



Ernst & Young LLP
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London Underwriting Centre
3 Minster Court
3 Mincing Lane
London
EC3R 7YL

29 November 2004

Dear Ladies and Gentlemen,

1. **General**

- 1.1 We refer to the proposal for the implementation of the Scheme ("**Proposal**") set out in a letter dated 22 January 2004 from the Joint Provisional Liquidators to members of the Informal Creditors' Committee as amended by a further letter dated 25 May 2004 ("**Letter Agreement**").
- 1.2 Terms and expressions defined in the Letter Agreement shall have the same meaning where used herein, unless expressly stated otherwise.
- 1.3 For the avoidance of doubt all provisions contained in the Letter Agreement shall remain in force save for those as amended by paragraph 2 below.

2. **Amendment to Letter Agreement**

You agree with Home that paragraph 1.7.8 of the Letter Agreement is hereby amended by the deletion of the date "31 December 2004" and its replacement with *30 SEPTEMBER 2005*".

3. **Confidentiality**

We reaffirm that this letter and its contents constitute "Confidential Information" within the meaning of the Confidentiality Undertaking executed by you.

4. **Authorisation**

The New Hampshire Insurance Commissioner, Roger A. Sevigny, in his capacity as Liquidator of Home, has approved this letter agreement proposal and authorised its circulation by the provisional liquidators to members of the Informal Creditors' Committee.

■ The UK firm Ernst & Young LLP is a limited liability partnership registered in England and Wales with registered number OC300001 and is a member practice of Ernst & Young Global. A list of members' names is available for inspection at the above address which is the firm's principal place of business and its registered office.

5. **Acceptance by Informal Creditors' Committee members**

If the terms of this letter agreement are acceptable to you, please indicate your acceptance to its terms by signing one copy of this letter agreement where indicated below and returning such copy, duly signed, to us.

Gareth Hughes

.....
Signed by G. H. Hughes
Joint Provisional Liquidator
for and on behalf of
The Home Insurance Company

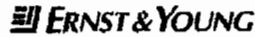
We hereby agree to the terms of this letter agreement

[Signature] (T. P. O'Leary)

.....
Signed by

UNIONAMERICA INSURANCE COMPANY LIMITED

.....
Representing



29 November 2004 2

5. Acceptance by Informal Creditors' Committee members

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G. H. Hughes

Signed by G. H. Hughes
Joint Provisional Liquidator
for and on behalf of
The Home Insurance Company

We hereby agree to the terms of this letter agreement

Sale Z... 30/11/04

Signed by

RIVERSTONE MANAGEMENT

Representing

5. **Acceptance by Informal Creditors' Committee members**

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G. H. Hughes

.....
Signed by **G. H. Hughes**

Joint Provisional Liquidator

for and on behalf of

The Home Insurance Company

We hereby agree to the terms of this letter agreement

Guido Fulbach

.....
Signed by **GUIDO FULBACH**

AGRIPPINA

.....
Representing

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G. H. Hughes

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Signed by G. H. Hughes
Joint Provisional Liquidator
for and on behalf of
The Home Insurance Company

We hereby agree to the terms of this letter agreement

Jerry M Dawlen

.....
Signed by

Continental Ins Co New York

.....
Representing

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Gareth Hughes

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Signed by G. H. Hughes
Joint Provisional Liquidator
for and on behalf of
The Home Insurance Company

We hereby agree to the terms of this letter agreement

[Signature] (JAMES TYSON)
.....
Signed by

KMS/KMSIS (KWELM, BFMIC & ORS)
.....
Representing

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G. H. Hughes

.....
Signed by G. H. Hughes
Joint Provisional Liquidator
for and on behalf of
The Home Insurance Company

We hereby agree to the terms of this letter agreement

T. Rawlings

.....
Signed by

.....
EXCESS INSURANCE COMPANY LTD
Representing

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G. H. Hughes

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Signed by G. H. Hughes
Joint Provisional Liquidator
for and on behalf of
The Home Insurance Company

We hereby agree to the terms of this letter agreement

M. Tolhurst

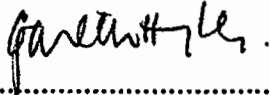
.....
Signed by **MICHAEL TOLHURST**

MENTOR INSURANCE Co (UK) LTD.

.....
Representing

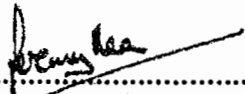
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.....
Signed by G. H. Hughes
Joint Provisional Liquidator
for and on behalf of
The Home Insurance Company

We hereby agree to the terms of this letter agreement



.....
Signed by **JEREMY HEAP**
DIRECTOR

.....
ZOVITAS LTD

Representing

5. **Acceptance by Informal Creditors' Committee members**

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G. H. Hughes

.....
Signed by **G. H. Hughes**
Joint Provisional Liquidator
for and on behalf of
The Home Insurance Company

We hereby agree to the terms of this letter agreement

Tom Riddell

.....
Signed by **TOM RIDDELL**

AS SCHEME ADMINISTRATOR OF
ENGLISH & AMERICAN INSURANCE COMPANY LTD
.....
Representing