval, before they become effective. If the conditions are satisfied and Court approval obtained, the Release Agreement – when effective – will provide the necessary waiver of federal priority claims and allow the third interim distribution to proceed.

After proceedings and negotiations described in previous reports, on October 2, 2018, the Liquidator entered a Settlement Agreement, subject to conditions, with the United States on behalf of the U.S. Environmental Protection Agency, the U.S. Department of the Navy, the U.S. Department of the Interior and the National Oceanic and Atmospheric Administration of the United States Department of Commerce (“Federal Claimants”). On November 21, 2018, the Liquidator entered a Release Agreement, subject to conditions, with the United States. The Settlement Agreement and Release Agreement are described and included in the Liquidator’s Notice of Settlement Agreement, Subject to Conditions, With The United States of America on Behalf of Federal Claimants, which was filed on November 26, 2018.

Among other things, the Settlement Agreement and the Release Agreement are each conditioned on Court approval of the other agreement. The Settlement Agreement is also conditioned upon a public comment period following publication of notice of the Settlement Agreement in the Federal Register, after which the United States may determine to withdraw from the Agreement. The US DOJ published notice of the Settlement Agreement and its 30 day public comment period on December 6, 2018. 83 Fed. Reg. 62907 (Dec. 6, 2018). Following the close of the public comment period on January 7, 2019, the United States will notify the Liquidator as to whether or not it is going forward with the Settlement Agreement. The Liquidator will then either file a motion with the Court for approval of the Agreement, allowance of the Recommended Amount as a Class II claim and approval of the Release Agreement or, if the United States withdraws from the Settlement Agreement, a further notice to report that to the Court.

13. Milliman reserve study. The Liquidator engaged the actuarial firm Milliman, Inc. to estimate Home's unpaid direct liabilities as of December 31, 2010, December 31, 2012, and December 31, 2014. Milliman's report concerning unpaid loss and allocated loss adjustment expense ("ALAE") as of December 31, 2010, was used in the Liquidator's Motion for Approval of Interim Distribution to Claimants with Allowed Class II Claims filed February 13, 2012, and the executive summary was included in the motion papers. A copy of the executive summary of the Milliman report concerning unpaid loss and ALAE as of December 31, 2012 was attached as an exhibit to the Liquidator's Fifty-First Report. A copy of the executive summary of the Milliman report dated June 18, 2015 concerning unpaid loss and ALAE as of December 31, 2014 was attached as an exhibit to the Liquidator's Fifty-Seventh report.

Milliman's actuarial central estimate of ultimate Class II unpaid loss and ALAE as of December 31, 2010 was \$4.112 billion, and the estimate at the 95% confidence level was \$6.584 billion. Milliman's actuarial central estimate of ultimate Class II unpaid loss and ALAE as of December 31, 2012 was \$4.372 billion, and the estimate at the 95% confidence level was \$6.602 billion. Milliman's actuarial central estimate of ultimate Class II unpaid loss and ALAE as of December 31, 2014 was \$4.034 billion, and the estimate at the 95% and 90% confidence levels was \$5.406 billion and \$4.970 billion respectively.

14. Multiple claims. RSA 402-C:40, IV provides that in the event several claims founded on one policy are filed, and the aggregate allowed amount of all claims to which the same limit of liability in the policy is applicable exceeds that limit, then each claim as allowed shall be reduced in the same proportion so that the total equals the policy limit. This presents a potential risk for allowed claims under such policies in the event that other claims subject to the same policy limit are allowed, as the allowances subject to the same limit would need to be reduced on a pro rata basis to adjust the total of such allowances to the applicable policy limit. Distributions will be based on the reduced allowances. The Liquidator will be unable to finally determine the extent to which a claim allowance may be subject to proration until all claims against the policy have been determined. The Liquidator is tracking claims against policies and will further address this issue, if warranted, in any future application to increase the interim distribution percentage. If at the time of a distribution there are allowed claims subject to the same limit that are required to be reduced pursuant to RSA 402-C:40, IV, the Liquidator will make the reductions and advise the claimants of the reasons for them.

15. Reinsurance. The collection of reinsurance is the principal remaining asset-marshaling task of the Liquidator. The Liquidator has billed and collected reinsurance throughout the liquidation, and he has entered into commutations with certain reinsurers of Home to resolve relationships with those reinsurers for agreed payments. The amounts the Liquidator has received through reinsurance collections, including commutations, as well as estimates of future collections are included in the “Estimated Ultimate Asset Collection” number provided in the Liquidator’s Filing Regarding Status Report filed annually in November and noted in Section 2 above.

The Liquidator reports, in accordance with the Court’s December 23, 2004 order, that since the last report, the Liquidator has completed a ceded commutation with Trinity Universal Insurance Company which is described in the confidential appendix submitted with this report. The Liquidator also completed a ceded settlement and release agreement with Tryg Forsikring and recently filed a motion for approval of that agreement with the Court.

16. Distributions to Class I Creditors. In his reports and recommendations regarding claims, the Liquidator has recommended that the Court approve certain claims by guaranty associations for expenses which are Class I claims under RSA 402-C:44 pursuant to RSA 404-B:11, II, certain other Class I claims, and the 10% part of allowed guaranty fund defense expense payments assigned to Class I under the Settlement Agreement with 56 guaranty associations approved on July 15, 2013. The Court has approved the claim reports, and the Liquidator accordingly has at various times made distributions to the Class I creditors. Most recently, a Class I distribution totaling \$4.5 million was issued to

guaranty associations on September 20, 2018, which brought total Class I distributions to \$85.1 million (after deduction of setoffs).

17. Asset dispositions (including compromises) and assumptions of obligations.

In accordance with paragraph 5 of the Order Establishing Procedures for Review of Certain Agreements to Assume Obligations or Dispose of Assets entered April 29, 2004, and paragraph 5 of the Liquidator's Eleventh Report, the Liquidator submits a confidential schedule of asset dispositions (including compromises) and obligation assumptions since the last report which is filed under seal as an appendix to this report.

18. New York Office Surrender of Space; Manchester Office Lease Extension.

Pursuant to the terms of the Lease Agreement for office space located at 61 Broadway in New York City, the Liquidator had a unilateral contraction option to surrender 7,500 square feet or approximately one-third of the Premises effective as of January 1, 2018. The Liquidator exercised the option and vacated the space on December 31, 2017. The Lease Agreement provides the Liquidator with a second unilateral contraction option for approximately half of the remaining space which option may be exercised at any time between January 1, 2021 and January 1, 2023. While the Lease expires by its terms on January 31, 2026, the Liquidator has an option to cancel the Lease as of January 1, 2021, as well as an option to extend the term of the Lease another five years until January 31, 2031. Both options to be effective require 12 months prior written notice.

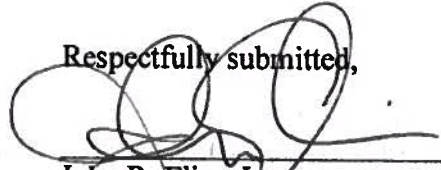
The Lease Agreement for office space in Manchester, New Hampshire was amended in August 2013 to grant the Liquidator options to extend the term of the Lease Agreement for two periods of two years each (from January 1, 2016 through December 31, 2017 and from January 1, 2018 through December 31, 2019) (the "Second Extension

Term” and “Third Extension Term” respectively). In 2015, the Liquidator exercised the option to extend the term of the Lease for the Second Extension Term, and by letter dated July 18, 2017, elected to exercise the option to extend the term of the Lease Agreement for the Third Extension Term expiring December 31, 2019.

19. Document Storage. The amended contract with Iron Mountain regarding storage of Home’s records housed at Iron Mountain facilities as approved by the Court on November 2, 2016 extends until November 30, 2021, and provides for a further five year extension at the Liquidator’s option. As of December 1, 2018, there are approximately 70,210 boxes of documents in storage at Iron Mountain, down from a high of 167,000 in 2004 when the record review process was commenced, resulting in considerable savings to Home’s estate.

20. Ancillary proceedings in the United States and United Kingdom. Ancillary receiverships for Home remain pending in Oregon, New York, and Massachusetts. In addition, a provisional liquidation proceeding concerning Home’s unincorporated branch in the United Kingdom (“UK Branch”) remains pending. The Home’s UK Branch wrote insurance and reinsurance as a participating member of the American Foreign Insurance Association (“AFIA”), and a Scheme of Arrangement with AFIA creditors was approved by the UK court in November 2005. Members of Ernst & Young in London act as Provisional Liquidators and Scheme Administrators.

Respectfully submitted,



John R. Elias, Insurance
Commissioner of the State of
New Hampshire, as Liquidator
of The Home Insurance Company

December 17, 2018

CERTIFICATE OF SERVICE

I hereby certify that on December 17, 2018, a copy of the Liquidator's Seventy-
First Report, without the confidential appendix, was served upon the persons named on the
attached Service List, by first class mail, postage prepaid.

Dated: December 17, 2018



Eric A. Smith
NH Bar ID No. 16952

Exhibits:

A – Unaudited Financial Statement as of 9/30/18

**B – Comparison of actual and budgeted general and administrative expenses through
9/30/18**

C – Holdings of bonds and short-term investments as of 9/30/18

D – Individual holdings report as of 9/30/18

Confidential Appendix

THE STATE OF NEW HAMPSHIRE

MERRIMACK, SS.

SUPERIOR COURT

In the Matter of the Liquidation of
The Home Insurance Company
Docket No. 217-2003-EQ-00106

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THE HOME INSURANCE COMPANY IN LIQUIDATION

Financial Statements (Modified Cash Basis)

**September 30, 2018 and December 31, 2017
(Unaudited)**

The Home Insurance Company In Liquidation

Statement of Restricted and Unrestricted Net Assets Excluding Certain Amounts (Modified-Cash Basis) (Unaudited)

	<u>September 2018</u>	<u>December 31, 2017</u>
Assets		
Unrestricted fixed-income securities, short-term investments, and cash and cash equivalents, at cost:		
Fixed-income securities (Note 2)	\$ 767,957,613	\$ 835,944,460
Short-term investments	107,123,882	9,536,822
Cash and cash equivalents	<u>21,766,360</u>	<u>64,980,712</u>
Total unrestricted fixed-income, short-term investments, and cash and cash equivalents, at cost	\$ 896,847,855	\$ 910,461,994
Interest income due and accrued	4,791,288	5,007,814
Other liquid assets	<u>2</u>	<u>2</u>
Total unrestricted liquid assets	\$ 901,639,143	\$ 915,469,810
Unrestricted illiquid assets: (Note 1)		
Limited partnership interests	592,358	654,785
Prepaid expenses	-	837,350
Total unrestricted illiquid assets	\$ 592,358	\$ 1,492,135
Restricted liquid assets: (Note 4)		
Cash	195,667	195,667
Total restricted liquid assets	\$ 195,667	\$ 195,667
Total restricted and unrestricted assets, excluding certain amounts	\$ <u>902,427,168</u>	\$ <u>917,157,612</u>
Liabilities		
Incurred but unpaid administrative expenses and investment expenses (Note 3)	1,897,365	1,840,235
Class I distribution checks outstanding (Note 8)	1,282,734	-
Class II distribution checks outstanding (Note 9)	141,139	141,139
Total liabilities	\$ <u>3,321,238</u>	\$ <u>1,981,374</u>
Restricted and unrestricted net assets, excluding certain amounts	\$ <u><u>\$899,105,930</u></u>	\$ <u><u>\$915,176,237</u></u>

See accompanying notes.

The Home Insurance Company in Liquidation

**Statement of Restricted and Unrestricted Cash Receipts and Disbursements
(Modified-Cash Basis)
(Unaudited)**

	January 1, 2018 To September 30, 2018	January 1, 2017 To December 31, 2017
Cash and marketable securities received:		
Net investment income	\$ 15,525,906	\$ 19,844,719
Reinsurance collections - unrestricted	12,323,778	44,181,779
Agents' balances	1,722,804	2,103,715
Salvage, subrogation and other claim recoveries	265,739	735,832
Realized capital gains on sale of fixed-income securities (Note 1)	62,775	1,102,816
All other	486,600	3,983
Miscellaneous income	2,649	4,443,478
Total cash receipts	\$ 30,390,251	\$ 72,416,323
Cash operating disbursements:		
Human resources costs (Note 3)	5,632,473	9,314,982
Realized capital losses on sale of fixed-income securities (Note 1)	904,821	2,899,819
Consultant and outside service fees	1,567,743	2,751,969
General office and rent expense	950,742	1,628,049
Legal and audit fees	762,116	832,059
Investment expenses	556,201	742,014
Computers and equipment cost	140,656	289,031
Administration costs	139,566	182,984
Loss expenses paid (Note 1)	94,922	255,814
Capital contribution	7,893	30,382
All other	2,545	20,377
Total cash operating disbursements	\$ 10,759,678	\$ 18,947,480
Excess of receipts over operating disbursements	\$ 19,630,573	\$ 53,468,844
Deductible reimbursements (Note 7)	398,185	261,783
Class I Distributions (Note 8)	3,248,757	8,099,504
Class II Distributions (Note 9)	29,597,769	42,145,229
Distributions to state guaranty associations, net (Note 6)	-	(5,005,962)
Cash (deficiency)/ receipts in excess of disbursements and distributions	\$ (13,614,138)	\$ 7,968,290
Beginning restricted and unrestricted fixed-income securities, short-term investments, and cash and cash equivalents, at cost	910,657,661	902,689,371
Ending restricted and unrestricted fixed-income securities, short-term investments, and cash and cash equivalents, at cost	\$ 897,043,523	\$ 910,657,661

See accompanying notes.

The Home Insurance Company in Liquidation

Statement of Changes in Restricted and Unrestricted Net Assets Excluding Certain Amounts (Modified-Cash Basis) (Unaudited)

	January 1, 2018 To <u>September 30, 2018</u>	January 1, 2017 To <u>December 31, 2017</u>
Restricted and unrestricted net assets, excluding certain amounts, beginning of year	\$ 915,176,237	\$ 905,803,007
Unrestricted and restricted cash (deficiency)/receipts in excess of cash operating disbursements	(13,614,138)	7,968,289
Other changes in restricted and unrestricted net assets:		
Limited partnership interests, illiquid	(62,428)	(40,655)
Prepaid expenses	(837,350)	837,350
Interest income due and accrued	(216,526)	75,991
Incurred but unpaid administrative and investment expenses (Note 3)	(57,130)	468,496
Class I distribution checks outstanding (Note 8)	(1,282,734)	-
Class II distribution checks outstanding (Note 9)	-	63,759
	<u>\$ 899,105,931</u>	<u>\$ 915,176,237</u>
Restricted and unrestricted net assets, excluding certain amounts, end of year	<u>\$ 899,105,931</u>	<u>\$ 915,176,237</u>

See accompanying notes.

The Home Insurance Company in Liquidation ("Home")

Notes to Financial Statements
(Modified-Cash Basis)
(Unaudited)
September 30, 2018

1) Basis of Accounting

These financial statements are prepared using the modified cash basis of accounting which differs from accounting principles generally accepted in the United States. Only those assets that are within the possession of the Liquidator and other known amounts for which ultimate realization is expected to occur, primarily investments and cash and cash equivalents, and certain receivables, are recorded. Liabilities that have been acknowledged by the Liquidator are prioritized into creditor classes in accordance with the New Hampshire Statute establishing creditor classes in insurer insolvencies, RSA 402-C: 44. Only incurred but unpaid Class I (Administration Costs) liabilities, which are in a creditor class superior to all other classes, are presented in these financial statements.

These financial statements do not record the amounts of certain assets such as outstanding receivables, reinsurance recoverables, securities on deposit with various states and the federal government, early access distributions, funds held and claims against others, and certain liabilities, including insurance claims, as such amounts have not been settled and agreed to with third parties.

The amount shown for loss expenses paid primarily represents (1) loss expenses accorded administrative expense priority by the rehabilitation order and liquidation order, and (2) expenses relating to obtaining claim recoveries which also are entitled to administrative expense priority. Checks issued for such loss expenses that are not cashed are reflected as liabilities.

Unrestricted illiquid assets represent investments in common stock and limited partnership interests which are not liquid since these are not publicly traded.

Realized capital gains and losses on sale of bonds are calculated based on original cost of the bonds. Proceeds received above or below cost on maturity of bonds are included as part of net investment income.

Proceeds received above or below original cost are treated as a gain or loss upon disposition of common stock.

This statement does not include any assets of Home's branches outside of the United States.

The Home Insurance Company in Liquidation ("Home")

Notes to Financial Statements (continued)
(Modified-Cash Basis)
(Unaudited)

2) Investments

The cost and estimated fair values of unrestricted fixed-income securities and common stock by major category are summarized as follows:

	September 30, 2018			
	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Fixed-income securities:				
U.S. Treasury notes	\$ 37,840,918	\$ -	\$ (1,104,199)	\$ 36,736,719
Government agencies	8,037,440	-	(296,440)	7,741,000
Corporate	496,678,173	225,718	(18,419,618)	478,484,273
Mortgage-backed	157,678,793	443,176	(6,342,158)	151,779,811
Asset-backed	<u>67,722,289</u>	<u>145,425</u>	<u>(1,242,336)</u>	<u>66,625,378</u>
Total	<u>\$ 767,957,613</u>	<u>\$ 814,319</u>	<u>\$(27,404,751)</u>	<u>\$741,367,181</u>
Total Common Stock	\$ 1,628,052	\$ -	\$ (1,628,050)	2

The amortized cost of unrestricted fixed-income securities is \$763,150,314 at September 30, 2018. Based on such amortized cost, gross unrealized gains are \$550,124 and gross unrealized losses are \$22,333,256.

	December 31, 2017			
	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Fixed-income securities:				
U.S. Treasury notes	\$ 36,876,973	\$ -	\$ (264,160)	\$ 36,612,812
Government agencies	8,037,440	20,120	(2,280)	8,055,280
Corporate	543,533,851	1,235,078	(8,711,807)	536,057,121
Mortgage-backed	176,392,383	1,574,204	(1,699,479)	176,267,109
Asset-backed	<u>71,103,814</u>	<u>191,172</u>	<u>(704,950)</u>	<u>70,590,037</u>
Total	<u>\$ 835,944,460</u>	<u>\$ 3,020,574</u>	<u>\$(11,382,676)</u>	<u>\$ 827,582,359</u>
Total Common Stock	\$ 1,628,052	\$ -	\$ (1,628,050)	2

The amortized cost of unrestricted fixed-income securities is \$829,590,639 at December 31, 2017. Based on such amortized cost, gross unrealized gains are \$3,212,622 and gross unrealized losses are \$5,220,903.

The Home Insurance Company in Liquidation ("Home")

Notes to Financial Statements (continued)
(Modified-Cash Basis)
(Unaudited)

2) Investments (continued)

The cost and fair values of unrestricted fixed-income securities by contractual maturity are as follows:

	<u>Unrestricted fixed-income securities</u>	
	<u>Cost</u>	<u>Fair Value</u>
September 30, 2018		
One year or less	\$ 72,061,623	\$ 71,386,930
Over one year through Five years	338,874,216	326,675,319
Over five years through twenty years	131,620,692	124,899,743
Mortgage-backed	157,678,793	151,779,811
Asset-backed	<u>67,722,289</u>	<u>66,625,378</u>
Total	<u>\$ 767,957,613</u>	<u>\$ 741,367,181</u>

	<u>Unrestricted fixed-income securities</u>	
	<u>Cost</u>	<u>Fair Value</u>
December 31, 2017		
One year or less	\$ 71,639,112	\$ 69,986,560
Over one year through five years	353,778,668	349,999,665
Over five years through twenty years	163,030,483	160,738,988
Mortgage-backed	176,392,383	176,267,109
Asset-backed	<u>71,103,814</u>	<u>70,590,037</u>
Total	<u>\$ 835,944,460</u>	<u>\$ 827,582,359</u>

The Home Insurance Company in Liquidation ("Home")

Notes to Financial Statements (continued)
(Modified-Cash Basis)
(Unaudited)

3) Incurred But Unpaid Administrative Expenses and Investment Expenses

Accrued expenses incurred in the normal course of Home's liquidation, but unpaid as of September 30, 2018, are as follows:

Human resources costs	\$ 1,158,908
Consultant and outside service fees	290,202
Legal and auditing fees	155,466
Other administration costs	82,472
General office and rent expense	<u>27,629</u>
Total accrued administrative expenses	<u>\$ 1,714,676</u>
Accrued investment expenses	<u>182,690</u>
Total accrued expenses	<u>\$ 1,897,365</u>

The amount of accrued expenses at December 31, 2017 was \$1,840,235 and net assets for 2018 decreased by \$57,130 due to the decrease in the accrual.

Various full-time employees of Home are covered by employee incentive plans, which were approved by the Liquidation Court on January 6, 2018. The costs of these plans are primarily payable in 2019, but are based on 2018 service and are being accrued over the service period in 2018. Accrued administrative expense includes \$1,157,861 of incentive plan costs.

4) Restricted Funds

The Liquidator has drawn down on letters of credit (LOC) upon receiving notices of cancellation or notices of non-renewal from the issuing bank. Such LOC drawdowns relate to insurance losses not yet proven and/or settled and are recognized as restricted cash receipts. Restricted funds will be recognized as unrestricted reinsurance recoveries when such balances are proven and/or settled between the beneficial owner and the Liquidator. Restricted funds related to reinsurance recoveries total \$195,667 at September 30, 2018 and December 31, 2017.

The Home Insurance Company in Liquidation ("Home")

Notes to Financial Statements (continued)
(Modified-Cash Basis)
(Unaudited)

5) Securities on Deposit

Investments on deposit at the original cost with various states and the federal government were \$768,672, \$770,651 and \$73,947,287 at September 30, 2018, December 31, 2017 and June 13, 2003, respectively. The federal deposit is the only deposit still held at September 30, 2018, and as described in Note 1, the Liquidator does not record the amount of this asset as such amount has not been settled and agreed to with the federal government.

Various states have withdrawn such deposits and related interest for use by the related state guaranty associations. The market value of these withdrawals in the amount of \$55,673,235 may be offset against future distributions to such guaranty associations.

6) Early Access Distribution

On November 2, 2016, the Liquidation Court approved the eleventh early access distribution to insurance guaranty associations based on guaranty association payments through July 30, 2016. The Liquidator paid \$14.7 million for the eleventh early access distribution through December 31, 2016. The total of all early access payments through September 30, 2018 was \$252.9 million.

As a condition for receiving early access distributions, the guaranty associations entered into "claw back" agreements with the Liquidator requiring the return of any amounts advanced that exceed the eventual distribution percentage for their creditor class. Pursuant to the "claw back" agreements, the Liquidator requested and received the return of \$5.9 million for the eleventh early access advance as of December 31, 2017. Such returns of "claw back" amounts are netted against the related early access advances in the financial statements. The distribution caps are (1) an amount equal to 40% of the total incurred costs projected by each guaranty association, and (2) an amount equal to 75% of each guaranty association's cumulative paid claims.

The Home Insurance Company in Liquidation ("Home")

Notes to Financial Statements (continued)
(Modified-Cash Basis)
(Unaudited)

6) Early Access Distribution (continued)

The Liquidator may periodically make additional early access distributions in the future, subject to the Liquidation Court's approval. Early access distributions and related advances are not recorded as assets in the accompanying statements of restricted and unrestricted net assets, excluding certain amounts, although they represent payments in advance of distributions to other claimants. Early access distributions and related advances will ultimately be credited against amounts payable to Guaranty Associations to ensure pro rata distributions among members of the same class of creditor of the Liquidating Company.

The following summary represents early access distributions and related advances that are not reflected in the Statement of Net Assets.

Early Access Distributions paid in cash	\$ 252,942,104
Assets withdrawn from special deposits held by states to pay Home claims (market value, see note 5)	55,673,235
Other deemed Early Access advances paid in cash	<u>3,148,212</u>
Total	<u>\$ 311,763,551</u>

7) Home Deductible Policies - Reimbursement

On April 6, 2011, the Liquidation Court approved an agreement between the Liquidator and the Guaranty Associations regarding Home Deductible policies (the Deductible Agreement). The Deductible Agreement provides that the Liquidator will reimburse the signatory Guaranty Associations for deductible amounts collected during liquidation. The Liquidator also charges a fee of 7.5% as reimbursement of the Home's expenses incurred in the collection process. Forty-six Guaranty Associations have signed the Deductible Agreement to date. On March 6, 2018 and March 1, 2017, the Liquidator paid \$398,185 and \$261,783 respectively, after netting of the fee.

The Home Insurance Company in Liquidation (“Home”)

Notes to Financial Statements (continued)
(Modified-Cash Basis)
(Unaudited)

8) Allowed Claims

As of September 30, 2018, the Liquidator has allowed, and the Liquidation Court has approved, \$86,310,397 of Class I claims, \$2,616,410,688 of Class II claims, \$2,672,527 of Class III claims, \$325,145,593 of Class V claims and \$53,887 of Class VIII claims. Class I claims paid in 2018, and 2017 included 3,248,757 and 8,099,504 respectively, for the seventh and sixth distribution of Guaranty Associations’ administrative costs. It is management’s judgment that there will not be sufficient assets to make distributions on allowed claims below the Class II priority. Distributions on allowed claims will depend on the amount of assets available for distribution and the allowed claims in each successive priority class under New Hampshire RSA 402-C: 44.

9) Interim Distribution

On February 10, 2012, the Liquidator submitted a motion to the Liquidation Court seeking approval for a 15% interim distribution on allowed Class II claims. The interim distribution was approved by order of the Liquidation Court on March 13, 2012 (as amended July 2, 2012), and was subject to receipt of a waiver of federal priority claims from the United States Department of Justice. The waiver was received on November 5, 2014.

Additionally, on September 28, 2015, the Liquidator submitted a motion to the Liquidation Court seeking approval for a second interim distribution of 10% on allowed Class II claims. The Liquidation Court issued an order approving the motion on November 16, 2015 (the Order). On March 7, 2016, the Order was amended so that claimants who had not received the first interim distribution would be paid the second interim distribution coincident with the first interim distribution. The second interim distribution was subject to a waiver from the United States Justice Department. The waiver was received on July 18, 2016.

On September 28, 2018, the Liquidator submitted a motion to the Liquidating Court seeking approval for a third interim distribution of 5% on allowed Class II claims. The Liquidation Court issued an order approving the motion on October 18, 2018 subject to a waiver from the United States Justice Department.

As of September 30, 2018, cash paid relating to the interim distributions in 2018 and 2017 totaled \$30,125,935 and \$42,145,229 respectively, and \$141,139 remains outstanding as a payable for outstanding checks. The total of all class II payments through September 30, 2018 was \$453,109,115. As of September 30, 2018, interim distributions to a creditor totaling \$59,962,476 had been transferred into escrow pursuant to an approved settlement agreement and approved escrow agreement. The escrow amount is net of a return payment to the Liquidator of \$528,166 based on an adjustment to the escrow calculation in 2018. The funds held by the escrow agent are subject to the jurisdiction of the Liquidation Court but are no longer under control of the Liquidation and are therefore not reflected on the Statement of the Restricted and Unrestricted Net Assets.

The Home Insurance Company in Liquidation
 G&A Expenses (Actual vs Budget)
 September 30, 2018

	Actual 2018	YTD		Variance 2018	Full Year Budget
		Budget 2018			
General & Administrative Expense					
Salary and Benefits	6,195,850	6,467,098	(271,248)	8,610,318	
Travel	24,355	48,025	(23,670)	64,770	
Rent	842,297	992,752	(150,455)	1,293,045	
Equipment	140,626	180,750	(40,124)	243,000	
Printing and Stationery	19,531	34,735	(15,204)	45,730	
Postage	7,785	11,138	(3,352)	14,850	
Telephone	81,972	113,400	(31,428)	151,200	
Outside Services, including Special Deputy	1,783,310	1,944,100	(160,790)	2,515,800	
Legal and Auditing	800,964	595,500	205,464	790,500	
Bank Fees	119,137	123,000	(3,863)	164,000	
Corporate Insurance	75,976	72,906	3,070	73,208	
Miscellaneous Income/Expenses	2,525	5,400	(2,875)	7,250	
Total Expenses Incurred	10,094,328	10,588,804	(494,475)	13,973,672	

The Home Insurance Company in Liquidation
 Portfolio Summary Report- Bonds and Short Term Investments
 Securities Held as of September 30, 2018
 (000's)

Conning Managed:

% of BV Fixed Income	Short Term	Book Value	Market Value	Unrealized Gain (Loss)	Eff Mat (Years)	Book Yield	Average Credit Quality	Earned Income 9/30/18
12.8%	Agency	112,147	112,143	(4)	0.18	2.12	Aaa	1,014
1.4%	Government	12,070	11,592	(478)	5.93	2.74	Aa2	573
4.3%	Corporate	37,562	36,737	(825)	2.89	2.04	Aa2	248
55.9%	Mortgage Backed	488,997	474,633	(14,364)	3.71	2.62	A2	9,951
14.1%	Asset Backed	123,687	120,431	(3,256)	4.58	2.66	Aaa	2,578
7.7%	CMBS	67,694	66,625	(1,068)	1.60	1.67	Aaa	917
3.8%		33,140	31,349	(1,791)	8.90	3.08	Aaa	761
100.0%	Total	875,297	853,510	(21,787)	3.39	2.49	Aa3	16,042

Other investments- Home Insurance

100% US Treasury Bills and Notes

9,596	9,583	(13)	0.25	1.78	Aaa	54
884,893	863,093	(21,800)	3.36	2.49	Aa3	16,096 (2)
Total Home Insurance (1)						

(1) Investment balances do not include cash amounts invested in sweep accounts of Citizens Bank and investments in common stocks and limited partnerships.

(2) On an annualized basis, the total estimated income generated by the portfolio, calculated based on holdings as of September 30, 2018, would be \$20.9 million over the next 12 months.

**THE HOME INSURANCE COMPANY IN LIQUIDATION
HOLDINGS REPORT
AS OF SEPTEMBER 30, 2018**

CUSIP	DESCRIPTION	CPN MATURITY	QUANTITY	BOOK VALUE	MARKET VALUE
36960MMD2	GENERAL ELECTRIC CO	0.000 12/13/2018	3,000,000.00	2,985,947.49	2,985,947.49
59157UM31	METLIFE SHORT TERM FUND	0.000 12/03/2018	3,050,000.00	3,037,723.75	3,037,723.75
8010M3MM6	SANOFI	0.000 12/21/2018	4,000,000.00	3,979,660.00	3,979,660.00
89119BMT0	TORONTO DOMINION BANK	0.000 12/27/2018	3,972,000.00	3,949,730.31	3,949,730.31
262006208	DREYFUS GOVERN CASH MGMT-INS	1.950 10/15/2018	561,574.04	561,574.04	561,574.04
TOTAL CASH EQUIVALENTS			561,574.04	561,574.04	561,574.04
SHORT TERM (OVER 90 DAYS)					
912828A75	US TREASURY BILL	12/31/2018	9,601,000.00	9,596,364.02	9,583,526.18
912796QU6	US TREASURY BILL	01/24/2019	775,000.00	784,115.72	784,115.72
912796PE3	US TREASURY BILL	12/06/2018	30,000,000.00	29,883,491.58	29,883,125.10
912796QJ1	US TREASURY BILL	11/15/2018	20,000,000.00	19,950,074.45	19,948,000.00
912796QK8	US TREASURY BILL	11/23/2018	7,000,000.00	6,978,445.95	6,978,203.75
912796QL6	US TREASURY BILL	11/29/2018	10,000,000.00	9,966,361.48	9,965,337.50
912796QP7	US TREASURY BILL	12/20/2018	31,000,000.00	30,853,600.07	30,853,266.77
TOTAL SHORT TERM			108,376,000.00	108,012,473.28	107,995,575.02
U S TREASURY					
912828A83	US TREASURY N/B	2.375 12/31/2020	20,000,000.00	20,158,721.80	19,796,875.00
912828K74	US TREASURY N/B	2.000 08/15/2025	6,000,000.00	5,894,515.15	5,623,125.00
912828VZ0	US TREASURY N/B	2.000 09/30/2020	11,500,000.00	11,508,697.45	11,316,718.75
TOTAL U S TREASURY			37,500,000.00	37,561,934.40	36,736,718.75
TOTAL GOVERNMENT & AGENCIES			37,500,000.00	37,561,934.40	36,736,718.75
TAX MUNICIPAL					
798170AH9	SAN JOSE CA REDEV AGY SUCCESSO	3.076 08/01/2025	4,000,000.00	4,000,000.00	3,872,280.00
91412GU94	UNIV OF CALIFORNIA CA REVENUES	3.063 07/01/2025	4,000,000.00	4,032,163.64	3,868,720.00
TOTAL TAX MUNICIPAL			8,000,000.00	8,032,163.64	7,741,000.00
CORPORATE					
00206RCN0	AT&T INC	3.400 05/15/2025	3,000,000.00	2,936,861.10	2,854,842.00
00440EAU1	CHUBB INA HOLDINGS INC	2.875 11/03/2022	8,000,000.00	8,209,304.10	7,800,000.00
023135AW6	AMAZON.COM INC	2.400 02/22/2023	1,925,000.00	1,923,038.69	1,850,179.10
0258M0EG0	AMERICAN EXPRESS CREDIT	2.700 03/03/2022	5,000,000.00	4,992,206.55	4,861,140.00
035242AL0	ANHEUSER-BUSCH INBEV FIN	3.300 02/01/2023	3,000,000.00	3,075,176.46	2,961,801.00
036752AC7	ANTHEM INC	3.350 12/01/2024	1,340,000.00	1,339,628.16	1,299,238.54
037833AR1	APPLE INC	2.850 05/06/2021	7,000,000.00	7,026,505.57	6,964,699.00
037833BU3	APPLE INC	2.850 02/23/2023	5,000,000.00	5,110,061.00	4,906,710.00
037833CM0	APPLE INC	2.500 02/09/2022	3,000,000.00	2,999,897.31	2,935,596.00
046353AF5	ASTRAZENECA PLC	1.950 09/18/2019	2,500,000.00	2,507,572.25	2,477,567.50
04685A2B6	ATHENE GLOBAL FUNDING	4.000 01/25/2022	4,050,000.00	4,049,139.98	4,058,610.30
04685A2C4	ATHENE GLOBAL FUNDING	2.750 04/20/2020	5,000,000.00	4,995,169.30	4,932,510.00
05348EBC2	AVALONBAY COMMUNITIES	3.200 01/15/2028	2,225,000.00	2,216,680.26	2,118,658.35
05531FAX1	BB&T CORPORATION	2.750 04/01/2022	7,000,000.00	6,990,724.02	6,853,728.00
055451AH1	BHP BILLITON FIN USA LTD	6.500 04/01/2019	2,500,000.00	2,499,468.03	2,546,942.50
05565QBU1	BP CAPITAL MARKETS PLC	3.561 11/01/2021	8,550,000.00	8,770,181.05	8,597,367.00
05578AAA6	BPCE SA	2.750 01/11/2023	4,000,000.00	3,970,443.36	3,817,380.00
06051GGA1	BANK OF AMERICA CORP	3.248 10/21/2027	3,500,000.00	3,452,132.46	3,259,788.00
06051GGT0	BANK OF AMERICA CORP	3.093 10/01/2025	4,000,000.00	3,993,369.12	3,805,736.00
06051GGZ6	BANK OF AMERICA CORP	3.366 01/23/2026	3,000,000.00	3,000,000.00	2,884,677.00
06406RAA5	BANK OF NY MELLON CORP	2.600 02/07/2022	5,000,000.00	4,992,678.20	4,874,550.00
06406RAC1	BANK OF NY MELLON CORP	2.661 05/16/2023	2,605,000.00	2,605,000.00	2,519,240.80

**THE HOME INSURANCE COMPANY IN LIQUIDATION
HOLDINGS REPORT
AS OF SEPTEMBER 30, 2018**

CUSIP	DESCRIPTION	CPN	MATURITY	QUANTITY	BOOK VALUE	MARKET VALUE
084659AK7	BERKSHIRE HATHAWAY ENERG	2.800	01/15/2023	3,125,000.00	3,125,000.00	3,033,753.13
084670BR8	BERKSHIRE HATHAWAY INC	2.750	3/15/2023	5,000,000.00	5,126,492.00	4,866,810.00
09256BAJ6	BLACKSTONE HOLDINGS FINA	3.150	10/02/2027	2,050,000.00	2,042,356.10	1,905,298.70
097014AL8	BOEING CAPITAL CORP	4.700	10/27/2019	4,000,000.00	4,094,553.28	4,069,588.00
097023BQ7	BOEING CO	1.875	06/15/2023	3,000,000.00	2,999,845.71	2,803,962.00
12189LAQ4	BURLINGTN NORTH SANTA FE	3.850	09/01/2023	5,000,000.00	5,347,348.90	5,085,165.00
126650CW8	CVS HEALTH CORP	4.100	03/25/2025	1,760,000.00	1,743,996.32	1,747,567.36
14912L6C0	CATERPILLAR FINANCIAL SE	3.300	06/09/2024	4,000,000.00	4,115,817.76	3,965,156.00
166764AB6	CHEVRON CORP	2.355	12/05/2022	3,500,000.00	3,500,000.00	3,356,108.00
17275RAR3	CISCO SYSTEMS INC	2.125	03/01/2019	8,000,000.00	8,002,869.28	7,987,792.00
172967FT3	CITIGROUP INC	4.500	01/14/2022	4,000,000.00	4,175,033.12	4,106,776.00
20030NBY6	COMCAST CORP	3.300	02/01/2027	5,000,000.00	5,065,056.85	4,721,425.00
22160KAF2	COSTCO WHOLESALE CORP	1.700	12/15/2019	8,040,000.00	8,036,754.73	7,931,049.96
233851BW3	DAIMLER FINANCE NA LLC	3.300	05/19/2025	3,000,000.00	3,037,163.82	2,884,479.00
24422ETG4	JOHN DEERE CAPITAL CORP	2.800	03/08/2023	7,000,000.00	7,147,996.32	6,823,117.00
260543CH4	DOW CHEMICAL CO/THE	3.000	11/15/2022	4,000,000.00	3,982,326.72	3,898,380.00
26875PAK7	EOG RESOURCES INC	2.625	03/15/2023	4,000,000.00	3,972,353.48	3,853,688.00
278642AE3	EBAY INC	2.600	07/15/2022	4,000,000.00	3,926,368.52	3,858,184.00
30231GAF9	EXXON MOBIL CORPORATION	2.709	03/06/2025	5,000,000.00	5,018,802.90	4,788,590.00
31677QBG3	FIFTH THIRD BANK	2.250	06/14/2021	1,283,000.00	1,249,534.81	1,244,687.05
341099CP2	DUKE ENERGY FLORIDA INC	3.100	08/15/2021	4,000,000.00	4,105,151.48	3,981,100.00
345397YT4	FORD MOTOR CREDIT CO LLC	3.815	11/02/2027	2,500,000.00	2,500,000.00	2,237,395.00
36164Q6M5	GE CAPITAL INTL FUNDING	3.373	11/15/2025	5,000,000.00	5,152,761.75	4,757,845.00
36164QMS4	GE CAPITAL INTL FUNDING	2.342	11/15/2020	3,683,000.00	3,691,515.39	3,590,449.89
369550AZ1	GENERAL DYNAMICS CORP	2.625	11/15/2027	3,500,000.00	3,431,062.88	3,206,945.00
369550BE7	GENERAL DYNAMICS CORP	3.000	05/11/2021	2,600,000.00	2,592,137.24	2,586,196.60
36962G6P4	GENERAL ELEC CAP CORP	2.100	12/11/2019	1,725,000.00	1,724,756.12	1,705,278.08
370334CF9	GENERAL MILLS INC	4.000	04/17/2025	2,250,000.00	2,247,941.93	2,236,455.00
38141GWQ3	GOLDMAN SACHS GROUP INC	3.272	09/29/2025	4,000,000.00	3,994,907.40	3,821,792.00
40573LAG1	HALFMOON PARENT INC	3.400	09/17/2021	1,425,000.00	1,425,000.00	1,417,725.38
41283LAF2	HARLEY-DAVIDSON FINL SER	2.150	02/26/2020	5,000,000.00	5,008,267.05	4,913,170.00
428236BX0	HEWLETT-PACKARD CO	4.050	09/15/2022	1,500,000.00	1,535,240.13	1,516,395.00
44328MAC8	HSBC BANK PLC	4.125	08/12/2020	3,000,000.00	3,080,427.45	3,034,317.00
452308AU3	ILLINOIS TOOL WORKS INC	1.950	03/01/2019	7,000,000.00	6,997,806.20	6,975,724.00
458140AM2	INTEL CORP	2.700	12/15/2022	5,000,000.00	5,141,506.40	4,890,825.00
459200HE4	IBM CORP	1.875	05/15/2019	4,000,000.00	3,996,113.20	3,976,588.00
46625HHU7	JPMORGAN CHASE & CO	4.250	10/15/2020	5,000,000.00	5,140,398.25	5,095,710.00
46625HQJ2	JPMORGAN CHASE & CO	2.550	03/01/2021	2,500,000.00	2,464,190.95	2,454,070.00
46849LSW2	JACKSON NATL LIFE GLOBAL	2.500	06/27/2022	4,000,000.00	3,990,794.72	3,837,948.00
53227JAA2	LIFE STORAGE LP	3.875	12/15/2027	2,305,000.00	2,294,768.93	2,173,087.16
539439AP4	LLOYDS BANKING GROUP PLC	2.907	11/07/2023	3,000,000.00	3,000,000.00	2,860,806.00
55279HAL4	MANUF & TRADERS TRUST CO	2.500	05/18/2022	5,000,000.00	4,994,831.40	4,819,580.00
55608PAH7	MACQUARIE BANK LTD	2.600	06/24/2019	7,860,000.00	7,868,985.30	7,839,988.44
57629WCC2	MASSMUTUAL GLOBAL FUNDIN	1.550	10/11/2019	5,000,000.00	4,999,043.40	4,932,655.00
57629WCG3	MASSMUTUAL GLOBAL FUNDIN	2.950	01/11/2025	5,000,000.00	4,990,894.45	4,754,950.00
57636QAB0	MASTERCARD INC	3.375	04/01/2024	2,000,000.00	2,073,962.70	1,998,942.00
585055BR6	MEDTRONIC INC	3.150	03/15/2022	5,000,000.00	5,094,465.40	4,967,680.00
589331AN7	MERCK SHARP & DOHME CORP	5.000	06/30/2019	5,000,000.00	5,104,866.40	5,088,345.00
58933YAQ8	MERCK & CO INC	2.350	02/10/2022	5,000,000.00	4,966,112.60	4,864,225.00
59217GCD9	MET LIFE GLOB FUNDING I	2.650	04/08/2022	5,000,000.00	4,998,667.85	4,841,260.00
59217GCK3	MET LIFE GLOB FUNDING I	3.000	09/19/2027	4,000,000.00	3,992,829.32	3,716,704.00
594918AV6	MICROSOFT CORP	1.625	12/06/2018	2,500,000.00	2,499,458.48	2,496,550.00
6174468C6	MORGAN STANLEY	4.000	07/23/2025	4,000,000.00	4,155,874.64	3,967,904.00
63254AA4	NATIONAL AUSTRALIA BK/NY	2.875	04/12/2023	4,000,000.00	3,989,901.12	3,852,316.00
637071AJ0	NATIONAL OILWELL VARCO I	2.600	12/01/2022	5,925,000.00	5,915,469.93	5,622,783.53
637417AK2	NATIONAL RETAIL PROP INC	3.500	10/15/2027	3,500,000.00	3,487,108.03	3,278,222.50
637432MX0	NATIONAL RURAL UTIL COOP	2.150	02/01/2019	2,530,000.00	2,530,876.80	2,522,928.65
637432NB7	NATIONAL RURAL UTIL COOP	2.300	11/15/2019	3,400,000.00	3,412,446.07	3,366,081.60
63859UBD4	NATIONWIDE BLDG SOCIETY	2.450	07/27/2021	4,000,000.00	3,995,874.28	3,873,492.00
64952WCS0	NEW YORK LIFE GLOBAL FDG	2.300	06/10/2022	3,050,000.00	3,045,491.22	2,926,392.65
666807BM3	NORTHROP GRUMMAN CORP	2.930	01/15/2025	3,500,000.00	3,499,787.59	3,322,438.00

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CUSIP	DESCRIPTION	CPN MATURITY	QUANTITY	BOOK VALUE	MARKET VALUE
674599CE3	OCCIDENTAL PETROLEUM COR	2.700 02/15/2023	4,000,000.00	4,014,522.64	3,868,220.00
68389XBA2	ORACLE CORP	2.800 07/08/2021	9,000,000.00	9,002,604.33	8,930,358.00
69371RM94	PACCAR FINANCIAL CORP	2.250 02/25/2021	5,550,000.00	5,624,112.92	5,410,034.55
713448BY3	PEPSICO INC	2.750 03/05/2022	7,000,000.00	7,032,162.76	6,894,132.00
74005PBH6	PRAXAIR INC	1.250 11/07/2018	4,000,000.00	3,997,167.48	3,992,836.00
74153WCD5	PRICOA GLOBAL FUNDING 1	2.200 05/16/2019	9,000,000.00	9,000,000.00	8,968,833.00
74256LAY5	PRINCIPAL LFE GLB FND II	2.150 01/10/2020	5,000,000.00	4,996,992.05	4,946,440.00
74368CAK0	PROTECTIVE LIFE GLOBAL	3.397 06/28/2021	3,000,000.00	3,000,000.00	2,980,041.00
74456QBH8	PUBLIC SERVICE ELECTRIC	3.150 08/15/2024	5,000,000.00	5,223,820.55	4,853,525.00
74460DAC3	PUBLIC STORAGE	3.094 09/15/2027	1,875,000.00	1,875,000.00	1,752,823.13
747525AE3	QUALCOMM INC	3.000 05/20/2022	5,000,000.00	5,124,933.25	4,922,065.00
747525AR4	QUALCOMM INC	2.600 01/30/2023	2,285,000.00	2,282,217.35	2,194,168.97
756109AU8	REALTY INCOME CORP	3.650 01/15/2028	2,500,000.00	2,494,928.55	2,418,310.00
771196BB7	ROCHE HOLDING INC	2.875 09/29/2021	7,000,000.00	7,126,085.47	6,936,958.00
797440BN3	SAN DIEGO G & E	3.000 08/15/2021	4,450,000.00	4,545,301.24	4,398,860.60
806851AG6	SCHLUMBERGER HLDGS CORP	4.000 12/21/2025	3,000,000.00	3,131,075.37	2,989,503.00
822582AS1	SHELL INTERNATIONAL FIN	2.375 08/21/2022	5,000,000.00	4,966,686.50	4,836,165.00
828807CN5	SIMON PROPERTY GROUP LP	2.750 02/01/2023	5,000,000.00	5,068,348.20	4,829,000.00
828807CY1	SIMON PROPERTY GROUP LP	3.250 11/30/2026	3,000,000.00	3,025,345.50	2,853,474.00
842808AF4	SOUTHERN ELECTRIC GEN CO	2.200 12/01/2018	5,555,000.00	5,554,936.73	5,547,039.69
854502AD3	STANLEY BLACK & DECKER I	2.900 11/01/2022	4,000,000.00	4,000,917.60	3,899,076.00
85771PAG7	EQUINOR ASA	2.450 01/17/2023	4,000,000.00	4,038,290.72	3,850,976.00
87236YAE8	TD AMERITRADE HOLDING CO	2.950 04/01/2022	3,000,000.00	3,076,172.70	2,940,435.00
88167AAD3	TEVA PHARMACEUTICALS NE	2.800 07/21/2023	2,100,000.00	2,095,037.93	1,862,639.10
88579YAY7	3M COMPANY	2.875 10/15/2027	5,000,000.00	4,972,000.70	4,719,840.00
89114QAS7	TORONTO-DOMINION BANK	2.125 07/02/2019	4,000,000.00	3,999,225.88	3,982,588.00
89153VAP4	TOTAL CAPITAL INTL SA	2.750 06/19/2021	5,000,000.00	5,048,120.00	4,941,890.00
893526DK6	TRANS-CANADA PIPELINES	3.800 10/01/2020	5,000,000.00	5,127,127.00	5,043,800.00
91159HHH6	US BANCORP	2.200 04/25/2019	7,000,000.00	6,999,251.70	6,983,207.00
913017BV0	UNITED TECHNOLOGIES CORP	3.100 06/01/2022	4,000,000.00	4,067,543.80	3,933,220.00
92343VDD3	VERIZON COMMUNICATIONS	2.625 08/15/2026	3,000,000.00	2,774,569.53	2,718,918.00
92826CAC6	VISA INC	2.800 12/14/2022	7,000,000.00	7,173,507.07	6,855,646.00
929043AJ6	VORNADO REALTY LP	3.500 01/15/2025	3,500,000.00	3,487,277.40	3,349,720.50
96145DAA3	WESTROCK CO	3.000 09/15/2024	2,600,000.00	2,593,812.68	2,443,753.00
TOTAL CORPORATE			489,621,000.00	493,035,697.64	478,484,273.31
MORTGAGE BACKED					
06650AAE7	BANK 2017-BNK8 A4	3.488 11/15/2050	2,000,000.00	2,054,937.12	1,945,400.00
125039AF4	CD 2017-CD6 A5	3.456 11/15/2050	4,000,000.00	4,118,788.98	3,895,080.00
12595EAD7	COMM 2017-COR2 A3	3.51 09/10/2050	4,000,000.00	4,108,604.20	3,903,480.00
17326FAD9	CGCMT 2017-C4 A4	3.471 10/17/2050	2,000,000.00	2,054,872.52	1,942,680.00
3128L0DF6	FHLMC POOL A68202	6.000 11/01/2037	133,170.67	136,341.57	144,954.49
3128L0EF5	FHLMC POOL A68234	6.000 11/01/2037	191,495.70	193,074.04	207,195.77
3128ME4A6	FHLMC POOL G16017	3.000 12/01/2031	10,443,751.78	10,711,566.02	10,295,493.22
3128ME4T5	FHLMC POOL G16034	2.500 01/01/2032	11,270,678.42	11,288,857.24	10,874,167.95
3128MJAD2	FHLMC POOL G08003	6.000 07/01/2034	282,032.20	289,081.59	308,883.53
3128MJMC1	FHLMC POOL G08354	5.000 07/01/2039	1,511,986.95	1,529,941.80	1,604,409.99
3128MMVZ3	FHLMC POOLG18631	2.500 01/01/2032	11,118,398.87	11,132,485.55	10,734,872.59
3128PYU36	FHLMC POOL J18702	3.000 03/01/2027	4,837,290.20	4,972,226.22	4,787,735.50
31292JBR0	FHLMC POOL C01848	6.000 06/01/2034	374,124.91	387,315.99	409,877.08
312944AF8	FHLMC POOL A95406	4.000 12/01/2040	2,340,214.10	2,370,234.41	2,385,509.29
31297ECP9	FHLMC POOL A2-6378	6.000 09/01/2034	228,619.20	236,027.90	244,311.49
31307AEK4	FHLMC POOL J21938	2.500 01/01/2028	8,395,099.20	8,618,477.93	8,175,202.59
31307FJM4	FHLMC POOL J26588	3.500 12/01/2028	4,298,771.03	4,480,020.33	4,327,892.02
31307GTQ2	FHLMC POOL J27759	3.000 03/01/2029	8,498,222.82	8,708,468.77	8,377,098.50
3132GDMF6	FHLMC POOL Q00358	4.500 04/01/2041	3,927,584.23	4,123,891.29	4,087,183.54
3132GFXD4	FHLMC POOL Q02476	4.500 08/01/2041	2,344,862.20	2,461,281.28	2,440,630.36
31335H5U3	FHLMC POOL C90859	5.500 10/01/2024	306,849.40	312,810.36	326,944.25
3136AX7E9	FNA 2017-M12 A2	3.182 06/25/2027	3,425,000.00	3,489,197.28	3,297,864.00

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31371PC57	FNMA POOL 257592	5.000	03/01/2039	545,314.90	551,534.90	577,813.48
31376KEL6	FNMA POOL 357539	5.500	04/01/2034	363,025.40	363,025.40	393,189.61
3137FBU79	FHMS K089 A2	3.187	09/25/2027	2,400,000.00	2,465,919.38	2,327,880.00
3138A8KG0	FNMA POOL AH6594	3.500	03/01/2026	3,661,586.29	3,790,800.56	3,681,275.96
3138EM3Y5	FN AL5314	3.500	03/01/2027	2,959,243.56	3,019,401.37	2,978,754.27
3138NXE37	FNMA POOL AR1053	2.500	01/01/2028	5,986,804.60	6,148,512.20	5,815,099.63
3138YEPP6	FNMA POOL AY1329	3.000	03/01/2030	8,422,078.50	8,752,630.85	8,321,327.95
3140J5GH6	FNMA POOL BM1099	3.000	03/01/2032	6,380,876.80	6,576,882.72	6,305,465.88
31413FGK2	FNMA POOL 944002	6.000	08/01/2037	471,601.96	468,527.06	515,304.29
31415Q4B9	FNMA POOL 986518	5.000	06/01/2038	150,917.43	152,402.61	158,174.50
31416XEL0	FNMA POOL AB1938	3.500	12/01/2025	4,989,863.36	5,128,595.13	5,022,779.99
31416YTY4	FNMA POOL AB3266	4.000	07/01/2041	3,023,197.00	3,091,800.91	3,070,840.70
31416YU89	FNMA POOL AB3306	4.000	07/01/2041	2,626,046.25	2,693,402.37	2,674,210.54
31419LD42	FNMA POOL AE9122	3.500	12/01/2025	1,413,637.10	1,437,866.71	1,421,202.62
31419LYR8	FNMA POOL AE9719	4.500	12/01/2040	6,395,365.20	6,611,938.68	6,655,088.97
36202D5C1	GNMA 2M POOL 3543	5.000	04/20/2034	494,695.50	494,109.23	521,335.10
36202EAK5	GNMA 2M POOL 3610	5.500	09/20/2034	434,235.00	443,892.62	458,635.65
36202EUT4	GNMA 2M POOL 4194	5.500	07/20/2038	662,618.85	664,068.33	699,906.87
36202EJU1	GNMA 2M POOL 4195	6.000	07/20/2038	574,111.65	585,414.47	619,988.49
36202EVN6	GNMA 2M POOL 4221	5.500	08/20/2038	436,365.10	432,956.00	460,910.87
36202EVP1	GNMA 2M POOL 4222	6.000	08/20/2038	323,521.20	327,464.11	347,335.20
46648KAU0	JPMDB 2017-C7 A5	3.409	10/17/2050	4,000,000.00	4,109,763.12	3,886,880.00
61767EAE4	MSBAM 2017-C34 A4	3.536	10/15/2026	2,450,000.00	2,516,821.99	2,380,224.00
90276TAG9	UBSCM 2017-C5 A5	3.474	11/18/2050	4,000,000.00	4,110,259.02	3,889,920.00
95001ABD7	WFCM 2017-C41 A4	3.472	11/18/2050	4,000,000.00	4,110,714.40	3,879,600.00

TOTAL MORTGAGE BACKED

153,093,067.53 156,827,006.53 151,778,810.73

ASSET BACKED

02587AAJ3	AMXCA 2017-1 A	1.930	09/15/2022	2,670,000.00	2,669,715.99	2,632,377.03
048312AG7	ACETF 2003-1 A3	5.050	10/20/2020	399,277.37	413,248.94	399,805.13
05522RCWE	BACCT 2017-A1 A1	1.950	08/15/2022	5,365,000.00	5,364,254.16	5,288,059.68
055657AB6	BMWLT 2017-1 A2	1.640	07/22/2019	407,367.70	408,678.64	406,973.20
06742LAE3	DROCK 2014-3 A	2.410	07/15/2022	7,235,000.00	7,234,674.43	7,203,946.24
14041NFF3	COMET 2016-A4 A4	1.330	06/15/2022	4,585,000.00	4,584,680.98	4,526,961.63
14041NFM8	COMET 2017-A3 A3	2.430	01/15/2025	4,465,000.00	4,463,621.07	4,331,766.32
14312QAD8	CARMX 2016-4 A4	1.600	06/15/2022	5,000,000.00	4,956,700.10	4,838,785.04
161571FK5	CHAIT 2012-A4 A4	1.580	08/16/2021	5,056,000.00	5,025,664.71	5,004,122.61
17305EFM2	CCCIT 2014-A1 A1	2.880	01/23/2023	5,000,000.00	5,086,851.60	4,975,512.68
17305EFR1	CCCIT 2014-A5 A5	2.680	06/07/2023	8,000,000.00	8,083,829.28	7,900,782.42
17305EGB5	CCCIT 2017-A3 A3	1.920	04/07/2022	5,000,000.00	5,007,492.70	4,916,914.76
29366AAA2	ELL 2011-A A1	2.040	09/01/2023	1,996,423.62	2,036,700.61	1,962,257.78
43814TAC6	HAROT 2017-1 A3	1.720	07/21/2021	2,496,567.70	2,496,517.37	2,474,545.32
654747AD6	NAROT 2017-A A3	1.740	08/16/2021	2,780,000.00	2,779,883.57	2,747,917.20
92347XAA4	VZOT 2016-1A A	1.420	01/20/2021	1,021,123.88	1,021,288.15	1,016,439.67
92348MAA7	VZOT 2016-2A A	1.680	05/20/2021	2,985,000.00	2,984,923.67	2,963,889.66
92348PAA0	VZOT 2017-2A A	1.920	12/20/2021	3,075,000.00	3,074,785.37	3,034,321.86

TOTAL ASSET BACKED

67,536,760.27 67,693,611.34 66,626,378.23

TOTAL MARKETABLE SECURITIES

864,126,817.80 871,162,786.83 849,362,756.04

TOTAL MARKETABLE AND C/E

864,688,391.84 871,724,360.87 849,924,330.08

COMMON

34958N100	FORTICELL BIOSCIENCE, INC			1,926.00	1,627,706.00	1.93
	RIMCO ROYALTY MANAGEMENT, INC			346,302.00	346.30	0.00
TOTAL COMMON				348,228.00	1,628,052.30	1.93

**THE HOME INSURANCE COMPANY IN LIQUIDATION
HOLDINGS REPORT
AS OF SEPTEMBER 30, 2018**

CUSIP	DESCRIPTION	CPN MATURITY	QUANTITY	BOOK VALUE	MARKET VALUE
TOTAL MARKETABLE , CASH, C/E AND COMMON			<u>865,038,619.84</u>	<u>873,352,413.17</u>	<u>849,924,332.01</u>
<u>EQUITY SECURITIES</u>					
910585406	UNITED MERCHANTS & MFR		214,168.00	25,800.00	0.00
910858414	UNITED MERCHANTS & MFR - WTS		53,542.00	0.00	0.00
178789103	CITIVEST INTERNATIONAL LTD		12,000.00	613,081.50	518,459.50
COMMON STOCKS			<u>279,708.00</u>	<u>638,881.50</u>	<u>518,459.50</u>
	RIMCO ROYALTY PARTNERS, L.P.		346,302.00	3,199,497.00	592,358.00
LIMITED PARTNERS			<u>346,302.00</u>	<u>3,199,497.00</u>	<u>592,358.00</u>
TOTAL EQUITY SECURITIES			<u>626,010.00</u>	<u>3,838,378.50</u>	<u>1,110,817.50</u>
TOTAL			<u>865,662,629.84</u>	<u>877,190,791.67</u>	<u>851,035,149.51</u>