

THE STATE OF NEW HAMPSHIRE

MERRIMACK, SS

SUPERIOR COURT

Docket No. 217-2003-EQ-00106

**In the Matter of the Liquidation of
The Home Insurance Company**

LIQUIDATOR'S ONE HUNDRED FIRST REPORT

I, David J. Bettencourt, Insurance Commissioner of the State of New Hampshire, as Liquidator (“Liquidator”) of The Home Insurance Company (“Home”), hereby submit this One Hundred First Report on the liquidation of Home, as of June 1, 2026, in accordance with RSA 402-C:25 and the Order Concerning Liquidator’s Reports issued January 19, 2005.

As an initial matter, the Liquidator notes a change of address:

Effective on April 27, 2026, Home’s New York office relocated to 32 Old Slip, Suite 803, New York, New York 10005. All phone and fax numbers as well as email addresses remain unchanged.

The Home Insurance Company

1. Home’s background. Home, domiciled in New Hampshire, was declared insolvent on June 11, 2003, and is one of the largest property-casualty insurer insolvencies in United States history. The Company and its predecessors began operations in 1853. The Court entered the operative Order of Liquidation on June 13, 2003. The Liquidator has created a stand-alone liquidation operation which presently consists of 19 full and part time employees with an office in New York City, Home’s former corporate headquarters. From the start in 2003, the Liquidator has been engaged in marshalling assets, principally reinsurance, and determining claims.

Since the coronavirus outbreak, liquidation staff for the most part have been working remotely. Despite this shift, liquidation operations have continued without interruption.

2. Home's assets. Home's unrestricted liquid assets as of March 31, 2026 and December 31, 2025 total approximately \$285 million and \$279 million respectively as set forth on the March 31 2026 unaudited financial statement attached as Exhibit A and December 31, 2025 audited financial statement attached as Exhibit B. These figures do not include the \$1.221 billion of net interim distributions paid to claimants on allowed Class II claims, or the net \$266 million paid to insurance guaranty associations in early access distributions. These amounts are discussed in greater detail below. As of March 31, 2026, the Liquidator has marshalled approximately \$1.83 billion in assets net of the expenses of the liquidation and Class I distributions. This total includes the interim distribution amounts paid to claimants, the early access distribution amounts paid to guaranty associations, and special deposits.

3. Coordination with guaranty associations. The Liquidator has worked closely with the state insurance guaranty associations established in every state to handle and pay certain claims under policies issued by insolvent insurers subject to statutory limitations as provided in the associations' respective statutes. See, e.g., RSA 404-B. The New Hampshire Insurers Rehabilitation and Liquidation Act ("Act") provides for so-called "early access" distributions to guaranty associations. See RSA 402-C:29, III. Through June 1, 2026, the Liquidator has made, with the Court's approval, early access net distributions totaling \$266 million. (See Section 12 below.)

As a condition for receiving early access distributions, the guaranty associations entered into "claw back" agreements with the Liquidator requiring the return of any

amounts advanced that exceed the eventual distribution percentage for their creditor class. In accordance with paragraph 4 of the Orders approving the interim distributions, a portion of early access distributions have become permanent and are no longer subject to claw back by the Liquidator. The Liquidator has calculated the amount of early access distributions no longer subject to claw back to date, and has sent letters to the affected guaranty associations to apprise them of the amount of the early access distribution which is now deemed to be permanent. The Liquidator has also sent letters to those guaranty associations which have received reimbursement from special deposits in excess of the interim distribution percentage to advise them that previously paid early access distributions will not become permanent.

4. Proofs of claim. The claim filing deadline in the Home liquidation was June 13, 2004, and the Claim Amendment Deadline was January 26, 2023. Since the Claim Amendment Deadline has passed, the Liquidator is no longer accepting new claims. Based on ongoing review, the proofs of claim submitted by the Claim Amendment Deadline total 21,021. The proof of claim count includes as a single proof of claim (a) multiple proofs received from a claimant that appear to assert the same claim, and (b) claims filed on behalf of mass tort claimants against a single insured. It is difficult to summarize the proofs of claim in advance of the claim determination process because (a) those proofs of claim that quantify the claim may be overstated or understated, (b) most proofs of claim do not quantify the amount claimed, and (c) an individual proof of claim may involve many different claims and claimants.

5. Claim amendment deadline. As described below, a Claim Amendment Deadline of January 26, 2023 was established. In 2019, the Liquidator concluded that to move this proceeding toward closure and protect the interests of the creditors with allowed

Class II claims it was necessary to establish a deadline by which claimants with open proofs of claim must finally amend their claims. The Liquidator accordingly filed a Motion for Approval of Claim Amendment Deadline on August 1, 2019 seeking to establish a deadline for the amendment of claims. Claims filed after the claim amendment deadline and potential claims (claims that cannot be specifically identified by the deadline) would be barred.

After notice and a videoconference hearing, the Court issued orders approving a Claim Amendment Deadline dated January 28, 2021 (“CAD Orders”). An objector, Zurich Insurance Company, German Branch, ultimately pursued an interlocutory appeal. On August 12, 2022, the New Hampshire Supreme Court issued its Opinion affirming the Superior Court’s CAD Orders. *In the Matter of Liquidation of Home Ins. Co.*, 175 N.H. 363 (2022). The Court issued its mandate on August 29, 2022, and the January 28, 2021 Order Approving Claim Amendment Deadline became effective that day.

The Order Approving Claim Amendment Deadline established the Claim Amendment Deadline as the date 150 days from the date of the Order, or January 26, 2023. Since the Claim Amendment Deadline has passed, the Liquidator is not accepting new claims.

6. Claim determinations, reports and settlements. The process of determining proofs of claim continues. Since the last Liquidator’s report, the Liquidator has issued partial or final notices of determination addressing 14 proofs of claim pursuant to the Restated and Revised Order Establishing Procedures Regarding Claims entered January 19, 2005 (“Claims Procedures Order”). As of June 1, 2026, for all priority classes, the following table outlines activity from inception of the Liquidation:

	<u>12/1/20</u>	<u>12/1/21</u>	<u>12/1/22</u>	<u>12/1/23</u>	<u>12/1/24</u>	<u>12/1/25</u>	<u>6/1/26</u>
Proofs of Claim							
Filed (by 1/26/23):	20,834	20,936	20,962	21,021	21,021	21,021	21,021
POCs Resolved							
(Court App'd)^{1&2}:	20,010	20,118	20,222	20,394	20,742	20,872	20,913
Total \$ Court App'd							
Determinations:	\$3.2b	\$3.3b	\$3.4b	\$3.6b	\$3.8b	\$3.9b	\$3.9b
Total \$ Class II							
Court App'd Det:	\$2.9 b	\$2.9b	\$3.0b	\$3.1b	\$3.3b	\$3.4b	\$3.5b
Total Remaining							
Open POCs:	824	818	740	627	279	149	108

Breakdown of Open POC Count

	<u>12/1/20</u>	<u>12/1/21</u>	<u>12/1/22</u>	<u>12/1/23</u>	<u>12/1/24</u>	<u>12/1/25</u>	<u>6/1/26</u>
i. Insureds ³ and Claimants	593	584	529	487	200	101	71
ii. Contribution Claims	4	6	4	4	4	4	4
iii Guaranty Associations	59	59	59	2	1	1	1
iv. Insurer	160	160	139	125	65	39	28
v. Gov't/other	8	9	9	9	9	4	4
Total	824	818	740	627	279	149	108

1 POC counts include single POCs that may encompass multiple underlying claims and multiple POCs that may concern single underlying claims. Multiple determinations may be issued for individual POCs.

2 The number of POCs resolved includes POCs determined and approved by the Court as Class V determinations that are deferred as to amount. The number of deferred Class V determinations can change if a final determination as to amount is issued.

3 As of 6/1/26, the number of insureds with open POCs totaled 11 (based on ongoing review of POCs filed by the Claim Amendment Deadline). All entities falling within the coverage of the policy including the named insured, additional named insured and their successors are counted as one insured if they filed a consolidated POC or POCs. Where the insured, the additional named insured and/or the successors filed separate POCs, each of the entities is counted separately.

The Liquidator continues to file reports of claims and recommendations when a sufficient number of claim determinations have passed the 60-day period for objections under RSA 402-C:41, I. Since the Liquidator's last report, the Liquidator has submitted and the Court has approved one report of claims and recommendations reflecting a total of \$347,116 in determinations for all classifications.

7. Late-filed claims. The Order of Liquidation established June 13, 2004 as the deadline for filing claims in Home's liquidation proceeding. Pursuant to the Act, claims filed after the claim filing deadline are allowed to participate in distributions of the estate provided the late filing of the claim is "excused" for good cause shown. See RSA 402-C:37, II. The Act provides a non-exclusive list of five examples of "good cause" for late filing to be excused, including that the "existence of a claim was not known to the claimant and that he filed within 30 days after he learned of it." *Id.* "Unexcused" late filed claims are not permitted to receive the first distribution from the estate, but may receive subsequent distributions. RSA 402-C:37, III. (In both cases, payment is permitted only if it will not "prejudice the orderly administration of the liquidation." RSA 402-C:37, II, III.)

All proofs of claim received by the Liquidator by the January 26, 2023 Claim Amendment Deadline are reviewed to determine whether the claim is timely filed as respects the initial June 13, 2004 filing deadline or, if late, whether the late filing of the claim is to be "excused." Claimants with late filed claims which are found to be "unexcused" are informed of that determination and that they will not receive the first distribution in the Liquidator's notice of claim determination.

8. Requests for review and objections. A notice of determination is sent to a claimant when the Liquidator determines a claim. Each notice of determination includes instructions on how to dispute the determination under the New Hampshire statutes and the

Claim Procedures Order. Since inception, 1,036 claimants have filed requests for review; 1,023 of these have been sent notices of redetermination or have withdrawn the request for review. Claimants have filed 61 objections with the Court to commence disputed claim proceedings. As of June 1, 2026, there is one pending disputed claim proceeding before the Referee involving three claims. On April 24, 2026, the New Hampshire Supreme Court affirmed the Court's and the Referee's decisions in favor of the Liquidator on a fourth claim. *In the Matter of Liquidation of Home Ins. Co.*, 2026 N.H. 19. The Claims Procedures Order provides for review of the Referee's reports by motion to recommit.

9. Financial reports. The unaudited March 31, 2026 financial statements are attached as Exhibit A to this report. The March 31, 2026 financials reflect \$284,965,165 in assets under the Liquidator's direct control and \$10,293,731 in reinsurance collections, net investment income, and other receipts, and \$3,473,104 in operating disbursements from January 1, 2026 through March 31, 2026.

10. 2026 Budget. A comparison of the actual and budgeted general and administrative expenses of the Home liquidation, on an incurred basis, through March 31, 2026 is attached as Exhibit C. As of March 31, 2026 actual expenses were below budget by \$148,783 or 6.9%. Below is a comparison of the annual budgeted and actual operating expenses (in millions) beginning January 1, 2004:

Year	Budget	Actual
2004	\$33.8	\$26.9
2005	\$26.8	\$26.2
2006	\$25.6	\$23.5
2007	\$22.8	\$21.5
2008	\$21.4	\$20.6
2009	\$20.6	\$20.0
2010	\$19.9	\$20.3
2011	\$18.9	\$18.2
2012	\$18.6	\$18.2
2013	\$18.4	\$17.7
2014	\$17.6	\$17.0
2015	\$17.2	\$16.2
2016	\$15.7	\$14.6
2017	\$14.5	\$13.7
2018	\$14.0	\$12.8
2019	\$13.5	\$12.7
2020	\$13.2	\$11.7
2021	\$12.4	\$11.1
2022	\$11.2	\$10.1
2023	\$10.7	\$10.2
2024	\$10.6	\$ 9.9
2025	\$ 9.5	\$ 8.4
2026	\$ 8.3	

The Liquidator filed a copy of the 2026 Budget on December 9, 2025 as Exhibit E to the Liquidator’s 99th Report to the Court.

As of June 1, 2026, the liquidation staff is 19 in number, which includes seven part time employees. In addition, there are four Information Technology consultants, and three other consultants who periodically work for the estate.

11. Investment update. The Liquidator invests Home’s assets in accordance with the Fourth Revised Investment Guidelines approved September 10, 2012. A summary of Home’s holdings of bonds and short-term investments as of December 31, 2026 is attached as Exhibit D, and a report listing the individual holdings of Home as of that date is attached as Exhibit E. The bonds and short-term investments managed by Conning Asset Management (“Conning”) at March 31, 2026, had a book value and a market value of

approximately \$275.7 million. The portfolio earned approximately \$2.7 million in net investment income from January to March 31, 2026 and is expected to earn approximately \$9.8 million in 2026 based on holdings at December 31, 2025, excluding a \$548,770 capital loss in the first quarter 2026.

The average credit rating for the Conning-managed portfolio holdings as of December 31, 2025 was Aaa by Moody's, and the average rating by S&P is AAA.

As of June 1, 2026, the portfolio had no unrealized gain or loss because the \$31 million of unmatured investments remaining in the portfolio at December 31, 2025 have either matured or been sold.

The Liquidator is now holding all investments in the short term Fidelity Money Market Government Fund FGRXX. That fund normally invests at least 99.5% of total assets in cash, U.S. Government securities and/or repurchase agreement that are collateralized fully (i.e. collateralized by cash or government securities).

12. Guaranty Association early access distributions and determinations. The Liquidator made early access distributions to a total of 55 insurance guaranty associations from 2005 through 2016. The Liquidator makes an early access distribution only after obtaining approval from the Court and "claw back" agreements with the guaranty associations requiring the return of any amounts advanced that are necessary to make distributions to creditors whose claims fall in the same or a higher priority class. *See* RSA 402-C:29, III.

The early access distributions were generally subject to deductions for deposits, deductible reimbursements, recoveries from guaranty association statutory net worth insureds, amounts ascribed Class I and Class V priority, questioned claim items, and an early access distribution cap of 40% of the association's paid loss and expense and case

reserves. Given the large number of guaranty associations affected by the cap and decreasing association claim volume, the tenth and eleventh early access distributions also reflected an additional cap of 75% of the association's cumulative paid claims in accordance with the Court's approval orders. The eleventh early access distribution also applied a \$25,000 minimum payment threshold. A net total of \$266 million had been paid to guaranty associations in early access through December 31, 2025. As of December 31, \$15.9 million in early access distributions remain subject to claw back.

The Liquidator has issued final Notices of Determination to 58 Guaranty Associations and a partial Notice of Determination to the one remaining Guaranty Association, all of which have been approved by the Court. From inception, the Class II allowances for these 59 Guaranty Associations total \$818,134,443 and the Class I administrative expenses total \$143,444,053. The Liquidator is continuing to address the outstanding claims of the one remaining Guaranty Association.

13. Interim distributions. By Order dated March 13, 2012 (as amended July 2, 2012), the Court approved the first interim distribution of 15% to claimants with allowed Class II claims. The interim distribution was subject to receipt of a waiver of federal priority claims from the United States Department of Justice ("US DOJ"), which was received on November 5, 2014. By Order dated November 16, 2015 (as amended March 7, 2016), the Court approved the second interim distribution of 10% to claimants with allowed Class II claims (for a cumulative interim distribution percentage of 25%). The second interim distribution was also subject to receipt of a waiver of federal priority claims from the US DOJ, which was received on July 18, 2016.

By Order dated October 18, 2018, the Court approved the third interim distribution of 5% to claimants with allowed Class II claims (for a cumulative interim distribution

percentage of 30%). The third interim distribution was also subject to receipt of a waiver of federal priority claims from the US DOJ. The Liquidator entered a Release Agreement with the United States in conjunction with a Settlement Agreement between the Federal Claimants and the Liquidator. The two agreements were subject to Court approval, which was given by Order dated March 26, 2019, and other conditions which were satisfied on April 10, 2019, thereby making the Settlement Agreement and the Release Agreement effective. The Release Agreement provided the necessary waiver of federal priority claims allowing the third interim distribution to proceed.

On August 7, 2023, the Liquidator filed a motion for approval of a fourth interim distribution of 10% to claimants with allowed Class II claims, bringing the total interim distribution percentage to 40%. The fourth interim distribution was approved by the Court on August 16, 2023.

On August 26, 2024, the Liquidator filed a motion for approval of a fifth interim distribution of 5% to claimants with allowed Class II claims, bringing the total interim distribution percentage to 45%. The fifth interim distribution was approved by the Court on September 16, 2024.

In November 2024, the Liquidator paid the fifth interim distribution totaling \$154,110,503. In accordance with the Court's order, the fifth interim distribution was made to claimants, or their assignees, with Class II priority claims allowed by the Court through September 30, 2024. Class II creditors with more recently approved claims will receive the distributions after December 31 or June 30.

As of March 31, 2026, interim distributions paid in 2026 totaled \$360,805. \$15,162 remains outstanding as a payable at March 31, 2026. See below.

The Liquidator will continue to issue distribution checks following each subsequent December 31 and June 30 with respect to claims allowed during the six-month period preceding that date as provided in the interim distribution approval orders. The portion of guaranty association early access distributions previously made that is equal to the fifth interim distribution is no longer subject to recovery by the Liquidator pursuant to the Early Access Distribution Agreement. In accordance with RSA 402-C:44, the first \$50 of the allowed amount on each claim is deducted from the claim allowance (except for claims of insurance guaranty associations). The interim distributions to a claimant are subject to any setoff the Liquidator has against the claimant.

The net cumulative interim distributions for all Class II creditors total \$1.221 billion as of March 31, 2026. This total does not include the amounts of prior early access distributions to guaranty associations that are deemed interim distributions no longer subject to claw back pursuant to the interim distribution approval orders (which are included in the early access total in section 12). Certain guaranty associations have had claims satisfied from special deposits and, accordingly, have not received interim distributions from the Home estate.

14. Multiple claims. RSA 402-C:40, IV provides that in the event several claims founded on one policy are filed, and the aggregate allowed amount of all claims to which the same limit of liability in the policy is applicable exceeds that limit, then each claim as allowed shall be reduced in the same proportion so that the total equals the policy limit. This presents a potential risk for allowed claims under such policies in the event that other claims subject to the same policy limit are allowed, as the allowances subject to the same limit would need to be reduced on a pro rata basis to adjust the total of such allowances to the applicable policy limit. Distributions will be based on the reduced

allowances. The Liquidator will be unable to finally determine the extent to which a claim allowance may be subject to proration until all claims against the policy have been determined. The Liquidator is tracking claims against policies and will further address this issue, if warranted, in any future application to increase the interim distribution percentage. If at the time of a distribution there are allowed claims subject to the same limit that are required to be reduced pursuant to RSA 402-C:40, IV, the Liquidator will make the reductions and advise the claimants of the reasons for them.

15. Reinsurance. The collection of reinsurance is the principal remaining asset-marshaling task of the Liquidator. The Liquidator has billed and collected reinsurance throughout the liquidation, and he has entered into commutations with many reinsurers of Home to resolve relationships with those reinsurers for agreed payments.

16. Distributions to Class I Creditors. In his reports and recommendations regarding claims, the Liquidator has recommended that the Court approve certain claims by guaranty associations for expenses which are Class I claims under RSA 402-C:44 pursuant to RSA 404-B:11, II, certain other Class I claims, and the 10% part of allowed guaranty fund defense expense payments assigned to Class I under the Settlement Agreement with 56 guaranty associations approved on July 15, 2013. The Court has approved the claim reports, and the Liquidator accordingly has at various times made distributions to the Class I creditors totaling \$143.5 million (after deduction of setoffs) as of March 31, 2026.

17. Asset dispositions (including compromises) and assumptions of obligations. In accordance with paragraph 5 of the Order Establishing Procedures for Review of Certain Agreements to Assume Obligations or Dispose of Assets entered April 29, 2004, and paragraph 5 of the Liquidator's Eleventh Report, the Liquidator is to report on asset dispositions (including compromises) and obligation assumptions in a confidential

appendix. However, there have been no asset dispositions or assumptions of obligations since the last report.

18. New York Office and Bedford, New Hampshire Office. In 2010, the Liquidator leased office space located at 61 Broadway in New York City pursuant to a Lease Agreement, as amended, which was approved by the Court.

During 2025, the Liquidator sought to reduce the rented space to a size more commensurate with the needs of the liquidation in advance of the June 30, 2027 earliest termination date of the Lease, while the Landlord sought more flexibility. The Liquidator, the Landlord and an affiliate of the Landlord controlling space elsewhere accordingly agreed on a letter agreement to provide the Home liquidation with space at 32 Old Slip, New York (“License Agreement”), and a Fourth Amendment to the Lease to terminate the Lease at 61 Broadway, New York (“Termination Agreement”). The License Agreement was subject to approval by the Court, while the Termination Agreement became effective only upon Court approval of the License Agreement. The Liquidator’s Motion for Approval of License Agreement and Termination of New York Lease was filed on December 3, 2025 and was approved by the Court by Order dated December 5, 2025.

Pursuant to the terms of the Termination Agreement, the basement space at 61 Broadway was surrendered to the Landlord by Notice of Surrender dated December 16, 2025. The Liquidator vacated and surrendered the sixth-floor office space at 61 Broadway by Notice of Surrender dated April 28, 2026.

The License Agreement provides the Liquidator with a license to use a smaller space (3,667 rentable square feet) on the eighth floor of a building at 32 Old Slip, New York. The term of the License Agreement commenced on March 1, 2026 and expires on

May 31, 2028 (with an option to extend for one year, if necessary). The Liquidator relocated operations from the 61 Broadway location to 32 Old Slip on April 27, 2026.

The New Hampshire office located in Bedford, New Hampshire, which had been let on a month to month basis, was vacated on April 30, 2026 in accordance with a Notice of Termination for the Home's occupancy of the space.

19. Mailing Address: As reflected on the liquidation website (www.hicilclerk.org), effective as of April 27, 2026, the mailing address for the liquidation has changed from 61 Broadway, 6th Floor, New York, New York 10006 to 32 Old Slip, Suite 803, New York, NY 10005.

20. Document Storage. The contract with Iron Mountain regarding storage of Home's records housed at Iron Mountain facilities as amended and approved by the Court on November 3, 2021, extends through November 30, 2026. The Liquidator has (i) an option to renew the agreement for another five year term from December 1, 2026 to November 30, 2031, and (ii) the right to terminate the agreement on the annual anniversary upon six months' notice. As of June 1, 2026, there are approximately 1,683 boxes of documents in storage at Iron Mountain, down from a high of 167,000 in 2004 when the record review process was commenced, resulting in considerable savings to Home's estate. On November 14, 2023, the Liquidator filed a Ninth Record Retention and Disposal Motion with the Court seeking approval to retain those categories of records which will be needed to bring the estate to closure and to destroy those records which fall outside of those categories. The motion was granted on December 1, 2023.

21. Ancillary proceedings in the United States and United Kingdom. Ancillary receiverships for Home remain pending in Oregon and New York. In addition, a provisional liquidation proceeding concerning Home's unincorporated branch in the United

Kingdom (“UK Branch”) remains pending. The Home’s UK Branch wrote insurance and reinsurance as a participating member of the American Foreign Insurance Association (“AFIA”), and a Scheme of Arrangement with AFIA creditors was approved by the UK court in November 2005.

Respectfully submitted,



David J. Bettencourt, Insurance
Commissioner of the State of New
Hampshire, as Liquidator of the Home
Insurance Company

Dated: June 17, 2026

CERTIFICATE OF SERVICE

I hereby certify that on June Fi, 2026, a copy of the Liquidator's One Hundred First Report and its exhibits was served upon the persons named on the attached Service List, by first class mail, postage prepaid.

/s/ Eric A. Smith

Eric A. Smith
NH Bar ID No. 16952

Exhibits:

- A – Unaudited Financial Statements as of 3/31/26
- B – Audited Financial Statements as of 12/31/25
- C - Comparison of actual and budgeted general and administrative expenses through 3/31/26
- D - Holdings of bonds and short-term investments as of 3/31/26
- E - Individual holdings report as of 3/31/26

STATE OF NEW HAMPSHIRE

MERRIMACK, SS.

SUPERIOR COURT

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Docket No. 217-2003-EQ-00106**

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6.18.26

EXHIBIT A

The Home Insurance Company In Liquidation

Statement of Restricted and Unrestricted Net Assets Excluding Certain Amounts (Modified-Cash Basis) (Unaudited)

	March 31, 2026	December 31, 2025
Assets		
Unrestricted fixed-income securities, short-term investments, and cash and cash equivalents, at cost:		
Fixed-income securities (Note 2)	\$ -	\$ 30,616,131
Cash and cash equivalents	284,109,545	247,033,590
Total unrestricted fixed-income, short-term investments, and cash and cash equivalents, at cost	\$ 284,109,545	\$ 277,649,720
Unrestricted liquid assets:		
Interest income due and accrued	834,289	946,253
Total unrestricted liquid assets	\$ 284,943,833	\$ 278,595,973
Unrestricted illiquid assets: (Note 1)		
Limited partnership interests	412,183	412,183
Total unrestricted illiquid assets	\$ 412,183	\$ 412,183
 Total restricted and unrestricted assets, excluding certain amounts	 \$ 285,356,016	 \$ 279,008,156
Liabilities		
Incurred but unpaid administrative expenses and investment expenses (Note 3)	\$ 375,689	\$ 901,406
Class I distribution checks outstanding (Note 8)	-	-
Class II distribution checks outstanding (Note 9)	15,162	95,835
Total liabilities	\$ 390,851	\$ 997,241
Restricted and unrestricted net assets, excluding certain amounts	\$ 284,965,165	\$ 278,010,915

See accompanying notes.

The Home Insurance Company in Liquidation

Statement of Restricted and Unrestricted Cash Receipts and Disbursements
(Modified-Cash Basis)
(Unaudited)

	January 1, 2026 To March 31, 2026	January 1, 2025 To December 31, 2025
Cash and marketable securities received:		
Net investment income	\$ 2,691,796	\$ 11,728,006
Reinsurance collections - unrestricted	7,385,234	17,461,084
Agents' balances	-	(191,500)
Salvage, subrogation and other claim recoveries	1,786	1,677,002
Realized capital gains on sale of fixed-income securities (Note 1)	214,650	154,397
Miscellaneous income	265	(33,545)
All other	-	543,902
	<hr/>	<hr/>
Total cash receipts	\$ 10,293,731	\$ 31,339,346
Cash operating disbursements:		
Human resources costs (Note 3)	1,601,403	5,069,655
Consultant and outside service fees	530,454	1,887,822
General office and rent expense	190,619	846,956
Realized capital losses on sale of fixed-income securities (Note 1)	784,252	-
Investment expenses	41,139	362,156
Legal and audit fees	43,334	474,364
Computers and equipment cost	134,739	308,772
Administration costs	29,319	132,380
Loss expenses paid (Note 1)	4,931	139
Capital contribution	-	64,450
All other	112,913	152,289
	<hr/>	<hr/>
Total cash operating disbursements	\$ 3,473,104	\$ 9,298,984
Excess of receipts over operating disbursements	\$ 6,820,626	\$ 22,040,363
Class I Distributions (Note 8)	-	272,365
Class II Distributions (Note 9)	360,805	57,148,084
	<hr/>	<hr/>
Cash disbursements and distributions in excess of receipts	\$ 6,459,822	\$ (35,380,087)
Beginning restricted and unrestricted fixed-income securities, short-term investments, and cash and cash equivalents, at cost	<hr/>	<hr/>
	277,649,720	313,029,808
Ending restricted and unrestricted fixed-income securities, short-term investments, and cash and cash equivalents, at cost	\$ 284,109,540	\$ 277,649,720

The Home Insurance Company in Liquidation

Statement of Changes in Restricted and Unrestricted Net Assets Excluding Certain Amounts (Modified-Cash Basis) (Unaudited)

	January 1, 2026 To March 31, 2026	January 1, 2025 To December 31, 2025
Restricted and unrestricted net assets, excluding certain amounts, beginning of year	\$ 278,010,915	\$ 311,374,764
Cash operating disbursements in excess of unrestricted and restricted cash receipts	6,459,822	(35,380,087)
Other changes in restricted and unrestricted net assets:		
Limited partnership interests, illiquid	-	(42,173)
Interest income due and accrued	(111,962)	(1,361,864)
Incurred but unpaid administrative and investment expenses (Note 3)	525,717	481,249
Deductible reimbursements (Note 7)	-	-
Class I distribution checks outstanding (Note 8)	-	0
Class II distribution checks outstanding (Note 9)	80,673	2,939,025
	\$ 284,965,165	\$ 278,010,915
Restricted and unrestricted net assets, excluding certain amounts, end of year	\$ 284,965,165	\$ 278,010,915

See accompanying notes.

The Home Insurance Company in Liquidation (“Home”)

Notes to Financial Statements
(Modified-Cash Basis)
(Unaudited)
March 31, 2026

1) Basis of Accounting

These financial statements are prepared using the modified cash basis of accounting which differs from accounting principles generally accepted in the United States. Only those assets that are within the possession of the Liquidator and other known amounts for which ultimate realization is expected to occur, primarily investments and cash and cash equivalents, and certain receivables, are recorded. Liabilities that have been acknowledged by the Liquidator are prioritized into creditor classes in accordance with the New Hampshire Statute establishing creditor classes in insurer insolvencies, RSA 402-C: 44. Only incurred but unpaid Class I (Administration Costs) liabilities, which are in a creditor class superior to all other classes, are presented in these financial statements.

These financial statements do not record the amounts of certain assets such as outstanding receivables, reinsurance recoverables, securities on deposit with various states and the federal government, early access distributions, funds held and claims against others, and certain liabilities, including insurance claims, as such amounts have not been settled and agreed to with third parties.

The amount shown for loss expenses paid primarily represents (1) loss expenses accorded administrative expense priority by the rehabilitation order and liquidation order, and (2) expenses relating to obtaining claim recoveries which also are entitled to administrative expense priority. Checks issued for such loss expenses that are not cashed are reflected as liabilities.

The Liquidator invests Home’s assets in accordance with the Fourth Revised Investment Guidelines approved September 10, 2012. Home’s holdings of bonds and short-term investments as of March 31, 2026, are consistent with the investment guidelines.

The Liquidator continues to focus on preservation of capital on investments, maintaining a high-quality portfolio, and consistent with objectives and maximizing current income. The Liquidator believes that all securities in the portfolio will pay full amounts of principal in spite of fluctuating market values.

Unrestricted illiquid assets represent investments in common stock and limited partnership interests which are not liquid since these are not publicly traded.

Realized capital gains and losses on sale of bonds are calculated based on original cost of the bonds. Proceeds received above or below cost on maturity of bonds are included as part of net investment income. Proceeds received above or below original cost are treated as a gain or loss upon disposition of common stock.

This statement does not include any assets of Home’s branches outside of the United States.

The Home Insurance Company in Liquidation (“Home”)

Notes to Financial Statements (continued)
(Modified-Cash Basis)
(Unaudited)

2) Investments

The cost and estimated fair values of unrestricted fixed-income securities and common stock by major category are summarized as follows:

	<u>March 31, 2026</u>			
	<u>Cost</u>	<u>Gross Unrealized Gains</u>	<u>Gross Unrealized Losses</u>	<u>Fair Value</u>
Fixed-income securities:				
U.S. Treasury notes	-	-	-	-
Corporate	-	-	-	-
Mortgage-backed	-	-	-	-
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Common Stock	\$ 346	\$ -	\$ (346)	\$ -

The amortized cost of unrestricted fixed-income securities is \$0 on March 31, 2026. Based on such amortized cost, gross unrealized gains are \$0 and gross unrealized losses are \$0.

	<u>December 31, 2025</u>			
	<u>Cost</u>	<u>Gross Unrealized Gains</u>	<u>Gross Unrealized Losses</u>	<u>Fair Value</u>
Fixed-income securities:				
U.S. Treasury notes	-	-	-	-
Corporate	10,034,399	213,824	-	10,034,399
Mortgage-backed	20,581,732	40,026	(790,582)	20,581,732
Total	<u>\$ 30,616,131</u>	<u>\$ 253,850</u>	<u>\$ (790,582)</u>	<u>\$ 30,616,131</u>
Total Common Stock	\$ 346	\$ -	\$ (346)	\$ -

The amortized cost of unrestricted fixed-income securities is \$30,596,099 on December 31, 2025. Based on such amortized cost, gross unrealized gains are \$49,215 and gross unrealized losses are \$565,915.

The Home Insurance Company in Liquidation (“Home”)

Notes to Financial Statements (continued)
 (Modified-Cash Basis)
 (Unaudited)

2) Investments (continued)

The cost and fair values of unrestricted fixed-income securities by contractual maturity are as follows:

Unrestricted fixed-income securities

	<u>Cost</u>	<u>Fair Value</u>
March 31, 2026		
One year or less	\$ -	\$ -
Mortgage-backed	<u>-</u>	<u>-</u>
Total	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Unrestricted fixed-income securities

	<u>Cost</u>	<u>Fair Value</u>
December 31, 2025		
One year or less	\$10,034,399	\$ 10,248,225
Mortgage-backed	<u>20,581,731</u>	<u>19,831,175</u>
Total	<u><u>\$ 30,616,131</u></u>	<u><u>\$ 30,079,399</u></u>

The Home Insurance Company in Liquidation ("Home")

Notes to Financial Statements (continued)
(Modified-Cash Basis)
(Unaudited)

3) Incurred But Unpaid Administrative Expenses and Investment Expenses

Accrued expenses incurred in the normal course of Home's liquidation, but unpaid as of March 31, 2026, are as follows:

Human resources costs	\$	140,250
Consultant and outside service fees		115,372
General office and rent expense		8,710
Legal and auditing fees		15,817
Other administration costs		<u>59,967</u>
Total accrued administrative expenses		<u>340,115</u>
Accrued investment expenses		<u>35,573</u>
Total accrued expenses		<u>375,689</u>

The amount of accrued expenses at December 31, 2025 is \$901,406 and net assets for 2026 increased by \$525,717 due to the decrease in the accrual.

The Annual Incentive Plan ("AIP") was terminated as of December 31, 2023 and the final AIP payments for 2023 were made in January 2024. The AIP was replaced by individual performance-based bonus programs in 2024 for employees previously participating in the AIP. The costs of these plans are primarily payable in 2026, but are based on 2025 service and are being accrued over the service period in 2026. Accrued at March 31, 2026 administrative expense includes \$140,250 incentive plan costs and other employee benefits.

4) Restricted Funds

The Liquidator has drawn down on letters of credit (LOC) upon receiving notices of cancellation or notices of non-renewal from the issuing bank. Such LOC drawdowns relate to insurance losses not yet proven and/or settled and are recognized as restricted cash receipts. Restricted funds will be recognized as unrestricted reinsurance recoveries when such balances are proven and/or settled between the beneficial owner and the Liquidator. During 2025 all funds related to the reinsurance recoveries have been released at March 31, 2026 total is \$0.

The Home Insurance Company in Liquidation (“Home”)

Notes to Financial Statements (continued)
(Modified-Cash Basis)
(Unaudited)

6) Early Access Distribution (continued)

The following summary represents early access distributions and related advances that are not reflected in the Statement of Net Assets.

Early Access Distributions paid in cash	\$ 263,246,349
Assets withdrawn from special deposits held by states to pay Home claims (market value, see note 5)	56,260,423
Other deemed Early Access advances paid in cash	<u>3,148,212</u>
Total	<u>\$ 322,654,984</u>

Early Access advances subject to “claw back” at March 31, 2026 total \$15,854,867.

7) Home Deductible Policies – Reimbursement

On April 6, 2011, the Liquidation Court approved an agreement between the Liquidator and the Guaranty Associations regarding Home Deductible policies (the Deductible Agreement). The Deductible Agreement provides that the Liquidator will reimburse the signatory Guaranty Associations for deductible amounts collected during liquidation. The Liquidator also charges a fee of 7.5% as reimbursement of the Home’s expenses incurred in the collection process. Forty-six Guaranty Associations have signed the Deductible Agreement to date. On April 6, 2023, the Liquidator paid \$280,672 after netting of the fee and advised the Guaranty Associations that Deductible collection services are discontinued.

8) Allowed Claims

As of March 31, 2026, the Liquidator has allowed, and the Liquidation Court has approved, \$143,507,961 of Class I claims, \$3,450,974,409 of Class II claims, \$2,672,527 of Class III claims, \$413,357,193 of Class V claims and \$53,887 of Class VIII claims. Class I claims paid in 2025 were \$272,365 and in 2024 were \$11,755,964 for the fifteenth, fourteenth and thirteenth distribution of Guaranty Associations’ administrative costs. It is management’s judgment that there will not be sufficient assets to make distributions on allowed claims below the Class II priority. Distributions on allowed claims will depend on the amount of assets available for distribution and allowed claims in each successive priority class under New Hampshire RSA 402-C: 44.

The Home Insurance Company in Liquidation (“Home”)

Notes to Financial Statements (continued)
(Modified-Cash Basis)
(Unaudited)

9) Interim Distribution

On February 10, 2012, the Liquidator submitted a motion to the Liquidation Court seeking approval for a 15% interim distribution on allowed Class II claims. The interim distribution was approved by order of the Liquidation Court on March 13, 2012 (as amended July 2, 2012) and was subject to receipt of a waiver of federal priority claims from the United States Department of Justice. The waiver was received on November 5, 2014.

Additionally, on September 28, 2015, the Liquidator submitted a motion to the Liquidation Court seeking approval for a second interim distribution of 10% on allowed Class II claims. The Liquidation Court issued an order approving the motion on November 16, 2015 (the Order). On March 7, 2016, the Order was amended so that claimants who had not received the first interim distribution would be paid the second interim distribution coincident with the first interim distribution. The second interim distribution was subject to a waiver from the United States Department of Justice. The waiver was received on July 18, 2016.

On September 28, 2018, the Liquidator submitted a motion to the Liquidating Court seeking approval for a third interim distribution of 5% on allowed Class II claims. The Liquidation Court issued an order approving the motion on October 18, 2018, subject to a waiver from the United States Department of Justice. The waiver was received on April 10, 2019.

On August 7, 2023, the Liquidator filed a motion for approval of a fourth interim distribution of 10% to claimants with allowed Class II claims, bringing the total interim distribution percentage to 40%. The fourth interim distribution was approved by the Court on August 16, 2023. In October and December 2023, the Liquidator paid the fourth interim distribution totaling \$242.1 million to claimants, or their assignees with Class II priority claims allowed by the Court through August 31, 2023.

On August 26, 2024, the Liquidator filed a motion for approval of a fifth interim distribution of 5% to claimants with allowed Class II claims, bringing the total interim distribution percentage to 45%. The fifth interim distribution was approved by the Court on September 16, 2024.

In November, the Liquidator paid the fifth interim distribution totaling \$154,110,503. In accordance with the Court’s order, the fifth interim distribution was made to claimants, or their assignees, with Class II priority claims allowed by the Court through September 30, 2024.

As of March 31, 2026, cash paid relating to the interim distributions in 2026 were \$360,805 and in 2024 were \$57,148,084 respectively, and \$15,162 and \$95,835 remains outstanding as a payable at March 31, 2026 and December 31, 2025, respectively. The total of all Class II payments issued through March 31, 2026, was \$1,220,994,481.

The Home Insurance Company in Liquidation (“Home”)

Notes to Financial Statements (continued)
(Modified-Cash Basis)
(Unaudited)

10) Claim Amendment Deadline Motion

The Liquidator filed a Motion for Approval of a Claim Amendment Deadline on August 1, 2019 seeking to establish a deadline for the amendment and submission of claims. After receiving certain objections to the proposed Claim Amendment Deadline, and the Liquidator’s responses thereto, the Court held a hearing on December 11, 2020. The Court subsequently issued orders dated January 28, 2021, approving the Claim Amendment Deadline. On February 11, 2021, certain of the objectors filed motions to reconsider the orders granting the

Liquidator’s Motion for Approval of Claim Amendment Deadline, together with a motion to stay the orders. On April 26, 2021, the Court denied the motion for reconsideration but granted a stay of the Claim Amendment Deadline order pending the objectors seeking an interlocutory appeal. One objector and the Liquidator negotiated an interlocutory appeal statement, which two other objectors joined. The Superior Court approved the statement on May 12, 2021. The objector filed the interlocutory appeal statement with the New Hampshire Supreme Court on May 19, 2021. On February 10, 2022, the New Hampshire Supreme Court heard oral argument on the appeal of the Superior Court’s order approving the Claim Amendment Deadline, and on August 12, 2022, it issued its Opinion which affirmed the Superior Court’s orders. In its Opinion, the New Hampshire Supreme Court found that the Superior Court acted within its discretion in granting the Liquidator’s Motion and approving the Claim Amendment Deadline, and in concluding that the Claim Amendment Deadline strikes a reasonable balance between the expeditious completion of the liquidation and the protection of unliquidated and undetermined claims in accordance with NH RSA 402-C:46, I. The New Hampshire Supreme Court issued its mandate on August 29, 2022, which is the effective date of the New Hampshire Supreme Court’s decision. The Order Approving Claim Amendment Deadline established the Claim Amendment Deadline as the date 150 days from the date of the Order. That date was Thursday, January 26, 2023. In accordance with the Order Approving Claim Amendment Deadline, the Liquidator mailed notices of the Claim Amendment Deadline in the approved form to all claimants who have an open proof of claim in the Home liquidation.

GZJ KDKV'D

FINANCIAL STATEMENTS
(MODIFIED-CASH BASIS)

The Home Insurance Company in Liquidation
Years Ended December 31, 2025 and 2024
With Report of Independent Auditors



The better the question.
The better the answer.
The better the world works.



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The Home Insurance Company in Liquidation

Financial Statements (Modified-Cash Basis)

Years Ended December 31, 2025 and 2024

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Report of Independent Auditors

The Special Deputy Liquidator
The Home Insurance Company in Liquidation

Opinion

We have audited the financial statements of The Home Insurance Company in Liquidation (the Company), which comprise the statements of restricted and unrestricted net assets, excluding certain amounts (modified-cash basis) as of December 31, 2025 and 2024, and the related statements of restricted and unrestricted cash receipts and disbursements (modified-cash basis), and changes in restricted and unrestricted net assets, excluding certain amounts (modified-cash basis), for the years then ended, and the related notes (collectively referred to as the “financial statements”).

In our opinion, the accompanying financial statements present fairly, in all material respects, the restricted and unrestricted net assets, excluding certain amounts (modified-cash basis), of the Company at December 31, 2025 and 2024, and its statements of restricted and unrestricted cash receipts and disbursements (modified-cash basis), and changes in restricted and unrestricted net assets, excluding certain amounts (modified-cash basis), during the years then ended in accordance with the financial reporting provisions as accepted by the New Hampshire Department of Insurance, the Insurance Commissioner of the State of New Hampshire, and the Liquidation Court described in Note 1.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company, and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Modified-Cash Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared by the Company on a modified-cash basis of accounting as accepted by the New Hampshire Department of Insurance, the Insurance Commissioner of the State of New Hampshire, and the Liquidation Court, which is a basis of accounting other than



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accounting principles generally accepted in the United States of America, to meet the requirements of the New Hampshire Department of Insurance, the Insurance Commissioner of the State of New Hampshire, and the Liquidation Court. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified-cash basis of accounting as accepted by the New Hampshire Department of Insurance, the Insurance Commissioner of the State of New Hampshire, and the Liquidation Court. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.



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- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Restriction on Use

Our report is intended solely for the information and use of the Liquidating Company, the New Hampshire Department of Insurance, the Insurance Commissioner of the State of New Hampshire, and the Liquidation Court to whose jurisdiction the Liquidating Company is subject and is not intended to be and should not be used by anyone other than these specified parties.

Ernst + Young LLP

June 12, 2026

The Home Insurance Company in Liquidation

Statements of Restricted and Unrestricted Net Assets, Excluding Certain Amounts (Modified-Cash Basis)

	December 31	
	2025	2024
Assets		
Unrestricted fixed-income securities, and cash and cash equivalents, at cost:		
Fixed-income securities	\$ 30,616,131	\$ 230,634,432
Cash and cash equivalents	247,033,590	82,395,377
Total unrestricted fixed-income securities and cash and cash equivalents, at cost	277,649,721	313,029,809
Common stock, at fair value	–	2
Interest income due and accrued	946,253	2,308,117
Total unrestricted liquid assets	278,595,974	315,337,928
Unrestricted illiquid assets:		
Unrestricted illiquid assets-limited partnership interest	412,182	454,354
Total restricted and unrestricted assets, excluding certain amounts	279,008,156	315,792,282
Liabilities		
Incurred but unpaid administrative expenses and investment expenses	901,406	1,382,656
Class II distribution checks outstanding	95,835	1,874,625
Total liabilities	997,241	3,257,281
Restricted and unrestricted net assets, excluding certain amounts	\$ 278,010,915	\$ 312,535,001

See accompanying notes.

The Home Insurance Company in Liquidation

Statements of Restricted and Unrestricted Cash Receipts and Disbursements (Modified-Cash Basis)

	Year Ended December 31	
	2025	2024
Cash receipts:		
Net investment income	\$ 11,728,006	\$ 15,939,726
Reinsurance collections	17,461,084	16,172,425
Agents' balances	(191,500)	627,436
Salvage, subrogation, and other claim recoveries	1,677,002	870,389
Realized capital gains on sale of fixed-income securities	154,397	34,130
Miscellaneous income	—	4,441
Other	510,357	760,754
Total cash receipts	31,339,346	34,409,301
Cash operating disbursements:		
Human resources costs	5,069,655	5,700,738
Consultant and outside service fees	1,887,822	2,099,738
Realized capital losses on sale of fixed-income securities	—	79,649
General office and rent expense	846,956	1,099,131
Legal and audit fees	474,364	428,198
Investment expenses	362,156	519,084
Computers and other equipment expense	308,772	191,125
Administration costs	132,380	152,084
Loss expenses paid	139	—
Return of Deductible Escrow	—	1,746,623
Other	216,738	788,996
Total cash operating disbursements	9,298,982	12,805,366
Excess of cash receipts over cash operating disbursements	22,040,364	21,603,935
Class I distributions	(272,365)	(11,755,964)
Class II distributions	(57,148,084)	(229,480,930)
Cash disbursements in excess of receipts	(35,380,085)	(219,632,958)
Beginning restricted and unrestricted fixed-income securities, short-term investments, and cash and cash equivalents, at cost	313,029,806	532,662,768
Ending restricted and unrestricted fixed-income securities, short-term investments, and cash and cash equivalents, at cost	\$ 277,649,721	\$ 313,029,806

See accompanying notes.

The Home Insurance Company in Liquidation

Statements of Changes in Restricted and Unrestricted
Net Assets, Excluding Certain Amounts
(Modified-Cash Basis)

	Year Ended December 31	
	2025	2024
Restricted and unrestricted net assets, excluding certain amounts, beginning of year	\$ 312,535,001	\$ 532,252,277
Unrestricted and restricted cash disbursements in excess of receipts	(35,380,085)	(219,632,958)
Other changes in restricted and unrestricted net assets:		
Limited partnership interest, illiquid	(42,172)	–
Interest income due and accrued	(1,361,864)	(889,915)
Incurred but unpaid administrative expenses and investment expenses	481,250	(161,882)
Class I distribution checks outstanding	–	2,199,726
Class II distribution checks outstanding	1,778,790	(1,232,246)
Miscellaneous	(5)	–
Restricted and unrestricted net assets, excluding certain amounts, end of year	\$ 278,010,915	\$ 312,535,001

See accompanying notes.

The Home Insurance Company in Liquidation

Notes to Financial Statements (Modified-Cash Basis)

December 31, 2025

1. Background and Significant Accounting Policies

The Home Insurance Company (the Company) was declared insolvent on June 11, 2003, and the liquidation of the Company was ordered (the Liquidation Order) by the Merrimack County Superior Court of the State of New Hampshire (the Liquidation Court). The Insurance Commissioner of the State of New Hampshire (the Liquidator) was appointed Liquidator of the Company. The liquidation of the Company (since June 11, 2003, The Home Insurance Company in Liquidation) is being conducted in accordance with New Hampshire statutes governing insurance insolvency proceedings. The Company has issued no new insurance policies since 1995, and it was placed in supervision by the New Hampshire Insurance Department in 1997. The principal activities since the date of the Liquidation Order (insolvency) consist of determining claims under policies issued prior to the date of insolvency, recovering reinsurance balances for losses ceded under reinsurance agreements, and collecting assets to distribute to creditors. On June 13, 2003, the Liquidation Court issued a revised Liquidation Order, which did not change the effective date of the insolvency.

The following represents the significant accounting policies affecting The Home Insurance Company in Liquidation (the Liquidating Company) that are used in preparing the accompanying financial statements (modified-cash basis). These policies differ from accounting principles generally accepted in the United States.

Basis of Accounting

The Liquidating Company's financial statements are prepared using a modified-cash basis of accounting, which differs from U.S. generally accepted accounting principles (GAAP). Only those assets that are within the possession of the Liquidator and other known amounts for which ultimate realization by the Liquidating Company is expected to occur, primarily liquid and illiquid investments, cash and cash equivalents, and certain receivables, are recorded. Liabilities that have been acknowledged by the Liquidating Company are prioritized into ten creditor classes in accordance with the New Hampshire statute establishing creditor classes in insurer insolvencies (Revised Statutes Section (RSA) 402-C:44), as discussed below under the caption "Priority of Claims and Distributions to Creditors." These financial statements (modified-cash basis) reflect the restricted and unrestricted net assets and the cash receipts, cash disbursements (including the interim distributions to Class II creditors described below and the early access distributions to state guarantee associations as described in Note 7), and other changes in net assets on the basis described above, which has been ordered and accepted by the Liquidation Court.

The Home Insurance Company in Liquidation

Notes to Financial Statements (Modified-Cash Basis) (continued)

1. Background and Significant Accounting Policies (continued)

Under this basis of accounting, the Liquidating Company does not record the amounts of certain assets, such as reinsurance recoverable, securities on deposit with various states, funds held, and claims against others, and certain liabilities, including insurance policy claims and losses, as such amounts have not been settled and agreed to with third parties or the Liquidation Court.

“Restricted” is a term used to denote certain assets held and managed by the Liquidating Company for parties at interest. The right of ownership to these assets is conditional upon future events. Accordingly, such amounts are shown separately where appropriate (see Note 5).

Use of Estimates

The preparation of the financial statements requires the use of estimates and assumptions by management that affect amounts reported in these financial statements and accompanying notes. Actual results may vary from these estimates as more information becomes known.

Fixed-Income Securities

Fixed-income securities are carried at cost with no provision for amortization of premium or discount on purchase price. Amounts received over or under original cost are treated as a gain or loss upon disposition and are treated as net investment income at maturity. Fixed-income securities are generally held until maturity. The types of fixed-income securities that the Liquidating Company may invest in are prescribed by order of the Liquidation Court and consist principally of U.S. government agency securities and other high-credit-quality corporate, mortgage-backed, and asset-backed debt instruments. In 2012, the Liquidation Court approved revised guidelines for the Liquidating Company, allowing limited investments in high-yield and municipal debt investments. The Liquidating Company accrues interest income on fixed-income securities as the realization of such amounts is expected to occur.

Cash and Cash Equivalents

Cash and cash equivalents are presented at cost, which approximates fair value. Cash and cash equivalents consist principally of money market accounts and commercial paper.

The Home Insurance Company in Liquidation

Notes to Financial Statements (Modified-Cash Basis) (continued)

1. Background and Significant Accounting Policies (continued)

Short-Term Investments

Short-term investments are reported at cost, which approximates fair value, and consist primarily of U.S. Treasury bills with maturities at the date of acquisition between 90 days and one year.

Common Stock

Common stock is carried at fair value based upon the closing price in the over-the-counter market.

Limited Partnership Interest

Limited partnership interest is an illiquid asset that comprises an 18% investment in a partnership. The carrying value of this investment is equal to the percentage of equity owned as determined based on the most recently available K-1 partnership tax form.

Loss Expenses Paid

The amount shown for loss expenses paid in the statements of restricted and unrestricted cash receipts and disbursements (modified-cash basis), and changes in fixed-income securities, short-term investments, and cash and cash equivalents primarily represents: (1) loss expenses accorded administrative expense priority by the rehabilitation order and Liquidation Order, and (2) expenses relating to obtaining claim recoveries, which also are entitled to administrative expense priority. Checks issued for such loss expenses that are not cashed, if any, are reflected as liabilities.

Employee Benefits

Substantially all full-time employees of the Liquidating Company are covered by various employee incentive plans, which were approved by the Liquidation Court. The costs incurred for these plans are based on the years of service but are paid in the subsequent year. The amount accrued in the liability for "Incurred but unpaid administrative expenses and investment expenses" was \$655,662 and \$951,596 at December 31, 2025 and 2024, respectively. The amount paid for 2025 and 2024 was \$655,662 and \$951,596 respectively, which is included in "Human resources costs."

The Home Insurance Company in Liquidation

Notes to Financial Statements (Modified-Cash Basis) (continued)

1. Background and Significant Accounting Policies (continued)

Reinsurance Recoveries

Reinsurance recoveries are recognized when collected.

Deductible Reimbursements

Deductible reimbursements, net of related fees, are recognized when paid.

Priority of Claims and Distributions to Creditors

The Liquidating Company will distribute funds to policyholders/creditors in accordance with RSA 402-C:44, which governs asset distributions from the estate of the Liquidating Company.

The RSA establishes the following classes of creditors:

- Class I:** Payment of all administration expenses of closing the business and liquidating the Company
- Class II:** Payment of policy claims (excluding any loss for which indemnification is provided by other benefits or advantages recovered or recoverable by the claimant)
- Class III:** Claims of the federal government
- Class IV:** Debts due to employees for services performed
- Class V:** All other claims, including claims of any state or local government, not falling within other classes
- Class VI:** Claims based solely on judgments
- Class VII:** Interest on claims already paid
- Class VIII:** Miscellaneous subordinated claims¹.

The Home Insurance Company in Liquidation

Notes to Financial Statements (Modified-Cash Basis) (continued)

1. Background and Significant Accounting Policies (continued)

Class IX: Preferred ownership claims, including surplus or contribution notes, or similar obligations, and premium funds on assessable policies

Class X: The claims of shareholders or other owners

The claims of a higher class of creditor (e.g., Class I) must be paid in full before a lower creditor class becomes eligible for payment. The Liquidating Company is currently paying Class I (Administration Costs) creditors. In 2014, a 15% interim distribution was paid to Class II creditors and, in 2016, a second interim distribution of 10% was paid to such creditors. The Liquidator had submitted a motion to the Liquidation Court seeking approval for the 15% interim distribution on allowed Class II claims on February 10, 2012. The interim distribution was approved by order of the Liquidation Court on March 13, 2012 (as amended July 2, 2012), and was subject to receipt of a waiver of federal priority claims from the United States Department of Justice. The waiver was received on November 5, 2014. Additionally, on September 28, 2015, the Liquidator submitted a motion to the Liquidation Court seeking approval for a second interim distribution of 10% on allowed Class II claims. The Liquidation Court issued an order approving the motion on November 16, 2015 (the Order). On March 7, 2016, the Order was amended so that claimants who had not received the first interim distribution would be paid the second interim distribution coincident with the first interim distribution. The second interim distribution was subject to a waiver from the United States Department of Justice. The waiver was received on July 18, 2016.

On September 28, 2018, the Liquidator submitted a motion to the Liquidating Court, seeking approval for a third interim distribution of 5% on allowed Class II claims. The Liquidation Court issued an order approving the motion on October 18, 2018, subject to a waiver from the United States Department of Justice. The waiver was received on April 10, 2019.

On August 7, 2023, the Liquidator filed a motion for approval of a fourth interim distribution of 10% to claimants with allowed Class II claims, bringing the total interim distribution percentage to 40%. The fourth interim distribution was approved by the Court on August 16, 2023. In October and December, 2023 the Liquidator paid the fourth interim distribution totaling \$242.1 million to claimants, or their assignees with Class II priority claims allowed by the Court through August 31, 2023.

The Home Insurance Company in Liquidation

Notes to Financial Statements (Modified-Cash Basis) (continued)

1. Background and Significant Accounting Policies (continued)

As of December 31, 2025, the total distribution expected to be made related to Class II claims, including a liability for outstanding checks, is \$1,220,994,481 as compared to \$1,165,625,188 as of December 31, 2024. Cash distributed in 2025 and 2024 totaled \$57,148,084 and \$229,480,930, respectively, and \$95,835 remains outstanding as a payable for outstanding checks as of December 31, 2025. In addition, \$1,874,625 remains outstanding as a payable for outstanding checks as of December 31, 2024.

The Liquidating Company has advanced early access distributions to insurance guaranty associations (Guaranty Associations) for Class II claims, which will be credited against amounts payable to such Guaranty Associations when payments are made to all Class II creditors.

As of December 31, 2025 the Liquidator has allowed, and the Liquidation Court has approved, \$143,507,961 of Class I claims, \$3,448,412,042 of Class II claims, \$2,672,527 of Class III claims, \$408,233,814 of Class V claims and \$53,887 of Class VIII claims. Class I claims paid in 2025 and 2024 included \$272,365 and \$11,755,964 for the thirteenth and twelfth distribution, respectively, of Guaranty Associations' administrative costs. It is management's judgment that there will not be sufficient assets to make distributions on allowed claims below the Class II priority. Distributions on allowed claims will depend on the amount of assets available for distribution and the allowed claims in each successive priority class under New Hampshire RSA 402-C: 44.

2. Investments

The carrying values and fair values of unrestricted fixed-income securities and common stock by major category are summarized as follows:

	December 31, 2025				
	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Fair Value Level
Fixed-income securities:					
Corporate	\$ 10,034,399	\$ 213,824	\$ –	\$ 10,248,224	2
Mortgage-backed	20,581,732	40,026	(790,582)	19,831,175	2
Total	\$ 30,616,131	\$ 253,850	\$ (790,582)	\$ 30,079,399	
Common stock	\$ 346	\$ –	\$ (346)	\$ –	1

The Home Insurance Company in Liquidation

Notes to Financial Statements (Modified-Cash Basis) (continued)

2. Investments (continued)

The amortized cost of unrestricted fixed-income securities is \$30,596,099 at December 31, 2025. Based on such amortized cost, gross unrealized gains are \$49,215 and gross unrealized losses are \$565,915. Amortized cost is presented for comparative disclosure purposes only and is not used in the measurement of investments under the modified-cash basis.

	December 31, 2024				
	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Fair Value Level
Fixed-income securities:					
U.S. Treasury notes	\$ 39,566,061	\$ 34,844	\$ (421,381)	\$ 39,179,523	1
Government agencies	9,082,440	–	(97,720)	8,984,720	2
Corporate	153,137,870	222,913	(871,872)	152,488,911	2
Mortgage-backed	26,894,222	21,672	(1,783,456)	25,132,438	2
Asset-backed	1,953,838	119	(6,688)	1,947,269	2
Total	\$ 230,634,431	\$ 279,547	\$ (3,181,116)	\$ 227,732,862	
Common stock	\$ 1,628,052	\$ –	\$ (1,628,050)	\$ 2	1

The amortized cost of unrestricted fixed-income securities is \$230,695,580 at December 31, 2024. Based on such amortized cost, gross unrealized gains are \$77,335 and gross unrealized losses are \$3,040,053.

The fair value measurements and disclosures topic of the Financial Accounting Standards Board Accounting Standards Codification with respect to financial statements prepared in accordance with GAAP clarifies the definition of fair value for financial reporting, establishes a framework for measuring fair value, and requires additional disclosures about the use of fair value measurements.

The Home Insurance Company in Liquidation

Notes to Financial Statements (Modified-Cash Basis) (continued)

2. Investments (continued)

Various inputs are used in determining the fair value of the Liquidating Company's unrestricted investments. These inputs are summarized in three broad levels as follows:

- Level 1 inputs – Quoted prices in active markets for identical securities without adjustment. The Level 1 assets of the Liquidating Company include an investment in an exchange-traded common stock and would include the Liquidating Company's U.S. Treasury securities and short-term investments if reported at fair value in the statements of changes in restricted and unrestricted net assets, excluding certain amounts (modified-cash basis).
- Level 2 inputs – Other significant observable inputs other than Level 1 inputs (including quoted prices for similar securities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data). The Level 2 assets of the Liquidating Company, if reported at fair value on a recurring basis, would include corporate and asset-backed fixed-income securities (including mortgage-backed fixed-income securities), and government agency debt. The fair value of these securities for purposes of financial statement disclosure is determined using pricing quotes from third-party pricing services. These third-party pricing services use pricing matrices with inputs that are observable in the market or can be derived principally from or corroborated by observable market data.

Level 3 inputs – Significant unobservable inputs, including the Liquidating Company's own assumptions in determining the fair value of investments. At December 31, 2025 and 2024, the Liquidating Company has no Level 3 fixed-income securities or common stock investments. The limited partnership interest presented on the statements of restricted and unrestricted net assets, excluding certain amounts (modified-cash basis), if reported at fair value, would be classified as Level 3, and the fair value reported would be \$412,182 in 2025 and \$454,354 in 2024.

The Liquidating Company had a net unrealized loss of \$536,732 and \$2,901,569 on fixed-income securities at December 31, 2025 and 2024, respectively. Gross unrealized gains and gross unrealized losses are calculated based on cost and do not reflect adjustments for amortization. The net unrealized loss at December 31, 2025 improvement over December 31, 2024 was due to market

The Home Insurance Company in Liquidation

Notes to Financial Statements (Modified-Cash Basis) (continued)

2. Investments (continued)

conditions, including changes in the interest rate environment during 2024 and matured investments in 2024 reinvested in short term instruments. At December 31, 2024, the securities in the fixed-income portfolio continued to be highly rated securities. Management has the ability and intent to hold fixed-income securities for a period of time sufficient for recovery.

The Liquidator continues to focus on preservation of capital on investments, maintaining a high-quality portfolio, and consistent with objectives and maximizing current income. The Liquidator believe that all securities in the portfolio will pay full amounts of principal in spite of fluctuating market values.

As of December 31, 2025, disposals of certain fixed-income securities resulted in total proceeds of \$192,085,000 and gross realized gains of \$26,399. Securities were sold in 2025 primarily to move funds to a money market fund in anticipation of the 5th interim Class 2 distribution and a separate Class 1 distribution.

As of December 31, 2024, disposals of certain fixed-income securities resulted in total proceeds of \$184,201,867 and gross realized gains and losses of \$990 and \$2,323, respectively. Securities were sold in 2024 primarily to move funds to a money market fund in anticipation of the 4th interim Class 2 distribution and a separate Class 1 distribution.

The cost and fair values of unrestricted fixed-income securities by contractual maturity as of December 31, 2025 were as follows:

	<u>Cost</u>	<u>Fair Value</u>
Unrestricted fixed-income securities		
One year or less	\$ 10,043,013	\$ 10,256,408
Over one year through five years	5,323,271	5,071,997
Over five years through ten years	8,521,179	8,189,268
Over ten years through twenty years	6,728,668	6,561,726
Total	<u>\$ 30,616,131</u>	<u>\$ 30,079,399</u>

Expected maturities may differ from contractual maturities, because certain borrowers have the right to call or prepay obligations with or without call or prepayment penalties.

The Home Insurance Company in Liquidation

Notes to Financial Statements (Modified-Cash Basis) (continued)

3. Securities on Deposit

Investments on deposit at the original cost with the federal government were \$250,000 and \$758,623 as of December 31, 2025 and 2024, respectively. The federal deposit is still held at December 31, 2025. As described in Note 1, the Liquidator does not record the amount of these assets, as such amounts have not been settled and agreed to.

Various states have withdrawn securities on deposit for use by the related state guaranty associations, and the amounts withdrawn, including investment income thereon, may be offset against future distributions to such guaranty associations. Since June 11, 2003, deposits with market value of \$56,260,423 and par value of \$47,286,090 have been withdrawn for use by state guaranty associations.

4. Class I Liabilities: Incurred But Unpaid Administrative Expenses and Investment Expenses

Class I liabilities represent accrued administrative expenses, including investment expenses, incurred in the normal course of the Liquidating Company, and consist of the following accruals at December 31, 2025 and 2024:

	December 31	
	2025	2024
Human resources costs	\$ 656,957	\$ 952,302
Consultant and outside service fees	99,970	97,355
Accrued investment expenses	41,139	110,133
Other administration costs	58,599	60,041
Legal and professional fees	15,800	119,437
General office and rent expense	15,272	29,379
Computers and equipment costs	13,669	14,009
	\$ 901,406	\$ 1,382,656

Various full-time employees of the Liquidating Company are covered by employee incentive plans, which were approved by the Liquidation Court on January 14, 2022. The costs of these plans are primarily payable in 2025, but are based on 2024 service and are being accrued over the service period in 2025. Accrued administrative expense includes \$655,662 of incentive plan costs.

The Home Insurance Company in Liquidation

Notes to Financial Statements (Modified-Cash Basis) (continued)

5. Restricted Funds

The Liquidator has drawn down on letters of credit (LOCs) posted by insurance companies that have assumed risks from the Liquidating Company. The LOCs have been drawn down upon receiving notices of cancellation or notices of nonrenewal of the LOC from the issuing bank. Such LOC drawdowns relate to insurance losses not yet proven and/or settled and are recognized as restricted cash receipts. Restricted funds related to reinsurance recoveries total \$0 and \$0 at December 31, 2025 and 2024, respectively. Restricted funds will be recognized as unrestricted reinsurance recoveries when such balances are proven and/or settled with the beneficial owner.

6. Commitments

The Liquidating Company leases office space in New York City under an operating lease expiring on January 31, 2026, with an option to extend the lease another five years until January 31, 2031. During 2025, the Liquidator sought to reduce the rented space to a size more commensurate with the needs of the liquidation in advance of the June 30, 2027 earliest termination date of the Lease, while the Landlord sought more flexibility. The Liquidator, the Landlord and an affiliate of the Landlord controlling space elsewhere accordingly agreed on a letter agreement to provide the Home liquidation with space at 32 Old Slip, New York (“License Agreement”), and a Fourth Amendment to the Lease to terminate the Lease at 61 Broadway, New York (“Termination Agreement”). The License Agreement was subject to approval by the Court, while the Termination Agreement became effective only upon Court approval of the License Agreement. The Liquidator’s Motion for Approval of License Agreement and Termination of New York Lease was filed on December 3, 2025 and was approved by the Court by Order dated December 5, 2025. Pursuant to the terms of the Termination Agreement, the basement space at 61 Broadway was surrendered to the Landlord by Notice of Surrender dated December 16, 2025. The Liquidator is to vacate and surrender the sixth-floor office space at 61 Broadway on or before June 30, 2026. Pursuant to the terms of the Lease Agreement, the Liquidator had a unilateral contraction option to surrender 7,500 square feet or approximately one-third of the Premises effective as of January 1, 2018. The Liquidator exercised the option and vacated the space on December 31, 2017. The Lease Agreement also provided the Liquidator with a second unilateral contraction option for approximately half of the remaining space, which the Liquidator exercised pursuant to an amendment to the Lease Agreement, dated January 11, 2021. The amendment revised the terms of the contraction option and provides for: (1) the surrender of a 5,492 rentable square foot portion of the Premises, effective October 31, 2021, which space was vacated as of that date; (2) the surrender of a 1,812 rentable square foot portion of the Premises at October 31, 2022, which space was vacated as of that date; and (3) the retention of a 196 rentable square foot portion of the space otherwise to be surrendered until the expiration of the Lease Agreement.

The Home Insurance Company in Liquidation

Notes to Financial Statements (Modified-Cash Basis) (continued)

6. Commitments (continued)

This second contraction option is reflected in the table of minimum future rental payments below.

The lease agreement for the Manchester, New Hampshire office space has been terminated, effective August 31, 2019, and the Liquidator has vacated the space. The office has been relocated to new quarters in Bedford, New Hampshire which space has been let on a month-to-month basis. Minimum future rental payments on leases in effect as of December 31, 2025 for the next five years under non-cancelable operating leases having remaining terms are as follows:

Year ending December 31:	
2026	\$ 284,806
2027	194,351
May 31, 2028	80,980
	<u>\$ 560,137</u>

Rent expense incurred was \$446,504 and \$464,060 for the years ended December 31, 2025 and 2024, respectively.

7. Early Access Distributions

The Liquidator has made early access distributions to insurance guaranty associations from 2005 through 2025. The total of all early access payments through December 31, 2025 was \$266.4 million including other deemed early access payments.

As a condition for receiving early access distributions, the guaranty associations entered into “claw back” agreements with the Liquidator requiring the return of any amounts advanced that exceed the eventual distribution percentage for their creditor class. Such returns of “claw back” amounts are netted against the related early access advances in the financial statements. The distribution caps are (1) an amount equal to 40% of the total incurred costs projected by each guaranty association, and (2) an amount equal to 75% of each guaranty association’s cumulative paid claims.

The Home Insurance Company in Liquidation

Notes to Financial Statements (Modified-Cash Basis) (continued)

7. Early Access Distributions (continued)

The Liquidator may periodically make additional early access distributions in the future, subject to the Liquidation Court's approval. Early access distributions and related advances are not recorded as assets in the accompanying statements of restricted and unrestricted net assets (modified-cash basis), excluding certain amounts, although they represent payments in advance of distributions to other claimants. Early access distributions and related advances will ultimately be credited against amounts payable to Guaranty Associations to ensure pro rata distributions among members of the same class of creditor of the Liquidating Company. The following summary represents the cumulative early access distributions and related advances that are not reflected in the statements of restricted and unrestricted net assets (modified-cash basis), excluding certain amounts:

	<u>2025</u>	<u>2024</u>
Early access distributions paid in cash	\$ 263,246,349	\$ 263,246,349
Assets withdrawn from special deposits held by states to pay Liquidating Company claims	56,260,423	56,260,423
Other deemed early access advances paid in cash	3,148,212	3,148,212
Total	<u>\$ 322,654,984</u>	<u>\$ 322,654,984</u>

Early Access advances subject to "claw back" at December 31, 2025 total \$15,834,867.

8. Deductible Policies – Reimbursement

On April 6, 2011, the Liquidation Court approved an agreement between the Liquidator and the Guaranty Associations regarding Home Deductible policies (the Deductible Agreement). The Deductible Agreement provides that the Liquidator will reimburse the signatory Guaranty Associations for deductible amounts collected during liquidation. The Liquidator also charges a fee of 7.5% as reimbursement of the Home's expenses incurred in the collection process. Forty-six Guaranty Associations have signed the Deductible Agreement to date. On April 6, 2023 the Liquidator paid \$280,672 after netting of the fee and advised the Guaranty Associations that Deductible collection services will be discontinued.

The Home Insurance Company in Liquidation

Notes to Financial Statements (Modified-Cash Basis) (continued)

9. Claim Amendment Deadline Motion

The Liquidator filed a Motion for Approval of a Claim Amendment Deadline on August 1, 2019 seeking to establish a deadline for the amendment and submission of claims. After receiving certain objections to the proposed Claim Amendment Deadline, and the Liquidator's responses thereto, the Court held a hearing on December 11, 2020. The Court subsequently issued orders dated January 28, 2021 approving the Claim Amendment Deadline. On February 11, 2021 certain of the objectors filed motions to reconsider the orders granting the Liquidator's Motion for Approval of Claim Amendment Deadline, together with a motion to stay the orders. On April 26, 2021, the Court denied the motion for reconsideration, but granted a stay of the Claim Amendment Deadline order pending the objectors seeking an interlocutory appeal. One objector and the Liquidator negotiated an interlocutory appeal statement, which two other objectors joined. The Superior Court approved the statement on May 12, 2021. The objector filed the interlocutory appeal statement with the New Hampshire Supreme Court on May 19, 2021. On February 10, 2022, the New Hampshire Supreme Court heard oral argument on the appeal of the

Superior Court's order approving the Claim Amendment Deadline, and on August 12, 2022, it issued its Opinion which affirmed the Superior Court's orders. In its Opinion, the New Hampshire Supreme Court found that the Superior Court acted within its discretion in granting the Liquidator's Motion and approving the Claim Amendment Deadline, and in concluding that the Claim Amendment Deadline strikes a reasonable balance between the expeditious completion of the liquidation and the protection of unliquidated and undetermined claims in accordance with NH RSA 402-C:46, I. The New Hampshire Supreme Court issued its mandate on August 29, 2022 which is the effective date of the New Hampshire Supreme Court's decision. The Order Approving Claim Amendment Deadline established the Claim Amendment Deadline as the date 150 days from the date of the Order. That date was Thursday, January 26, 2023. In accordance with the Order Approving Claim Amendment Deadline, the Liquidator mailed notices of the Claim Amendment Deadline in the approved form to all claimants who have an open proof of claim in the Home liquidation.

10. Subsequent Events

The Liquidating Company evaluated its financial statements (modified-cash basis) for subsequent events through June 12, 2026, the date the financial statements (modified-cash basis) were available to be issued. The Liquidating Company is not aware of any subsequent events that would require recognition or disclosure in the financial statements (modified-cash basis).

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The Home Insurance Company in Liquidation
G&A Expenses (Actual vs Budget)
3/31/2026

General & Administrative Expense	YTD			Full Year Budget
	Actual 2026	Budget 2026	Variance 2026	
Salary and Benefits	1,083,753	1,060,918	22,835	4,272,854
Travel	1,429	3,000	(1,571)	13,540
Rent	160,918	155,673	5,245	363,599
Equipment	121,071	98,050	23,021	392,200
Printing and Stationery	726	3,010	(2,284)	12,040
Postage	877	2,820	(1,943)	11,280
Telephone	21,535	20,800	735	83,200
Outside Services, including Special Deputy	557,245	493,140	64,105	1,882,560
Legal and Auditing	31,961	231,251	(199,290)	925,000
Bank Fees	29,444	31,250	(1,806)	125,000
Corporate Insurance	943	21,250	(20,307)	85,000
Miscellaneous Income/Expenses	(23)	37,500	(37,523)	150,000
Total Expenses Incurred	2,009,880	2,158,662	(148,783)	8,316,273

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Portfolio Holdings

Home Insurance Company in Liquidation
Monthly Holdings Detail Report
The Home Insurance Co in Liquidation / Multiple Portfolios
Local Currency / STAT Accounting Basis
As of March 31, 2026

Cusip	Description	Cpn/ Dvd	Maturity Date	Par/ Shares	Book Value	Market Value	Unrealized Gain/Loss	Eff Dur	Book Yield	TE Yield	Market Yield	Mdy's	S&P
FIXED INCOME													
<i>Short Term</i>													
31607A703	FIDELITY INV MMKT GOVT-IN	3.570	04/15/26	275,724,824	275,724,824	275,724,824	0	0.04	3.57	3.57	3.57	Aaa	AAA
<i>Short Term (Gross)</i>		3.570	04/15/26	275,724,824	275,724,824	275,724,824	0	0.04	3.57	3.57	3.57	Aaa	AAA
<i>Pending Transactions</i>				0	0	0							
Subtotal: Short Term (Net)		3.570	04/15/26	275,724,824	275,724,824	275,724,824	0	0.04	3.57	3.57	3.57	Aaa	AAA
Subtotal: FIXED INCOME		3.570	04/15/26	275,724,824	275,724,824	275,724,824	0	0.04	3.57	3.57	3.57	Aaa	AAA
Grand Total:		3.570	04/15/26	275,724,824	275,724,824	275,724,824	0	0.04	3.57	3.57	3.57	Aaa	AAA

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**THE HOME INSURANCE COMPANY IN LIQUIDATION
HOLDINGS REPORT
AS OF MARCH 31, 2026**

CUSIP	DESCRIPTION	CPN	MATURITY	QUANTITY	BOOK VALUE	MARKET VALUE
31607A703	FIDELITY INVT MMKT GOVT PORT INSTL CL.	3.570	04/15/2026	275,724,824.52	275,724,824.52	275,724,824.52
	TOTAL CASH EQUIVALENTS			<u>275,724,824.52</u>	<u>275,724,824.52</u>	<u>275,724,824.52</u>
	CORPORATE					
	TOTAL CORPORATE			<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
	MORTGAGE BACKED					
	TOTAL MORTGAGE BACKED			<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
	TOTAL MARKETABLE SECURITIES			<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
	TOTAL MARKETABLE AND C/E			<u>275,724,824.52</u>	<u>275,724,824.52</u>	<u>275,724,824.52</u>
	COMMON					
	RIMCO ROYALTY MANAGEMENT, INC			346,302.00	346.30	0.00
	TOTAL COMMON			<u>346,302.00</u>	<u>346.30</u>	<u>0.00</u>
	TOTAL MARKETABLE , CASH, C/E AND COMMON			<u>276,071,126.52</u>	<u>275,725,170.82</u>	<u>275,724,824.52</u>
	EQUITY SECURITIES					
	RIMCO ROYALTY PARTNERS, L.P.			346,302.00	3,199,497.00	412,183.00
	LIMITED PARTNERS			<u>346,302.00</u>	<u>3,199,497.00</u>	<u>412,183.00</u>
	TOTAL EQUITY SECURITIES			<u>346,302.00</u>	<u>3,199,497.00</u>	<u>412,183.00</u>
	TOTAL			<u>276,417,428.52</u>	<u>278,924,667.82</u>	<u>276,137,007.52</u>