

THE STATE OF NEW HAMPSHIRE

MERRIMACK, SS

SUPERIOR COURT

Docket No. 07-E-0517

In the Matter of the Liquidation of
Patriot Health Insurance Company, Inc.

LIQUIDATOR'S REPORT ON DISTRIBUTION

Roger A. Sevigny, Insurance Commissioner for the State of New Hampshire, as Liquidator ("Liquidator") of Patriot Health Insurance Company, Inc. ("Patriot"), submits this report on the distribution recently made to claimants with allowed Class II claims in the Patriot liquidation.

1. On January 23, 2013, the Liquidator filed a Motion for Approval of Claim, Release Agreement, and Distribution of Assets. On February 8, 2013, the Court issued its Order Approving Claim, Release Agreement and Distribution of Assets (the "Order"). The Order approved (i) the New Hampshire Life and Health Insurance Guaranty Association's ("NHLHIGA") updated claim as a Class I claim; (ii) the Release Agreement entered into by the Liquidator with the United States; and (iii) the distribution of Patriot's assets (after payment of NHLHIGA's administration cost claim and establishment of a reserve for the Liquidator's administration costs) to claimants with allowed Class II claims.

2. On March 15, 2013, the Liquidator made the Class I distribution to NHLHIGA in the amount of \$29,354 reflecting the remaining portion of its administration cost claim. After payment of outstanding Liquidator's administration cost invoices totaling \$13,599 and a \$33,024 reserve for future Liquidator's administration

costs, the assets available for distribution totaled \$548,004 as set forth on Exhibit A to the Liquidator's Nineteenth Report.

3. There were 38 claimants with allowed Class II claims after one claim was recently withdrawn (due to payment received from another source). The allowed amount on ten of the claims was less than the \$50 deductible required by RSA 402-C:44. Accordingly, the Liquidator issued 28 checks to Class II creditors with allowed claims. The Liquidator completed the mailing of distribution checks to these creditors on March 15, 2013. The 28 checks totaled \$548,004 and represented a distribution of 32.5% on the Class II creditors remaining allowed claims, which totaled \$1,686,166. The distribution to creditors has exhausted the assets of the Patriot estate except for the Liquidator's administrative expense reserve of \$33,024.

4. The distribution checks sent to the 28 creditors expressly state that they are valid for only 90 days. Once the time for depositing the checks has passed, the Liquidator will report to the Court concerning any unclaimed funds and file motions regarding closure of the estate.

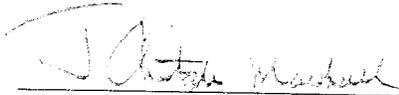
Respectfully submitted,

ROGER A. SEVIGNY, INSURANCE
COMMISSIONER OF THE STATE OF
NEW HAMPSHIRE, AS LIQUIDATOR
OF PATRIOT HEALTH INSURANCE
COMPANY, INC.

By his attorney,

MICHAEL A. DELANEY
ATTORNEY GENERAL

March 29, 2013



J. Christopher Marshall
NH Bar ID No. 1619
Civil Bureau
New Hampshire Department of Justice
33 Capitol Street
Concord, NH 03301-6397
(603) 271-3650

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Liquidator's Report on Distribution was sent, this 29th day of March 2013, by first class mail, postage prepaid to all persons on the attached service list.



J. Christopher Marshall

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SUPERIOR COURT

Docket No. 07-E-0517

In the Matter of the Rehabilitation of
Patriot Health Insurance Company, Inc.

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