

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

REFEREE'S RULING

A structuring conference in this matter was conducted by telephone on November 16, 2006. Parties agreed that the Aqua Chem claim dispute can move forward under Section 15 of the Restated and Revised Order Establishing Procedures Regarding Claims Filed with the Home Insurance Company in Liquidation ("Procedures").


Century Indemnity Company ("CIC") requests an opportunity to conduct limited discovery regarding a settlement agreement which has become of interest in the Aqua Chem dispute. The Liquidator, however, objects to any discovery, asserting that the settlement agreement about which CIC seeks further discovery is unambiguous on its face. Should the Referee determine after written submissions and related oral argument that ambiguity exists, limited discovery may be in order; however, discovery at this juncture is unnecessary.

At conference, conducted prior to the expiration of the time period for CIC's filing of its mandatory disclosures under Section 14 of the Procedures, discussion ensued regarding the proper triggering of the time periods for written submissions and oral argument. CIC indicates that it is unlikely to file mandatory disclosures, however the Referee affirms that CIC has until close of business 12/4/2006 to file mandatory disclosure, if it so chooses.

CIC's written submission is due by the close of business January 4, 2007. In turn, the Liquidator's written submissions shall be due by the close of business on February 5, 2007. The Liquidator points out that CIC is asserting setoff in excess of \$12 million dollars in conjunction with this claim, and urges the Referee to schedule oral argument as soon as possible. Therefore, oral argument in this matter shall be scheduled by agreement of the parties within ten days of receipt of the Liquidator's written submission.

So ruled:

Dated: November 17 06


Paula T. Rogers
Referee