

THE STATE OF NEW HAMPSHIRE

MERRIMACK, SS.

SUPERIOR COURT

Docket No. 03-E-0106

In the Matter of the Liquidation of
The Home Insurance Company

RESPONDENTS ACE COMPANIES' FIRST REQUEST FOR
PRODUCTION OF DOCUMENTS BY LIQUIDATOR

Respondents Century Indemnity Company, ACE Property and Casualty Insurance Company, Pacific Employers Insurance Company, and ACE American Reinsurance Company (collectively, the "ACE Companies") hereby request, pursuant to Rule 35 of the Rules of the Superior Court of the State of New Hampshire, that Roger A. Sevigny, Insurance Commissioner of the State of New Hampshire, as Liquidator of The Home Insurance Company ("Home"), produce and permit them to inspect and copy, within thirty (30) days after the service of this request, or within any other period ordered by the Court, the documents listed below in accordance with the following definitions and instructions.

Definitions

A. "Communications" shall mean the transmittal of information in the form of facts, ideas, inquiries or otherwise.

B. The terms "concerning," "relating to," "refer to," "containing" and "regarding" are used in their broadest sense and shall include in their meaning each such terms as well as constituting, embodying, comprising, stating, dealing with, summarizing, recording, noting, mentioning, studying, setting forth, discussing, evaluating, commenting on, responding to, describing, analyzing, containing information concerning, and containing information that is in

any way pertinent to the subject matter, directly or indirectly, including, but not limited to, documents concerning the presentation of other documents.

C. The term "document" or "documents" is used in the broadest possible sense and shall mean, without limitation, any written, typed, printed, recorded, computer-stored, visual or graphic material, however produced, reproduced, copied or stored (including, but not limited to, any audio tapes, video tapes or magnetic recording tapes, microfilm, microfiche, computer hard drives, recording discs, computer disks or any other computer storage mechanisms whether temporary or permanent, or computer back-up storage media and/or mechanisms), of any type or description, whether in draft or final form, and each non-identical copy or otherwise, regardless of origin or location, in your actual or constructive possession, custody or control, and includes, without limitation, all electronic data (as the term is defined herein), correspondence, communications, records, notebooks, plans, minutes, agendas, lists, summaries, expressions, statements, opinions, instruments, accounts, invoices, ledgers, logs, accounting records, worksheets, estimating sheets, computation sheets, forms, tables, charts, analyses, graphs, forecasts, statistical statements, photographs, slides, recordings, schedules, reports, memoranda, lists, outlines, instructions, notes, calendars, diaries, telexes, telegrams, facsimile transmissions, electronic mail (e-mail), instant computer messaging, voice mail messages and other messages (including, but not limited to, reports, summaries or other records of telephone conversations and conferences), studies, books, periodicals, magazines, booklets, circulars, brochures, pamphlets, press releases, bulletins (including, but not limited to, inter- and intra-office communications), questionnaires, contracts, agreements, reports and/or summaries of investigations, reports and/or summaries of interviews, expressions or statements of policy, records, reports or summaries of negotiations, agendas for meetings or conferences, minutes or records of meetings or

conferences, lists of persons attending any meetings or conferences, opinions or reports of consultants, and drafts and revisions of drafts of any documents, and all other instruments conveying information by written, pictorial, mechanical, electronic or other means. If a document has been prepared in several copies, or additional copies have been made, or copies are not identical (or, because of subsequent modifications or addition of notations or other marginalia, are no longer identical), each non-identical copy is a separate document. The term "document" also includes and refers to the file or any container holding, or which once held, any documents and any writing or printing which might appear on such file or container.

D. "Computer" shall mean microchips, microcomputers (commonly referred to as "personal computer" or "PCs"), laptop computers, notebook computers, portable computers, palmtop computers (commonly referred to as "personal digital assistants" or "PDAs"), minicomputers and mainframe computers.

E. "Electronic data" shall mean the electronic original (which includes the raw data, the code necessary to make use of that data, and all header, footer and other machine-readable information related to the electronic original), the identical duplicate when the electronic original is not available, and any non-identical copies (whether non-identical because of attached comments, hidden text, annotations, marks, transmission information or alteration of any kind) of information of any kind stored in electronic, magnetic, optical, magneto-optical, or digital form. Electronic data includes, but is not limited to, electronic originals and all copies of electronic mail (e-mail), activity listings and/or logs of electronic mail receipts and/or transmittals, voicemail, audio or video recordings of any kind, output resulting from the use of any software product, including word processing documents, spreadsheets, database files, charts, graphs and outlines, PDF files, batch files, ASCII files, script files, and all miscellaneous electronic files

and/or file fragments, regardless of the media on which they are stored and regardless of whether the data resides in an active file, archival file, deleted file or file fragment, as those terms are defined herein. Electronic data includes any and all information stored on electronic media as that term is defined herein.

F. "Electronic media" shall mean any magnetic or other media used for the storage of electronic data as the term is defined herein. Electronic media includes, but is not limited to, hard disks, floppy disks, CD-ROM disks, Bernoulli disks and their equivalents, Zip disks, Click disks, Memory Sticks, compact flash cards, magnetic tapes of all kinds, computer chips (including, but not limited to, EPROM, PROM, RAM and ROM), and any other type of removable storage media.

G. "Active file" shall mean any electronic data file that is readily visible to the operating system and application with which it was created.

H. "Archival file" shall mean any electronic data file that is stored in electronic media for back-up purposes and is not otherwise an active file.

I. "Deleted file" shall mean any electronic data file that has been deleted from the electronic media on which it resides but has not yet been completely written over with new electronic data.

J. "File fragment" shall mean any electronic data file that exists as a subset of an original active file. A file fragment may be part of an active file, archival file or deleted file.

K. "You" or "Liquidator" shall mean Roger A. Sevigny, Insurance Commissioner of the State of New Hampshire, as Liquidator of Home, and his predecessors, successors, assigns, employees, agents, accountants, attorneys and any other persons acting or purporting to act on his behalf, including, but not limited to, the Special Deputy Liquidator.

L. "Liquidation" shall mean the liquidation of Home, which was commenced by the filing of a petition to liquidate on or about May 8, 2003.

M. "Motion" shall mean the Liquidator's Motion for Approval of Agreement and Compromise with AFIA Cedents filed in the Liquidation on or about February 11, 2004.

N. "Home UK Branch" shall mean Home's unincorporated branch operation in the United Kingdom.

O. "INA Agreement" shall mean the Insurance and Reinsurance Assumption Agreement, dated January 31, 1984, which is referred to in paragraph 3 of the Motion.

P. "Agreement" shall mean the Agreement with the AFIA Cedents that is the subject of the Motion.

Q. "UK scheme of arrangement" shall mean the proposed scheme of arrangement referred to in paragraphs 12 through 17 of the Motion.

R. "AFIA" shall mean the American Foreign Insurance Association, an unincorporated association of American insurers, through which the Home UK Branch wrote insurance and reinsurance business in the United Kingdom.

S. "AFIA Cedents" shall mean those insurers who ceded insurance risk to Home through the Home UK Branch.

T. "AFIA Treaties" shall mean those reinsurance treaties through which certain insurers ceded insurance risk to Home through the Home UK Branch.

U. "Bengelsdorf" or "Special Deputy Liquidator" shall mean Peter A. Bengelsdorf, as Special Deputy Liquidator of Home, and his predecessors, successors, assigns, employees, agents, accountants, attorneys and any other persons acting or purporting to act on his behalf.

V. "English provisional liquidation proceeding" or "English proceeding" shall mean the provisional liquidation proceeding for the Home UK Branch referred to on page 1 and paragraphs 5 and 8 of the Motion.

W. "Joint Provisional Liquidators" shall mean the Joint Provisional Liquidators appointed by the High Court of Justice in London, on or about May 8, 2003, in the English provisional liquidation proceeding for the Home UK Branch.

X. "Informal Creditors' Committee" or "Committee" shall mean the committee of certain AFIA Cedents, which is described in paragraph 8 of the Motion.

Y. The terms "all" and "each" shall be construed as all and each.

Z. The connectives "and" and "or" shall be construed either disjunctively or conjunctively as necessary to bring within the scope of the requests below all responses that might otherwise be construed to be outside of its scope.

AA. The use of the singular form of any word includes the plural and vice versa.

Instructions

A. These requests call for the production of all responsive documents in your possession, custody or control or available to you, your employees, attorneys, accountants, auditors or other persons acting on your behalf, in your employment, under your direction and/or control of your agents or representatives.

B. When information with respect to a corporation, partnership, limited liability company or unincorporated association or entity is called for in these requests, such reference shall be construed to include information with respect to that entity and any and all predecessors and successors in interest, parents, subsidiaries, affiliates, divisions or departments, agents,

representatives, directors, officers, employees, committees, attorneys, accountants and all other persons or entities acting on its behalf or under its control.

C. Where a document is not produced because of a claim of privilege, the following information shall be provided: (i) the type of document; (ii) the general subject matter of the document; (iii) the date of the document; and (iv) such other information as is sufficient to identify the document, including, where appropriate, the author of the document, the addressees of the document, any other recipients of the document, and, where not apparent, the relationship of the author, addressees, and recipients to each other.

D. If a document that is responsive to a document request was, but is not now, in your custody or control, provide a statement with the following information:

1. whether the document is still in existence, and if so, the name and business address of each person in whose custody a copy of the document may be found;
2. whether the document has been lost or destroyed, and if destroyed, why and by whom;
3. whether the document has been otherwise disposed of, stating who disposed of it, and the date and manner of disposition; and
4. a description of the contents of the document, the names of the author(s) and addressee(s) of the document, and the date the document was created.

E. If it is otherwise not possible to produce any document called for by the request, or if any part of the request is objected to, the reasons for the objection and/or other failure to produce should be stated with specificity as to all grounds.

F. The request is a continuing one and requires further and supplemental production as and whenever additional documents are acquired or made or located between the time of the initial production hereunder and the time this matter is concluded.

Document Requests

1. All documents concerning the appointment of the Joint Provisional Liquidators by the High Court of Justice, as described in paragraph 5 of the Motion.

2. All documents filed in the English provisional liquidation proceeding for the Home UK Branch, including the application and any supporting legal submissions, witness statements, or affidavits.

3. All documents concerning the Agreement, including, but not limited to, all drafts of the proposed Agreement, all notes, memoranda or other documents relating to the Agreement, and all documents relating to any communications (written or oral) with respect to the Agreement.

4. All documents concerning the alleged “changes to the pre-liquidation arrangements” and the “disputes and uncertainty” created “over the filing, handling and payment of AFIA Cedents’ claims and payment of amounts under the INA Agreement” that are referred to in paragraph 7 of the Motion.

5. All documents concerning the allegation in paragraph 7 of the Motion that “certain of the AFIA Cedents have been exploring alternative means of realizing recovery with respect to the business protected by the AFIA Treaties, including possible circumvention of Home by entering into side arrangements with ACE Group.”

6. All documents concerning the allegation in paragraph 7 of the Motion that “[c]ertain AFIA Cedents have also questioned the application of the New Hampshire claims and distribution procedures to claims and assets located in the United Kingdom.”

7. All documents concerning the alleged suggestion by the AFIA Cedents that “UK assets arguably should be ‘walled off’ from United States creditors and distributed to Home UK Branch creditors” (Motion at ¶ 7), including, but not limited to, any “presentations” or other

documents regarding the “walling off” approach referred to in paragraph 7 of the Motion and any other communications (written or oral) between the AFIA Cedents and the Liquidator and/or the Joint Provisional Liquidators (or anyone else) regarding the “walling off” approach.

8. All documents concerning the negotiations between the Joint Provisional Liquidators and the Informal Creditors’ Committee referred to in paragraphs 8 and 9 of the Motion.

9. All documents concerning the decision of “one of the members of the Committee” to abstain from the Agreement, as described in paragraph 9 of the Motion, including, but not limited to, all documents relating to any communications (written or oral) between the member of the Committee and the Liquidator and/or Joint Provisional Liquidators (or anyone else) regarding said decision.

10. All documents concerning the UK scheme of arrangement referred to in paragraphs 12 through 17 of the Motion, including, but not limited to, all documents concerning any communications (written or oral) between any of the AFIA Cedents and the Liquidator and/or Joint Provisional Liquidators (or anyone else) relating to the UK scheme of arrangement.

11. All documents concerning Sections 1.2, 1.9.1, and 1.9.7 of the Agreement, including, but not limited to, any analysis and supporting documentation for the distribution percentages of proceeds and net recoveries referred to in paragraph 14 of the Motion.

12. All documents concerning the allegation in paragraph 14 of the Motion that “the Net Recoveries payable to the AFIA Cedents and the net amounts paid to Home are each estimated to be in excess of \$50 million.”

13. All documents concerning the allegation in paragraph 21 of the Motion that “it is appropriate to agree that the AFIA Cedents may receive a portion of the net proceeds” because it

“is in essence a cost of obtaining and collecting an asset of the Home estate for the benefit of the policyholders and other creditors of Home,” including, but not limited to, all documents concerning any communications (written or oral) with respect to such allegation.

14. All working files, correspondence files, desk files, personal files or e-mails of any of the following persons concerning the subject matter of the above requests:

Roger A. Sevigny
Peter A. Bengelsdorf
Gareth H. Hughes
Maggie Mills
Jonathan Rosen

15. A recent, updated copy of Peter A. Bengelsdorf's resume, curriculum vitae, or any other document providing Mr. Bengelsdorf's education and professional background and experience.

16. All documents concerning the Liquidator's media plan for providing notice of the existence of the liquidation and claim filing deadline.

Dated: March 19, 2004

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