

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

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In the Matter of
the Liquidation of

Index No.: 403105/97

VERIFIED PETITION

HOME MUTUAL INSURANCE COMPANY
OF BINGHAMTON, NEW YORK.
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Benjamin M. Lawsky, Superintendent of Financial Services of the State of New York as liquidator ("Liquidator") of Home Mutual Insurance Company of Binghamton, New York ("Home Mutual"), has appointed agents to carry out, through the New York Liquidation Bureau ("NYLB"), the responsibilities of the Liquidator. The Liquidator, by Mary Jo Marchisello, Assistant Special Deputy Superintendent and agent of the Liquidator, respectfully makes the following petition upon information and belief:

1. On January 14, 1998, this Court issued an order ("Liquidation Order") appointing the then-Superintendent of Insurance of the State of New York and his successors in office as Liquidator of Home Mutual and commencing this liquidation proceeding ("Liquidation Proceeding"). The Liquidator's report on the status of and request to close the Liquidation Proceeding ("Closing Report") is attached hereto as Exhibit 2. The Superintendent of Financial Services of the State of New York has now succeeded the Superintendent of Insurance as Liquidator of Home Mutual.

2. The Liquidation Order and New York Insurance Law ("Insurance Law") Article 74 charged the Liquidator with, among other things, the responsibility for:

- a. Identifying Home Mutual's policyholders, creditors and other interested parties;
- b. Notifying Home Mutual's policyholders, creditors and other interested parties to present their claims;

- c. Marshaling Home Mutual's assets;
- d. Adjudicating the claims presented and establishing the total amount of Home Mutual's liabilities;
- e. Distributing Home Mutual's assets to creditors with allowed claims; and
- f. Otherwise liquidating Home Mutual's business pursuant to Insurance Law Article 74.

3. On or about February 15, 2013, the Liquidator submitted a report and other papers ("2013 Report"), which updated this Court on the status of the Liquidation Proceeding and recommended, among other things, that this Court (1) authorize the Liquidator to distribute Home Mutual's assets, consistent with this Court's orders and the priorities of Insurance Law Section 7434, to those creditors of Home Mutual with allowed claims, to the extent that, in the Liquidator's discretion, sufficient funds are available; and (2) bar and discharge all claims reported to the Liquidator after April 30, 2013 ("Bar Date"). By order entered April 23, 2013, this Court approved the 2013 Report and the Liquidator's recommendations. Pursuant to the 2013 Report and in compliance with this Court's subsequent orders, the Liquidator made two *pro-rata* distributions of Home Mutual's assets to its creditors with allowed claims, and barred and discharged all claims reported to the Liquidator after the Bar Date.

4. The Closing Report describes to the Court the status of the Liquidation Proceeding and informs the Court that the affairs of the Home Mutual estate permit final administrative expenses to be paid and termination of the Liquidation Proceeding.

5. The Liquidator has complied with the directives of the Liquidation Order and subsequent orders of this Court. The Liquidation Proceeding has been completed and the Liquidator has fulfilled the purposes for which the Liquidation Proceeding was commenced. Therefore, it is respectfully submitted that the Closing Report and the financial transactions

delineated therein should be approved, the Liquidator should be discharged and the Liquidation Proceeding should be terminated and closed. Additionally, the Liquidator shall be authorized, without further application to this Court, to receive assets of Home Mutual after the termination of the Liquidation Proceeding and to use such assets, first, to pay administrative expenses incurred in connection with the collection and disbursement of such additional assets, and then to distribute those assets to those creditors of Home Mutual with allowed claims who are eligible to share in a *pro-rata* distribution.

6. This Verified Petition seeks the issuance of an order (“Order”) that: (i) approves the Closing Report and the financial transactions delineated therein; (ii) authorizes the continued payment of administrative expenses, including such expenses pertaining to the closing of the Liquidation Proceeding; (iii) terminates and closes the Liquidation Proceeding; (iv) authorizes the Liquidator, without further application to this Court, to continue, after the termination of the Liquidation Proceeding, to receive and disburse assets, pursuant to Insurance Law Article 74, to those creditors of Home Mutual with allowed claims who are eligible to share in a *pro-rata* distribution, and to pay administrative expenses incurred in connection with the collection and disbursement of such assets; (v) releases and discharges the Liquidator, his predecessors and successors in office, and their agents, attorneys and employees, from any and all liability arising from their acts or omissions in connection with the Liquidation Proceeding; (vi) authorizes and directs the Liquidator, in his discretion, to destroy or otherwise dispose of any and all of the books, files, records and other property of Home Mutual without further order of this Court; and (vii) provides for such other and further relief as this Court deems appropriate and just.

7. The Liquidator also requests that this Court issue the accompanying Order to Show Cause approving: (i) a return date (“Return Date”) for a hearing (“Hearing”) on the Verified Petition to be held before this Court at least thirty (30) days after the date of issuance of the

Order to Show Cause; (ii) the form of notice to be given to Home Mutual's policyholders, creditors and other interested parties regarding the Verified Petition and the Hearing ("Notice"); and (iii) the method of service of the Notice, *i.e.*, by: (a) posting on the Internet web page maintained by the NYLB at <http://www.nylb.org> at least fifteen (15) days before the Return Date and (b) publication in *The New York Times*, National Edition or a newspaper of similar circulation, once a week over two consecutive weeks commencing within the thirty (30) days following issuance of this Order to Show Cause, such service shall be deemed good and sufficient service.

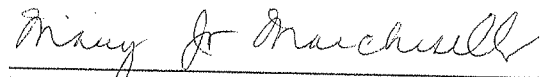
8. No previous application for the relief sought herein has been made to this or any other court or judge thereof.

WHEREFORE, it is respectfully requested that this Court enter the Order:

- a. approving the Closing Report and the financial transactions delineated therein;
- b. authorizing the continued payment of administrative expenses, including such expenses pertaining to the closing of the Liquidation Proceeding;
- c. terminating and closing the Liquidation Proceeding,;
- d. authorizing the Liquidator, without further application to this Court, to continue, after the termination of the Liquidation Proceeding, to receive and disburse assets, pursuant to Insurance Law Article 74, to those creditors of Home Mutual with allowed claims who are eligible to share in a *pro-rata* distribution, and to pay administrative expenses incurred in connection with the collection and disbursement of such assets;
- e. releasing and discharging the Liquidator, his predecessors and successors in office, and their agents, attorneys and employees, from any and all liability arising from their acts or omissions in connection with the Liquidation Proceeding;

- f. authorizing and directing the Liquidator, in his discretion, to destroy or otherwise dispose of any and all of the books, files, records and other property of Home Mutual without further order of this Court; and
- g. providing for such other and further relief as this Court deems appropriate and just.

Dated: New York, New York
August 27, 2014



Mary Jo Marchisello
Assistant Special Deputy Superintendent and
Agent of Benjamin M. Lawsky,
Superintendent of Financial Services of the
State of New York as Liquidator of
Home Mutual Insurance Company of
Binghamton, New York


L15480/MB

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

Mary Jo Marchisello, being duly sworn, deposes and says:

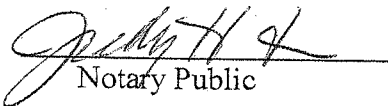
That she has read the foregoing Verified Petition, and that the same is true based upon information and belief as to those matters stated therein. Deponent further says that the sources of her information and the grounds of her belief as to the matters alleged therein are from or were derived from the files of Home Mutual Insurance Company of Binghamton, New York in the possession of the Liquidator and communications made to deponent by employees of the Liquidator.

That the reason this petition is verified by this deponent rather than by the Superintendent of Financial Services of the State of New York is that deponent is the duly appointed Assistant Special Deputy Superintendent and Agent of the Superintendent of Financial Services of the State of New York as Liquidator of Home Mutual Insurance Company of Binghamton, New York.



Mary Jo Marchisello
Assistant Special Deputy Superintendent and
Agent of Benjamin M. Lawsky,
Superintendent of Financial Services of the
State of New York as Liquidator of
Home Mutual Insurance Company of
Binghamton, New York

Sworn to before me this
27th day of August, 2014


Notary Public

JUDY H. KIM
Notary Public, State Of New York
No. 02K16059421
Qualified In New York County
Commission Expires October 29, 2017