

THE STATE OF NEW HAMPSHIRE

MERRIMACK, SS.

SUPERIOR COURT

**BEFORE THE COURT-APPOINTED REFEREE
IN RE THE LIQUIDATION OF THE HOME INSURANCE COMPANY
DISPUTED CLAIMS DOCKET**

In re Liquidator Number: 2006-HICIL-18 and 21(Consolidated)
Proof of Claim Number: INTL278096
INTL278096-02
Claimant Name: Winterthur Swiss Insurance Company

JOINT PROGRESS REPORT

Pursuant to the Structuring Conference Order (the “Order”) issued in the above-captioned disputed claim proceedings (the “Disputed Claims”), dated June 12, 2006, Winterthur Swiss Reinsurance Company (“Winterthur”), Roger A Sevigny, Commissioner of Insurance of the State of New Hampshire, as Liquidator (“Liquidator”) of The Home Insurance Company (the “Home”) and Century Indemnity Company (“CIC” and, together with Winterthur and the Liquidator, the “Parties”), by their undersigned counsel, hereby submit this Joint Progress Report and address the issues raised by the Referee in the Order.

1. English law. The Parties have considered the specific points of English law that must be addressed to resolve the Disputed Claims. The reinsurance contracts at issue are governed by English law and the Parties submit that consideration of a single point of law—specifically, whether under English law “London Representative Fees” are recoverable under contracts of reinsurance—will resolve the Disputed Claims.

2. Referral to English law expert. The Referee has previously appointed Colin Edelman, QC, as the English law expert required to be appointed under Section 2.15 of the Court-ordered Claims Protocol to assist the Referee where the law applicable to the relevant contract(s) is English Law. Given that the only question to be resolved in the Disputed Claims is

the interpretation and construction of the relevant contracts under English law, the Disputed Claims in their entirety should be referred to Mr. Edelman to make a Report and Recommendation to the Referee.

3. Procedure. The Parties propose that Mr. Edelman be promptly informed (either by the Referee or jointly by the Parties, as the Referee deems appropriate) that the Disputed Claims are referred to him. The Case File and Winterthur's Mandatory Disclosures should be delivered to Mr. Edelman by the Liquidator and Winterthur, respectively, shortly following such notification. The Parties also propose that Winterthur's written submissions be served upon Mr. Edelman, the Liquidator and CIC and filed with the Liquidation Clerk within forty-five (45) days of the Referee's order following the Further Structuring Conference currently scheduled for July 14, 2006, and that the Liquidator's and CIC's responsive submissions, if any, be served upon Mr. Edelman and Winterthur and filed with the Liquidation Clerk within forty-five (45) days following delivery of Winterthur's written submissions. The Parties will provide Mr. Edelman with other documentation relevant to the Disputed Claims as he may require, and agree that any such documentation provided will also be contemporaneously served upon the other Parties. The Parties further propose that oral argument be held as directed by the Referee.

Dated: June 30, 2006

Respectfully submitted,

By: 

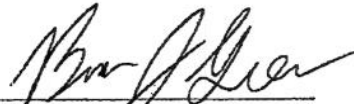
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