

THE STATE OF NEW HAMPSHIRE

MERRIMACK, SS.

SUPERIOR COURT

In the Matter of the Liquidation of ACA Assurance
Docket No. 06-E-380

**REPORT REGARDING MAILING AND PUBLICATION OF REQUIRED NOTICE
AND REQUEST FOR ENTRY OF ORDER APPROVING
ALL REMAINING CLAIMS DETERMINATIONS, SETTLEMENT AGREEMENTS,
THE MANDATED RSA 402-C:35 REPORT, THE PROPOSED PLAN OF
DISTRIBUTION AND THE DISTRIBUTION OF ASSETS PURSUANT TO
LIQUIDATOR'S MOTION PENDING BEFORE THE COURT**

Roger A. Sevigny, Commissioner of Insurance for the State of New Hampshire (the "Commissioner") in his capacity as Liquidator (the "Liquidator") of ACA Assurance ("ACA" or "Company"), hereby (i) submits a report of the notices that have been provided, including exhibits evidencing publication of required notice in accordance with the Order Approving Notice And Objection Procedures entered July 10, 2014 (the "Notice Order"), and (ii) requests that this Court grant the Liquidator's Verified Motion to Approve All Remaining Claims Determination, Settlement Agreements, The Mandated RSA 402-C:35 Report, The Proposed Plan Of Distribution And The Distribution Of Assets which was filed with the Court on July 3, 2014 in accordance with RSA 402-C:44, RSA 402-C:45 and RSA 402-C:46(the "Claims Motion").: The Claims Motion seeks entry of an order without a hearing:

- (i) approving the determination of remaining claims and related settlement agreements;
- (ii) approving the determination of all policyholder assessment claims in full as valid Class IX priority claims pursuant to RSA 402-C;

(iii) approving the Liquidator's report pursuant to RSA 402-C:35, including the Liquidator's determination that no additional assessment is required or appropriate under RSA 402-C:35;

(iv) approving the distribution of funds that remain available for distribution in Class IX, currently estimated to be approximately \$250,000, to claimants whose policies were assessed at the forty percent (40%) level; and

(v) approving the Proposed Plan of Distribution and the distribution of ACA's assets to claimants with allowed claims in accordance with such Proposed Plan of Distribution.

1. On July 10, 2014, this Court issued the Notice Order: (i) approving the Liquidator's proposed notice procedures, including the method, manner and form of notice to be given substantially by means of publication rather than by individual mailing ("Notice Motion"); and (ii) establishing a deadline for the filing and service of any objections to the Claims Motion or the Notice Motion forty (40) days from the date of the Court's order.
2. Within ten (10) days of receipt of the Notice Order, the Liquidator caused notice to be made by regular mail (and by additional means if required by separate agreements) to all parties entitled to such notice. This notice was intended to provide no less than thirty (30) days notice in advance of the objection deadline.
3. Similarly, the Liquidator caused publication of the notice to be made in accordance with the Notice Order. Exhibits A, B and C attached hereto evidence these publications.
4. To the Liquidator's knowledge, no objection has been filed with the Court.

5. Accordingly, as provided in the Notice Motion and the Claims Motion, the Liquidator hereby requests that the Court enter, without hearing, the proposed order filed with the Liquidator's Claims Motion, thereby approving all remaining claims determinations, settlement agreements, the mandatory RSA 402-C:35 report, as well as the proposed plan of distribution and distribution of assets. In the Claims Motion, the Liquidator had requested that the Court grant the Claims Motion only upon expiration of the objection period described in this Notice Motion. To the Liquidator's best knowledge, this period has now expired without the filing of any objection to the Claims Motion. For the convenience of the court, a copy of the proposed order filed with the Claims Motion is attached to this Report.

Respectfully submitted,

**ROGER A. SEVIGNY, INSURANCE
COMMISSIONER OF THE STATE OF NEW
HAMPSHIRE, AS LIQUIDATOR
OF ACA ASSURANCE**

By His Attorneys,

**JOSEPH A. FOSTER
ATTORNEY GENERAL**

Dated: August 26, 2014

By: J. Christopher Marshall
J. Christopher Marshall, NH Bar #1619
Assistant Attorney General
Civil Bureau
33 Capitol Street
Concord, New Hampshire 03301-6397

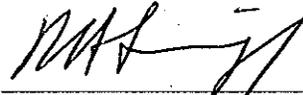
Of Counsel:
Steven J. Lauwers, NH Bar # 13079
Rath, Young and Pignatelli, P.C.
One Capital Plaza

Concord, NH 03302-1500
(603) 226-2600

**STATE OF NEW HAMPSHIRE
MERRIMACK COUNTY, SS**

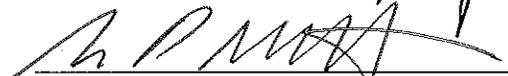
CERTIFICATE OF VERIFICATION

Roger A. Sevigny, being first duly cautioned and sworn according to law, says that he is the duly appointed and qualified Commissioner of Insurance of the State of New Hampshire and Liquidator of ACA Assurance and that the facts and all allegations made in the Petition are all true as he verily believes.



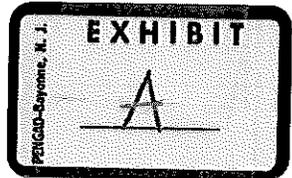
Roger A. Sevigny

Sworn to and subscribed to before me this 25th day of August, 2014.



Notary Public/~~Justice of the Peace~~

**SARAH K. PRESCOTT, Notary Public
My Commission Expires June 23, 2015**



TO GLOBE NEWSPAPER CO., INC.,

For Advertising in the BOSTON GLOBE

Rath Young and Pignatelli
P.O. Box 1500
Concord, NH 03302-1500
Attn: Toni Pierce

LEGAL NOTICE

I, Marie Burke, hereby certify that I am a Classified Advertising Sales Representative of the Globe Newspaper Co., publishers of the Boston Globe; that the above advertisement has been inserted in said newspaper two times, Wednesday, July 16th, 2014 and Sunday, July 20th, 2014 and that it is charged at the usual rates.

Marie Burke

Boston, Mass. July 25, 2014

Personally appeared before me and made oath that the above statement subscribed to by her is true:

Suffolk ss.

Katherine Roman O'Brien
Notary Public
My Commission Expires March 28, 2019

LEGAL NOTICES
THE STATE OF NEW HAMPSHIRE
SUPERIOR COURT
IN THE MATTER OF THE LIQUOR AND ACA ASSURANCE
NOTICE OF MOTION AND EXECUTION PROCEDURES
NOTICE IS HEREBY GIVEN TO ALL INTERESTED PERSONS...

LEGAL NOTICES
THE STATE OF NEW HAMPSHIRE
SUPERIOR COURT
IN THE MATTER OF THE LIQUOR AND ACA ASSURANCE
NOTICE OF MOTION AND EXECUTION PROCEDURES
NOTICE IS HEREBY GIVEN TO ALL INTERESTED PERSONS...

KATHERINE ROMAN O'BRIEN
Notary Public
COMMONWEALTH OF MASSACHUSETTS
My Commission Expires March 28, 2019

UNION LEADER CORPORATION

P O BOX 9513
MANCHESTER, NH 03108



0000057691
RATH, YOUNG & PIGNATELLI
ONE CAPITAL PLAZA
PO BOX 1500
CONCORD NH 03302-1500

I hereby certify that the legal notice: (0001195630) ACA ASSURANCE-LIQUIDATION
was published in the New Hampshire Union Leader
On:
07/16/2014, 07/20/2014.

State of New Hampshire
Hillsborough County

Subscribed and sworn to before me this

21st day of July 2014

Heidi A. Bergman
Notary Public



Legal Notice

PUBLIC NOTICE

The Southern New Hampshire Planning Commission is seeking public input on its DRAFT Regional Comprehensive Plan 2015: Moving Southern New Hampshire Forward between July 23, 2014 and August 21, 2014. A Public Hearing on the DRAFT plan will be held at the SNHPC Planning Commission Conference Room on August 20, 2014 at 11:30 AM, 438 Dubuque Street, Manchester, NH.

A copy of the DRAFT plan is available for public review at:

- All Public Libraries in the City of Manchester and the Towns of Auburn, Bedford, Candia, Chester, Deerfield, Derry, Goffstown, Hooksett, Londonderry, New Boston, Raymond, Weare and Wrentham.

- www.snhpc.org under "Regional Comprehensive Plan"

- SNHPC Office, 438 Dubuque Street, Manchester, NH

Interested parties are invited to review the plan, attend the public hearing, and submit written comments to:

- SNHPC, 438 Dubuque Street, Manchester, NH 03102;

- Fax: 603.668.4350; or

- Email: lmooresnhpc.org

(UL - July 20)

Legal Notice

Town of Hooksett

Public Works Department

Road Closure on South Bow Road

The Public Works Department would like to inform the public that the town will start construction on South Bow Road on Tuesday, July 22, 2014 through Tuesday, August 29, 2014. Please seek alternate routes, due to the road being closed from 7:00 a.m. to 5:00 p.m. daily. Thank you for your anticipated cooperation. Please feel free to contact my office with any questions that you may have at 603-668-6019. (UL - July 20, 21)

Legal Notice

THE STATE OF NEW HAMPSHIRE MERRIMACK SS SUPERIOR COURT

In the Matter of the Liquidation

of ACA Assurance

Docket No. 08-E-380

NOTICE OF MOTION AND

OBJECTION PROCEDURES

REQUEST FOR COURT APPROVAL OF

ALL REMAINING CLAIMS

DETERMINATIONS

SETTLEMENT AGREEMENTS

THE MANDATED RSA 402-C:35

REPORT, THE PROPOSED PLAN OF

DISTRIBUTION AND THE

DISTRIBUTION OF ASSETS OF

ACA ASSURANCE

NOTICE IS HEREBY GIVEN TO ALL

INTERESTED PERSONS, INCLUDING

POLICYHOLDERS AND OTHER

CREDITORS OF ACA ASSURANCE,

THAT A FILING HAS BEEN MADE

WITH THE SUPERIOR COURT, MER-

RIMACK COUNTY, NEW HAMPSHIRE

SEEKING AN ORDER WITH RESPECT

TO THE FINAL DISPOSITION OF ALL

REMAINING ASSETS OF ACA ASSUR-

ANCE IN LIQUIDATION. THE TOTAL

REMAINING ASSETS ARE APPROX-

IMATELY \$450,000.

An Order of Liquidation ("Order")

placing ACA ASSURANCE ("ACA") in

liquidation and appointing the New

Hampshire Commissioner of Insurance

as Liquidator was entered by the

Superior Court for Merrimack County,

New Hampshire on October 22, 2012.

Pursuant to that Order, the Liquidator

established April 22, 2012 as the final

deadline/bar date for the filing of

claims. Any claims filed after April 22,

2012 were considered unexecuted late

filed and were barred. The Order fur-

ther provided that all persons having

claims for policyholders assessments

did not need to file Proofs of Claim with

the Liquidator as such claims were

deemed to have been filed with the

liquidation estate for the full amount of

all assessments imposed on ACA's

insurance policies and were accepted

by the Liquidator as valid claims in the

liquidation proceeding.

The Liquidator filed a Verified Motion

(the "Claims Motion") on July 3, 2014

pursuant to RSA 402-C:44, RSA 402-

C:45 and RSA 402-C:46 for an order: (i)

approving all remaining claim deter-

minations in the amounts and priority

classifications recommended by the

Liquidator; (ii) approving certain settle-

ment agreements; (iii) approving the

determination of all policyholder assessment claims in full as valid Class IX priority claims; (iv) approving the Commissioner's determination made pursuant to RSA 402-C:35; (v) approving the proposed application of funds (estimated to be approximately \$250,000) for the payment of the policyholder assessment claims of former ACA policyholders beginning at the 40% assessment level, with the effect of reducing the assessments exclusively on the pre-need policies to approximately 39% or 38%; (vi) approving the proposed plan of distribution; and (vii) approving the distribution of ACA's remaining assets in accordance with the proposed plan of distribution.

On the same date, the Liquidator filed a Verified Motion (the "Notice Motion") pursuant to RSA 402-C:44, RSA 402-C:45 and RSA 402-C:46 for an order: (i) authorizing notice to former ACA policyholders by means of publication rather than individual mailing; and (ii) establishing a deadline for the filing and service of any objections to the Claims Motion or Notice Motion.

The assets of the estate are extremely limited, and presently stand at approximately \$450,000. If the Notice Motion and Claims Motion are approved, the Liquidator will distribute these remaining assets in accordance with the priority classifications set forth in New Hampshire law and the Plan of Distribution as described in the Claims Motion. After taking into account administrative expenses (which fall within Class I, the highest priority class) and all other higher priority classifications, the Liquidator anticipates that there will be approximately \$250,000 remaining in the estate to pay policyholder assessment claims in Class IX (which is the lowest priority classification here). The Liquidator has proposed to distribute this \$250,000 beginning at the 40% level of assessment. Because only the pre-need policyholders were assessed at 40%, and because of the very limited assets available for distribution, the effect of this proposal is that only former pre-need policyholders of ACA will receive a distribution from the estate (and that distribution will only reduce the assessments on these policies to 39% or 38%).

A copy of the Claims Motion and the Notice Motion, including their exhibits, may be obtained from the New Hampshire Insurance Department's website: www.state.nh.us/insurance, or ACA's Website www.aca-assurance.org or by calling 1-800-347-6014 during regular business hours (Monday-Friday, 8:00 a.m. - 4:30 p.m., EDT), or by writing to:

ACA Assurance in Liquidation

55 South Commercial Street

Manchester, New Hampshire 03101

Objections to the Claims Motion or

Notice Motion, if any, must be filed with

the Clerk of Court at the address below,

and served upon (i) counsel for the

Liquidator at their respective addresses

shown below, and (ii) all other counsel

of record (whose names and addresses

may be obtained from the office of the

Clerk); such that the Clerk of Court and

all such counsel actually receive the

objection on or before August 19, 2014

at 4:00 p.m., prevailing Eastern time.

If an objection to the Motion is timely

filed with the Court, a hearing will be

scheduled by the Court. Notice of any

such hearing will be provided to the

objecting party(ies) and counsel for the

Liquidator and other counsel of record

by mail. If no objection is timely filed

with the Court, the Liquidator has re-

quested that the Court issue an order

approving the relief sought as reflected

in the proposed order included as part

of the Claims Motion.

Clerk of Court:

William McGraw, Clerk

Merrimack Superior Court

163 North Main Street

P.O. Box 2880

Concord, NH 03302-2880

Counsel to Liquidator:

Steven J. Lauwers, Esq.

Ruth Young & Pignatelli

One Capital Plaza

Concord, NH 03302-1500

sj@rathlaw.com

J. Christopher Marshall, Esq.

Office of the Attorney General

38 Capital Street

Concord, NH 03301-6397

Christopher.marshall@doj.nh.gov

THIS NOTICE IS HEREBY PROVIDED

BY ROGER A. SEVIGNY, INSURANCE

COMMISSIONER OF THE STATE OF

NEW HAMPSHIRE, AS LIQUIDATOR

OF ACA ASSURANCE, AS OF THE

DATE INDICATED BELOW.

Dated: July 14, 2014

(UL - July 16, 20)

MERRIMACK, SS

THE STATE OF NEW HAMPSHIRE

SUPERIOR COURT

In the Matter of the Liquidation of ACA Assurance

Docket No. 06-E-380

NOTICE OF MOTION AND OBJECTION PROCEDURES

REQUEST FOR COURT APPROVAL OF ALL REMAINING CLAIMS
DETERMINATIONS, SETTLEMENT AGREEMENTS, THE MANDATED RSA 402-C:35
REPORT, THE PROPOSED PLAN OF DISTRIBUTION AND THE DISTRIBUTION OF ASSETS OF
ACA ASSURANCE

NOTICE IS HEREBY GIVEN TO ALL INTERESTED PERSONS, INCLUDING POLICYHOLDERS AND OTHER CREDITORS OF ACA ASSURANCE, THAT A FILING HAS BEEN MADE WITH THE SUPERIOR COURT, MERRIMACK COUNTY, NEW HAMPSHIRE SEEKING AN ORDER WITH RESPECT TO THE FINAL DISPOSITION OF ALL REMAINING ASSETS OF ACA ASSURANCE IN LIQUIDATION. THE TOTAL REMAINING ASSETS ARE APPROXIMATELY \$450,000.

An Order of Liquidation ("Order") placing ACA ASSURANCE ("ACA") in liquidation and appointing the New Hampshire Commissioner of Insurance as Liquidator was entered by the Superior Court for Merrimack County, New Hampshire on October 22, 2012. Pursuant to that Order, the Liquidator established April 22, 2012 as the final deadline/bar date for the filing of claims. Any claims filed after April 22, 2012 were considered unexcused late filed and were barred. The Order further provided that all persons having claims for policyholders assessments did not need to file Proofs of Claim with the Liquidator as such claims were deemed to have been filed with the liquidation estate for the full amount of all assessments imposed on ACA's insurance policies and were accepted by the Liquidator as valid claims in the liquidation proceeding.

The Liquidator filed a Verified Motion (the "Claims Motion") on July 3, 2014 pursuant to RSA 402-C:44, RSA 402-C:45 and RSA 402-C:46 for an order: (i) approving all remaining claim determinations in the amounts and priority classifications recommended by the Liquidator; (ii) approving certain settlement agreements; (iii) approving the determination of all policyholder assessment claims in full as valid Class IX priority claims; (iv) approving the Commissioner's determination made pursuant to RSA 402-C:35; (v) approving the proposed application of funds (estimated to be approximately \$250,000) for the payment of the policyholder assessment claims of former ACA policyholders beginning at the 40% assessment level, with the effect of reducing the assessments exclusively on the pre-need policies to approximately 39% or 38%; (vi) approving the proposed plan of distribution; and (vii) approving the distribution of ACA's remaining assets in accordance with the proposed plan of distribution.

On the same date, the Liquidator filed a Verified Motion (the "Notice Motion") pursuant to RSA 402-C:44, RSA 402-C:45 and RSA 402-C:46 for an order: (i) authorizing notice to former ACA policyholders by means of publication rather than individual mailing; and (ii) establishing a deadline for the filing and service of any objections to the Claims Motion or Notice Motion.

The assets of the estate are extremely limited, and presently stand at approximately \$460,000. If the Notice Motion and Claims Motion are approved, the Liquidator will distribute these remaining assets in accordance with the priority classifications set forth in New Hampshire law and the Plan of Distribution as described in the Claims Motion. After taking into account administrative expenses (which fall within Class I, the highest priority class) and all other higher priority classifications, the Liquidator anticipates that there will be approximately \$250,000 remaining in the estate to pay policyholder assessment claims in Class IX (which is the lowest priority classification here). The Liquidator has proposed to distribute this \$250,000 beginning at the 40% level of assessment. Because only the pre-need policyholders were assessed at 40%, and because of the very limited assets available for distribution, the effect of this proposal is that only former pre-need policyholders of ACA will receive a distribution from the estate (and that distribution will only reduce the assessments on these policies to 39% or 38%).

A copy of the Claims Motion and the Notice Motion, including their exhibits, may be obtained from the New Hampshire Insurance Department's website: www.state.nh.us/insurance, or ACA's Website www.aca-assurance.org or by calling 1-800-347-0014 during regular business hours (Monday-Friday, 8:00 a.m. - 4:30 p.m., EDT), or by writing to:

ACA Assurance in Liquidation
55 South Commercial Street
Manchester, New Hampshire 03101

Objections to the Claims Motion or Notice Motion, if any, must be filed with the Clerk of Court at the address below, and served upon (i) counsel for the Liquidator at their respective addresses shown below, and (ii) all other counsel of record (whose names and addresses may be obtained from the office of the Clerk), such that the Clerk of Court and all such counsel actually receive the objection on or before August 19, 2014 at 4:00 p.m., prevailing Eastern time.

If an objection to the Motion is timely filed with the Court, a hearing will be scheduled by the Court. Notice of any such hearing will be provided to the objecting party(ies) and counsel for the Liquidator and other counsel of record by mail. If no objection is timely filed with the Court, the Liquidator has requested that the Court issue an order approving the relief sought as reflected in the proposed order included as part of the Claims Motion.

Clerk of Court:

William McGraw, Clerk
Merrimack Superior Court
163 North Main Street
P.O. Box 2880
Concord, NH 03302-2880

Counsel to Liquidator:

Steven J. Lauwers, Esq.
Rath Young & Pignatelli
One Capital Plaza
Concord, NH 03302-1500
sjl@rathlaw.com

J. Christopher Marshall, Esq.
Office of the Attorney General
33 Capitol Street
Concord, NH 03301-6387
Christopher.marshall@doj.nh.gov

THIS NOTICE IS HEREBY PROVIDED BY ROGER A. SEVIGNY, INSURANCE COMMISSIONER OF THE STATE OF NEW HAMPSHIRE, AS LIQUIDATOR OF ACA ASSURANCE, AS OF THE DATE INDICATED BELOW.

Dated: July 14, 2014

EXHIBIT

C

Buckingham Palace

PRESS RELEASE

A contingent of some 70 members of the Ceremonial Guard and dignitaries of the Royal 22e Régiment recently travelled to London, England, to prepare for the "Van Doos" to stand guard at Buckingham Palace from July 14 to 19.

The Royal 22e Régiment accomplished this task for the first time in the spring of 1940 at the request of His Majesty King George VI, Colonel-in-Chief of the Régiment. It was a first for the King's Guard Sentinels to receive commands not only from a non-British unit, but also in French.

In the Changing of the Guard ceremony, the old guard hands over responsibility for protecting Buckingham Palace to the new guard. This is a responsibility accorded to active infantry regiments whose members show discipline and precision in their movements.

This return to the Old World is part of the commemorative activities of the Royal 22e Régiment highlighting the events that mark the regimental and military history of Canada.

The Royal 22e have taken part in all the armed conflicts and many of the peacekeeping and humanitarian missions in which Canada has played a role. It is one of the three Regular Force infantry regiments of the Canadian Armed Forces. As a Francophone regiment, it has served as a model for the entire Canadian Armed Forces in the use of French as a language of work. In line with the recommendations of a royal commission convened by the Government of Canada, the "Van Doos" model spread throughout the Public Service and into the private sector, allowing many French-speakers to pursue their careers in French.

From July 20 to 22, the Royal 22e Régiment delegation will visit the historic sites of the Ypres and Passchendaele battlefields in Belgium and parade on Belgium's national day. From July 23 to 26, they will take part in the "Rekindling the Flame" ceremony on the Champs Élysées in France and visit the site of the Battle of Vimy Ridge.

Major-General Alain Forand (retired), Colonel of the Royal 22e Régiment, said, "This is a historic moment for the Royal 22e. This is the second time since the Régiment's founding that we have the honour and privilege of performing this important official task."

MERRIMACK, SS

THE STATE OF NEW HAMPSHIRE

SUPERIOR COURT

In the Matter of the Liquidation of ACA Assurance

Docket No. 06-E-380

NOTICE OF MOTION AND OBJECTION PROCEDURES

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 Manchester, New Hampshire 03101

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Clerk of Court:

William McGraw, Clerk
 Merrimack Superior Court
 163 North Main Street
 P.O. Box 2880
 Concord, NH 03302-2880

Counsel to Liquidator:

Steven J. Lauwers, Esq.
 Rath Young & Plgnatelli
 One Capital Plaza
 Concord, NH 03302-1500
 sjl@rathlaw.com

J. Christopher Marshall, Esq.
 Office of the Attorney General
 33 Capitol Street
 Concord, NH 03301-6397
 Christopher.marshall@doj.nh.gov

THIS NOTICE IS HEREBY PROVIDED BY ROGER A. SEVIGNY, INSURANCE COMMISSIONER OF THE STATE OF NEW HAMPSHIRE, AS LIQUIDATOR OF ACA ASSURANCE, AS OF THE DATE INDICATED BELOW.

Dated: July 14, 2014

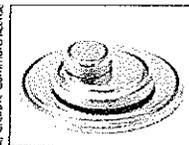
Do you know the risks related to the use of products containing "button" batteries?

A MESSAGE FROM HEALTH CANADA

Each year, dozens of children in Canada visit emergency rooms after unintentionally ingesting button-type batteries. These batteries contain harmful substances that can cause serious internal chemical burns or poisoning if ingested. If your child swallows a battery, call a doctor or poison-control centre immediately. These batteries can cause internal burns within two hours.

Button batteries are often found in musical greeting cards, small electronic devices (like remote controls), children's books, flashing jewellery and hearing aids.

Batteries can be dangerous and poisonous... be aware. To find out more, visit: <http://healthycanadians.gc.ca/kids-enfants/toy-jouet/batteries-piles-eng.php>



When not stored and disposed of properly, "button" batteries, such as those pictured above, can pose serious health risks to children.

WWW.QCTONLINE.COM

Visit
 us
 Online!



WWW.QCTONLINE.COM

THE STATE OF NEW HAMPSHIRE

MERRIMACK, SS.

SUPERIOR COURT

In the Matter of the Liquidation of ACA Assurance
Docket No. 06-E-380

[PROPOSED]
**ORDER APPROVING ALL REMAINING CLAIMS DETERMINATIONS,
SETTLEMENT AGREEMENTS, THE MANDATED RSA 402-C:35 REPORT,
THE PROPOSED PLAN OF DISTRIBUTION AND THE DISTRIBUTION OF
ASSETS**

This proceeding was commenced on October 11, 2006, upon the Verified Petition for Rehabilitation of Roger A. Sevigny, Commissioner of Insurance for the State of New Hampshire (the "Commissioner"). The Commissioner filed the Verified Petition pursuant to RSA 402-C:15, seeking appointment as Rehabilitator of ACA Assurance ("ACA"). On October 11, 2006, this Court entered an Order Appointing Rehabilitator, in which the Commissioner was appointed Rehabilitator of ACA. On July 2, 2007, the Commissioner made a Motion to terminate the initial rehabilitation; provided that ACA remain subject to a Supervision Order requiring it to maintain a minimum level of surplus. This Court granted the Motion to terminate the initial rehabilitation on July 2, 2007. On September 8, 2008, the Commissioner filed a Verified Petition to Re-open Rehabilitation, due to the deterioration of the financial position of ACA, which was granted by this Court on the same day. On September 28, 2012, the Commissioner filed a verified, assented to petition seeking to be appointed as liquidator for ACA and for certain other relief. An order granting the petition and appointing the Commissioner as Liquidator was issued by this Court on October 10, 2012. The Commissioner filed a motion seeking approval of notice and publication requirements on July 3, 2014. An

Order approving the notice and publication requirements was issued by this Court on July 10, 2014 (the "Notice Order"). The Commissioner has filed a report with the Court confirming that he has complied with the terms of the Notice Order. No objection was filed with this Court by any person during the forty (40) days following the Court's issuance of the Notice Order. The Commissioner now seeks an order approving all remaining claims determinations, certain settlement agreements, the plan of distribution and distributions, and the Commissioner's determinations made pursuant to RSA 402-C:35.

WHEREFORE, no objection having been received within the forty (40) day period set forth in the Notice Order, the Verified Motion to Approve all Remaining Claims Determinations, Settlement Agreements, the Mandated RSA 402-C:35 Report, Proposed Plan of Distribution and Distribution of Assets is GRANTED, and it is hereby ordered, adjudged and decreed that:

- (a) the determination of the Landlord Claim as a Class V priority classification in an allowed amount of \$125,000 and the Landlord Settlement Agreement are hereby approved;
- (b) the RA Settlement Agreement, including the Liquidator's determinations with respect to the approval of Royal Arcanum's claims for administrative expenses, is hereby approved;
- (c) the Liquidator's determination of all Assessment Claims in full as Class IX priority claims pursuant to RSA 402-C:44 is approved;
- (d) the Liquidator's proposed application of funds for the payment of the Assessment Claims is approved, such that the funds available for payment of

the Assessment Claims shall be applied beginning at the 40% assessment, with the effect of partially reducing the assessment on ACA's former pre-need policyholders, but without reducing the level of the assessment on ACA's other former policyholders;

- (e) the Proposed Plan of Distribution and the distribution of ACA's assets (after establishment of a reserve not to exceed \$52,000.00 for the Liquidator's administration costs) to claimants with allowed claims in ACA's estate in accordance with the Proposed Plan of Distribution are hereby approved;
- (f) the Liquidator's report pursuant to RSA 402-C:35, including the Liquidator's determination that an additional assessment is not appropriate or authorized under RSA 402-C:35 and the Liquidator's recommendation that no additional assessment be imposed pursuant to RSA 402-C:35, is hereby approved.

Date: _____
Time: _____

By: _____
Presiding Justice

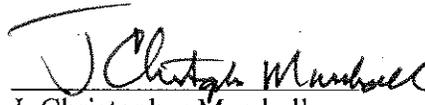
CERTIFICATE OF SERVICE

I, J. Christopher Marshall, do hereby certify that on August 26, 2014, I served a true copy of the foregoing, by first class mail, postage prepaid, to:

Roger A. Seigny
NH Commissioner of Insurance
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J. Christopher Marshall