

THE STATE OF NEW HAMPSHIRE

MERRIMACK, SS.

COURT

SUPERIOR

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

In Re Liquidator Number: 2005-HICIL-14  
Proof of Claim Number: AMBC465096 et al  
Claimant Name: Century Indemnity Company

REFEREE'S RULING

As directed, Century Indemnity Company ("CIC") has filed a progress report regarding development of the exemplar claim files which underlie this dispute. The Liquidator responded, taking the position that CIC had failed "to provide a meaningful progress report" and requesting that the Referee issue a scheduling order "setting dates certain" by which CIC must provide "substantiation and legal analysis for the remaining exemplar claims" and respond to any Liquidator "requests for additional substantiation".

From a review of the pleadings and reports filed in this matter, the Referee concludes that at least four (4) of the exemplar claim files are reasonably well developed, though requests for further information from the Liquidator appear to be pending in the MSA and Corning files, and in the offing on both the Kentile and Aqua Chem files. CIC indicates that "at least an additional three (3) to four (4) weeks" will be required to develop each remaining exemplar file "in the form supplied to date for MSA, Corning, Kentile and Aqua Chem".

While CIC opposes any scheduling order, the Referee believes that imposing some structure will properly move matters. Finding nothing that would foreclose moving ahead under the disputed claims procedures with the four (4) claim files over which significant information has been exchanged while CIC continues to develop the remaining files, the Referee imposes the following:

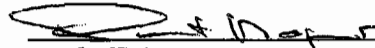
1. Counsel for CIC shall continue to develop the remaining exemplar files within the self-described 3-4 week time frame. The parties shall file a joint progress report on the status of the remaining exemplar claims by close of business on December 1, 2006.
2. The MSA, Corning, Kentile and Aqua Chem claims shall be scheduled for structuring conferences in serial fashion. A structuring conference on the first, MSA, is scheduled for Friday, October 13, 2006 at 10:00.

3. Scheduling of the structuring conferences for the Corning, Kentile and Aqua Chem claims will also be discussed on October 13, 2006, with the expectation that they will be scheduled very shortly thereafter.

Between now and the October 13<sup>th</sup> conference, parties should concentrate on resolving any remaining disagreements over requests for additional information.

So ruled:

Dated: Sept. 11 2006

  
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Paula T. Rogers  
Referee