

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

In Re Liquidator Number: 2008-HICIL-34
Proof of Claim Number: INSU 701572-01
INSU 701573
Claimant Name: Swan Transportation Company
Insured or Reinsured Name: Swan Transportation Company

ORDER

At the request of counsel a telephonic conference was held in this matter on July 30, 2008.

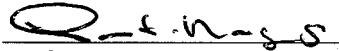
A potentially dispositive matter to be addressed is whether the Liquidator properly relied upon a settlement between The Home Insurance Company ("Home") and Swan Transportation Company ("Swan") when placing a \$500,000 value on the determination of Swan's pending proof of claim. The apparent basis for the determination is a \$500,000 settlement between Home and Swan negotiated in 2001, a settlement which became effective upon confirmation of Swan's bankruptcy reorganization plan on December 13, 2003, six (6) months after Home's liquidation order.

Swan contends that the Liquidator may not rely upon the 2001 settlement amount because the Liquidator has neither performed under the terms of the settlement agreement, nor taken any appropriate affirmative action to formally assume the obligation. Instead contends Swan, the Liquidator should determine its pending proof of claim "afresh", without regard to the 2001 settlement terms.

Parties agree that this issue is best addressed through written submissions under Sec. 15 of the Procedures. The Claimant's submission shall be due on September 1, 2008 and the Liquidator's response on October 1, 2008.

So ordered.

Date: August 1, 2008


Referee, Paula T. Rogers