

Financial Services Authority

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Mr G Hughes
Joint Provisional Liquidator
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7 September 2004

Our Ref: Home No obj 7-9-04

Dear Gareth

THE HOME INSURANCE COMPANY (IN PROVISIONAL LIQUIDATION) PROPOSED SCHEME OF ARRANGEMENT

Upon review of a near-final version of the proposed Home Scheme document dated 23 July 2004 in conjunction with associated documentation, and following our various meetings and exchanges of correspondence, I write advise you that the FSA has no objection to the proposed scheme.

As previously communicated, we note from our discussions and from our review of the scheme as proposed that this course of action envisages a better outcome for creditors compared with the potential availability of assets if a scheme is not approved.

Yours sincerely

A handwritten signature in black ink, appearing to be "Dave Winston", written over a horizontal line.

Dave Winston
Associate: Wholesale Firms Division

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