

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-25
Proof of Claim Number: INSU120338
Claimant Name: RAYMOND L. LAVERE
Claimant Number: INSU120338

REFEREE RULING

This disputed claim comes before the Referee under Section 15 of the Procedures Regarding Claims Filed with The Home Insurance Company in Liquidation. The Liquidator has reviewed the proof of claim filed by the Claimant, Richard LaVere and disallowed the claim, principally on the basis that there is no actual claim to review at this time. The Claimant has, in turn, initiated this disputed claim proceeding.

Mr. LaVere was insured by the The Home Insurance Company ("Home") under a claims made professional liability policy which terminated upon his retirement from the active practice of law in the early 1990s. Effective upon that retirement, the Claimant purchased an unlimited "Non-Practicing Extension Coverage Option", as a shield against claims that might later come to the fore in relation to his professional activities during the underlying period of Home coverage. For this protection, the Claimant paid a one time premium to Home in the amount of Five Thousand, Eighteen dollars. (\$5,018.00). Despite the fact that there have been no claims filed against the Claimant since his retirement, the Claimant indicates that he is concerned that his "estate planning work" and his "involvement in large transactions" expose him to liability well into the future.

The Referee has previously considered and ruled upon a disputed claim with essentially the same pertinent circumstances: a claimant advancing a substantial one time premium payment for "unlimited" tail coverage, now facing uncertainty as to whether he has any recourse with either the liquidation or a guaranty fund if an actual claim should arise in the future, and unable to find substitute coverage in the marketplace. *See*: Referee Ruling, 2005-HICIL-23. As was the case in that dispute, the Referee finds it necessary to agree with the Liquidator's determination of record as there is no actual claim to be reviewed.

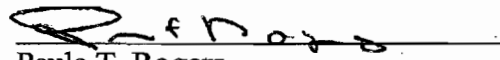
As noted in the prior ruling however, counsel for the Liquidator is on record indicating that if an individual in Mr. LaVere's circumstances were to later file an actual claim prior to the final bar date, the Liquidator would provide fair consideration to it "under the terms and conditions of the policy", even if it were to be first rejected by the guaranty fund to which it might be forwarded. This representation does not entirely eliminate the

Claimant's concern or provide certainty that there will be protection from future exposure, but it does provide some procedural certainty for a fair review of his claim in the unlikely event that he should find it necessary to file one.

Accordingly, the Liquidator's determination is AFFIRMED.

So ruled:

Dated: JANUARY 3, 2007


Paula T. Rogers
Referee