

**Jacobs, Matthew**

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**From:** Jacobs, Matthew  
**Sent:** Thursday, March 06, 2003 1:20 PM  
**To:** 'hhagan@nixonpeabody.com'  
**Subject:** FW: Home in Rehabilitation

Re-sending.

-----Original Message-----

**From:** Jacobs, Matthew  
**Sent:** Thursday, March 06, 2003 1:19 PM  
**To:** 'hhagan@nixonpeadody.com'  
**Cc:** Pruet, Leo (EXTERNAL); Wolf, G. Van Velsor (EXTERNAL); Paige, David (EXTERNAL); Hecht, Philip  
**Subject:** Home in Rehabilitation

## **CONFIRMATION LETTER TO FOLLOW**

Mr. Hagan:

We have just learned that, yesterday, Home Insurance Company has been placed into Rehabilitation. This comes as a complete shock to us, as we have been reviewing the proposed Home settlement agreement – which is quite complex – since January 2003 and have received no communications whatsoever from you or Pamela Tanis about Home's faltering financial situation. That settlement agreement, as you know, merely confirms a settlement reached with Home in November 2002 and executed by Home representative Ms. Tanis on November 29, 2002 to end the litigation pending in Maricopa County Superior Court between Inspiration Consolidated Copper Company and Home.

We do not believe this current development should affect, in any fashion, Home's obligations to fulfill its payment obligations reached in November 2002 and that were confirmed in the executed Settlement Termsheet of November 2002 (all parties executed this in November 2002). Representations were made to Judge Albrecht at that time regarding the parties' understanding and agreement to settle, and, based on those representations, Judge Albrecht agreed to terminate the litigation at that time. As you know, and as Ms Tanis knows, this Court was informed of this settlement on December 2, 2002, the same date that closing arguments were to have gone to the jury.

Please advise at your earliest opportunity the status of Home's response to our proposed revisions to your proposed Settlement Agreement, which were sent to you in late February, 2003. I have heard nothing since.

I eagerly await your response. Thank you for your prompt consideration of this message.

***Matt Jacobs***

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