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IN REPLY PLEASE QUOTE

DATE

JXXB/H2164-00043/DJS

16 March 2005

DIRECT DIAL

020 7006 1612

Orr & Reno
One Eagle Square
P O Box 3550
Concord
NH03302-3550
United States of America

Ronald L. Snow

Dear Sirs

ACE Document Request

We write this letter on behalf of Gareth Howard Hughes, the joint provisional liquidator appointed pursuant to section 135 of the Insolvency Act 1986 of England and Wales (the "Joint Provisional Liquidator") to the Home Insurance Company ("Home") in response to the ACE Companies' First Request for Production of Documents by Gareth Howard Hughes and Ernst and Young LLP ("E&Y") dated 21 January 2005 (the "ACE Document Request").

Preliminary statement and general objections

1. In the course of responding to the ACE Companies' First Request for Production of Documents by Liquidator, (the "First ACE Request to the Liquidator") and Benjamin Moore & Co.'s First Request for Production of Documents by Liquidator (the "BMC Request"), Roger A. Sevigny, Commissioner of Insurance for the State of New Hampshire, as Liquidator of Home (the "Liquidator") requested that Gareth Howard Hughes and Margaret Elizabeth Mills (together, "Joint Provisional Liquidators") and their staff involved in the subject matter of such requests (their "Staff") provide all documents in their possession within the scope of the Liquidator's responses to such requests. As described in the Liquidator's responses, the Joint Provisional Liquidators and their Staff provided the documents requested. The Liquidator also provided a privilege log encompassing the documents of the Joint Provisional Liquidators and their Staff. The ACE Companies appeared to have accepted this approach in e-mails during November 2004 (attached as Exhibit A) and, as such, the ACE Document Request was surprising. The ACE Document Request in great part duplicates the First ACE Request

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to the Liquidator and the BMC Request, and the Joint Provisional Liquidator objects to the ACE Document Request as duplicative, unnecessary and unduly burdensome.

2. The Joint Provisional Liquidator questions whether the ACE Document Request imposes any obligation to respond. In particular,
 - (a) the Joint Provisional Liquidator, appointed by the High Court of Justice in England, is not subject to the jurisdiction of the Superior Court for Merrimack County, New Hampshire;
 - (b) the ACE Document Request is not authorised by New Hampshire Superior Court Rule 35; and
 - (c) it does not comply with the Hague Convention.

While reserving all rights in this regard, the Joint Provisional Liquidator is willing to make a reasonable production on a voluntary basis. In fact, as noted in paragraph 1 above, the Joint Provisional Liquidator has already done so by providing documents to the Liquidator. The Joint Provisional Liquidator voluntarily provides this written response principally to confirm the point.

3. The Joint Provisional Liquidator responds to the ACE Document Request in accordance with the Order on Remand entered 8 October, 2004 ("Order on Remand"). The Court directed there that "the parties may conduct discovery limited to the necessity, reasonableness and fairness of the agreement" (see pages 13 and 14 of the Order on Remand). The Joint Provisional Liquidator objects to the ACE Document Request to the extent it goes beyond the discovery permitted by the Order on Remand.
4. Each response below is made subject to the following general objections even though the objections may not be specifically referred to therein:
 - (a) the Joint Provisional Liquidator objects to the ACE Document Request to the extent it seeks documents protected by the attorney-client privilege, the work-product doctrine or any other applicable privilege;
 - (b) the Joint Provisional Liquidator objects to the definition and instructions set forth in the ACE Document Request to the extent they purport to impose obligations beyond those imposed by the New Hampshire Superior Court Rules, including, but not limited to the following:
 - (i) the Joint Provisional Liquidator objects to the definition of "concerning", "relating to", "refer to", "containing" and "regarding" as overbroad and unduly burdensome. The Joint Provisional Liquidator construes these terms to mean referring to, describing, evidencing or constituting;
 - (ii) the Joint Provisional Liquidator objects to the definitions of "document" and "electronic data" and instruction D as overbroad and unduly burdensome. The Joint Provisional Liquidator objects to conducting general searches for electronic data, especially deleted material as unduly burdensome. With

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respect to electronic records, the Joint Provisional Liquidator has printed out email presently existing on E&Y's computer system within the responses below. Further backup information is not available.

- (c) The Joint Provisional Liquidator objects to the definitions of "you" and "your" and instructions A and B as overbroad, in particular insofar as they purport to include, accountants, attorneys and other independent persons. The Joint Provisional Liquidator responds in accordance with the responses set forth below based on a reasonable search of the files in the possession of the Joint Provisional Liquidators and/or and their Staff in respect of the Home. The Joint Provisional Liquidator notes that, as stated in response to Request 21 in the First ACE Document Request to the Liquidator, Margaret Mills has no files in respect of this matter.
- (d) Except as specified in the responses below, the Joint Provisional Liquidator objects to producing documents created after 11 February, 2004 as not relevant to the necessity, reasonableness and fairness of the Agreement (as defined in the ACE Document Request at page 5), beyond the scope of discovery permitted by the Order on Remand, overbroad and unduly burdensome. The Motion for Approval of the Agreement was served on 11 February, 2004 (the "Motion") and litigation with ACE Companies and Benjamin Moore and Co. over the Motion began shortly thereafter.
- (e) Except as specified in the responses below, the Joint Provisional Liquidator objects to producing documents created before 1 September 2003, as not relevant to the necessity, reasonableness and fairness of the Agreement, beyond the scope of discovery permitted by the Order on Remand, overbroad and unduly burdensome.
- (f) Where requested documents would fall within the scope of documents previously provided in connection with the First ACE Request to the Liquidator or the BMC Request, it has been indicated below. This does not necessarily mean that such documents exist.

General Requests

1. All documents relating to your internal communications with respect to the Agreement, including but not limited to, the negotiation of the Agreement.

Response: The Joint Provisional Liquidators and their Staff have provided responsive documents pursuant to Requests 4 and 5 in the First ACE Request to the Liquidator and such responses are incorporated herein.

2. All documents concerning your communications with any AFIA Cedants regarding the Agreement, including, but not limited to, the negotiation of the Agreement.

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Response: The Joint Provisional Liquidators and their Staff have provided responsive documents pursuant to Requests 4 and 5 in the First ACE Request to the Liquidator and such responses are incorporated herein.

3. All documents relating to your communications with the Liquidator regarding the Agreement, including but not limited to, the negotiation of the Agreement.

Response: The Joint Provisional Liquidators and their Staff have provided responsive documents pursuant to Requests 4 and 5 in the First ACE Request to the Liquidator and such responses are incorporated herein.

4. All documents in your possession, custody or control reflecting any communication regarding the Agreement with any entity other than those referenced in Requests 2, 3 and 4 above (sic 1, 2 and 3 above), including, but not limited to, the negotiation of the Agreement.

Response: The Joint Provisional Liquidators and their Staff have provided responsive documents pursuant to Requests 4 and 5 in the First ACE Request to the Liquidator and such responses are incorporated herein.

5. All documents in your possession, custody or control reflecting any communication between and among any AFIA Cedents regarding the Agreement, including, but not limited to, the negotiation of the Agreement.

Response: The Joint Provisional Liquidators and their Staff have provided responsive documents pursuant to Requests 4 and 5 in the First ACE Request to the Liquidator and such responses are incorporated herein.

6. All documents concerning the UK Scheme of Arrangement, including, but not limited to:

- (a) all documents concerning your internal communications relating to the UK Scheme of Arrangement; and
- (b) all documents concerning any communications between and among you, and AFIA Cedent(s), the Liquidator and any other person or entity relating to the UK Scheme of Arrangement.

Response: The Joint Provisional Liquidators and their Staff have provided responsive documents pursuant to Request 12 in the First ACE Request to the Liquidator and such responses are incorporated herein. Notwithstanding General Objection 4(d), the Joint Provisional Liquidator notes that the ACE Companies have previously been provided with the Joint Provisional Liquidators' application to the High Court of Justice for an order approving the convening of a scheme creditors' meeting, which included the scheme of arrangement.

7. All documents concerning any payment contemplated under the Agreement to any AFIA Cedent(s).

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Response: The Joint Provisional Liquidators and their Staff have provided responsive documents pursuant to Requests 4, 5, 9, 13 and 15 in the First ACE Request to the Liquidator and such responses are incorporated herein.

8. All documents concerning the application of New Hampshire claims and distribution procedures to any claims and assets related to Home or Home UK Branch located in the United Kingdom, including, but not limited to, any communication between you, the Liquidator or any AFIA Cedent(s) regarding the application of any such procedures.

Response: The Joint Provisional Liquidators and their Staff have provided certain responsive documents pursuant to Requests 5, 7 and 24 in the First ACE Request to the Liquidator and such responses are incorporated herein. The Joint Provisional Liquidator otherwise objects to the request as not relevant to the necessity, reasonableness and fairness of the Agreement, beyond the scope of discovery permitted by the Order on Remand, overbroad and unduly burdensome.

9. All documents concerning any suggestion by any AFIA Cedent that UK assets related to Home or Home UK Branch should be "walled off" from United States creditors and distributed to Home UK Branch creditors, including, but not limited to:

- (a) the nature and value of any such UK assets;
- (b) all documents concerning any presentations regarding any "walling off" of any such assets; and
- (c) any communications between and among you, any AFIA Cedent(s), the Liquidator and any other person or entity regarding "walling off" of such UK assets.

Response: The Joint Provisional Liquidators and their Staff have provided responsive documents pursuant to Requests 1, 8 and 29 in the First ACE Request to the Liquidator and such responses are incorporated herein.

10. All documents concerning the Company's assets, including, but not limited to:
- (a) all documents concerning any assets of Home located in England and Wales as referenced in paragraph 4 of the Affidavit (as defined in the ACE Document Request);
 - (b) all documents concerning your statement in paragraph 7 of the Affidavit that "questions of 'situs' of particular assets gives rise to complex issues of fact and law";
 - (c) all documents concerning your suggestion in paragraph 7 of the Affidavit that the Liquidator can identify potential "UK Assets" beyond the proceeds of the Assumption Agreement;

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- (d) all documents concerning any investigation of anyone, including any AFIA Cedent(s), regarding any "ring-fencing" of UK assets for the benefit of UK creditors;
- (e) all documents concerning any legal advice you have received regarding the "ring-fencing" of UK assets, as referenced in paragraph 15 of the Affidavit;
- (f) all documents concerning any UK creditors' ability to "ring-fence" any UK asset during the pendency of the Liquidation;
- (g) all documents concerning the "most valuable assets in relation to AFIA" referenced in paragraph 47 of the First Witness Statement;
- (h) all documents concerning any justification as set forth in paragraph 55 of the First Witness Statement for a separate English proceeding to deal with the English-situs assets;
- (i) all documents concerning your statement in paragraph 57 of the First Witness Statement regarding the sufficiency of assets for a distribution to any Class V Creditors including, but not limited to, any AFIA Cedents; and
- (j) all documents concerning the nature and value of any Scheme Assets as referenced in paragraph 84 of the First Witness Statement.

Response: The Joint Provisional Liquidators and their Staff have provided certain responsive documents pursuant to Requests 1 and 8 in the First ACE Request to the Liquidator and such responses are incorporated herein. Otherwise, the Joint Provisional Liquidator objects to the request as not relevant to the necessity, reasonableness and fairness of the Agreement, beyond the scope of discovery permitted by the Order on Remand, overbroad and unduly burdensome.

11. All documents concerning any alternative means you have considered for realising recovery by any AFIA Cedent(s) with respect to the business protected by the AFIA Treaties, including, but not limited to:
- (a) any possible means of circumventing Home in realizing any such recovery;
 - (b) any possible side arrangements between any AFIA Cedent(s) and the ACE Companies;
 - (c) any communication between you and the Liquidator regarding any alternative means of realizing any such recovery; and
 - (d) any communication between you and any AFIA Cedent(s) regarding any alternative means of realizing any such recovery.

Response: The Joint Provisional Liquidator objects to this request as vague in that it appears to be directed to a cedent. However, giving a reasonable construction to the request, the Joint Provisional Liquidators and their Staff have provided responsive

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documents pursuant to Requests 6 and 24 in the First ACE Request to the Liquidator and such responses are incorporated herein.

12. All documents concerning any estimates, done by you or any other entity, of "Net Recoveries" as defined in Section 1.2 of the Agreement, including but not limited to, the Liquidator's estimate of \$72.5 million.

Response: The Joint Provisional Liquidators and their Staff have provided responsive documents pursuant to Request 14 in the First ACE Request to the Liquidator and such responses are incorporated herein.

13. All documents concerning any determination that, under the Agreement, any AFIA Cedent(s) would receive any amount of the "Net Recoveries", as defined in Section 1.2 of the Agreement.

Response: The Joint Provisional Liquidators and their Staff have provided responsive documents pursuant to Request 15 in the First ACE Request to the Liquidator and such responses are incorporated herein.

14. All documents concerning any amount or level of payment necessary to provide an incentive to any AFIA Cedent(s) to file a claim in the Liquidation.

Response: The Joint Provisional Liquidators and their Staff have provided responsive documents pursuant to Requests 9 and 15 of the First ACE Request to the Liquidator and such responses are incorporated herein.

15. All documents concerning any proof of claim filed by any AFIA Cedent(s) in the Liquidation, including, but not limited to, any files concerning the preparation and filing of such proof of claim.

Response: The Joint Provisional Liquidator notes that the Liquidator has provided ACE with a copy of the proofs of claims filed by the AFIA Cedents in the liquidation of the Home. Otherwise the Joint Provisional Liquidator objects to the request as not relevant to the necessity, reasonableness and fairness of the Agreement, beyond the scope of discovery permitted by the Order on Remand, overbroad and unduly burdensome.

16. All documents concerning any correlation(s) established by you, the Liquidator, or any other person or entity between the AFIA Cedents receiving any portion of the "Net Recoveries" as defined in Section 1.2 of the Agreement, and the cost of obtaining and collecting any amount from the Home estate, including, but not limited to, all documents concerning any communications with respect to such correlations.

Response: The Joint Provisional Liquidator objects to this request as unduly vague. However, giving a reasonable construction to the request, the Joint Provisional Liquidators and their Staff have provided responsive documents pursuant to Request 13 in the First ACE Request to the Liquidator and such responses are incorporated herein.

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Document Requests Regarding the Affidavit

17. All documents concerning the Affidavit.

Response: The Joint Provisional Liquidator incorporates the exhibits to the Affidavit and the responses to the other requests. The Joint Provisional Liquidator otherwise objects to the request as not relevant to the necessity, reasonableness and fairness of the Agreement, beyond the scope of discovery permitted by the Order on Remand, overbroad and unduly burdensome.

18. All documents concerning the issues confronting the Home estate as a result of its participating in the AFIA pool, as referenced in paragraph 4 of the Affidavit.

Response: The Joint Provisional Liquidator incorporates the responses to the other requests and otherwise objects to this request as not relevant to the necessity, reasonableness and fairness of the Agreement, beyond the scope of discovery permitted by the Order on Remand, overbroad and unduly burdensome.

19. All documents concerning your communications with the FSA regarding Home.

Response: The Joint Provisional Liquidator has provided responsive documents pursuant to Request 5 of the First ACE Request to the Liquidator and such response is incorporated herein. The Joint Provisional Liquidator otherwise objects to the request as not relevant to the necessity, reasonableness and fairness of the Agreement, beyond the scope of discovery permitted by the Order on Remand, overbroad and unduly burdensome.

20. All documents concerning the Liquidator's communications with the FSA regarding Home.

Response: The Joint Provisional Liquidator has provided responsive documents pursuant to Request 5 of the First ACE Request to the Liquidator and such response is incorporated herein. The Joint Provisional Liquidator otherwise objects to the request as not relevant to the necessity, reasonableness and fairness of the Agreement, beyond the scope of discovery permitted by the Order on Remand, overbroad and unduly burdensome.

21. All documents concerning the FSA's letter dated 26 March 2004, referenced in paragraph 5 of the Affidavit.

Response: Notwithstanding General Objection 4(d), the Joint Provisional Liquidator notes that the ACE Companies have previously been provided with a copy of the FSA's letter dated 26 March 2004 by way of exhibit to the Affidavit.

22. All documents concerning any progress on the provisional liquidation as referenced in paragraph 5 of the Affidavit.

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Response: The Joint Provisional Liquidator objects to the request as not relevant to the necessity, reasonableness and fairness of the Agreement, beyond the scope of discovery permitted by the Order on Remand, overbroad and unduly burdensome.

23. All documents concerning any proposal(s) for dealing with any AFIA Cedents' claim(s), including but not limited to any alternatives considered:

- (a) absent the Agreement;
- (b) as envisaged in the Agreement; and
- (c) in the proposed UK Scheme of Arrangement.

Response: The Joint Provisional Liquidator objects to the request as being unduly vague. However, giving a reasonable construction to the request, the Joint Provisional Liquidators and their Staff have provided responsive documents pursuant to Request 1 in the BMC Request (which addressed consideration of alternatives to the Agreement). Further, the Joint Provisional Liquidators incorporate the responses to the preceding requests (which address the Agreement, including the proposed scheme).

24. All documents concerning the reinsurance contract(s) provided by BAFCO and referenced in paragraph 7 of the Affidavit.

Response: The Joint Provisional Liquidators and their Staff have provided responsive documents pursuant to Request 1 in the First ACE Request to the Liquidator and such response is incorporated herein. Otherwise the Joint Provisional Liquidator objects to the request as not relevant to the necessity, reasonableness and fairness of the Agreement, beyond the scope of discovery permitted by the Order on Remand, overbroad and unduly burdensome.

25. All documents concerning Home's reinsurance claims against CIRC under the BAFCO Reinsurances, as referenced in paragraph 8 of the Affidavit.

Response: The Joint Provisional Liquidators and their Staff have provided responsive documents pursuant to Request 1 in the First ACE Request to the Liquidator and by way of exhibit to the Affidavit. Such responses are incorporated herein. Otherwise the Joint Provisional Liquidator objects to the request as not relevant to the necessity, reasonableness and fairness of the Agreement, beyond the scope of discovery permitted by the Order on Remand, overbroad and unduly burdensome.

26. All documents concerning any "UK nexus" between Home and CIRC.

Response: The Joint Provisional Liquidators and their Staff have provided responsive documents pursuant to Request 1 in the First ACE Request to the Liquidator and the exhibits to the Affidavit and such response is incorporated herein. Otherwise the Joint Provisional Liquidator objects to the request as not relevant to the necessity, reasonableness and fairness of the Agreement, beyond the scope of discovery permitted by the Order on Remand, overbroad and unduly burdensome.

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27. All documents concerning your statement in paragraph 9 of the Affidavit that "historically it is the BAFCO Reinsurances which have been utilised by INA and then by ACE Group [...] to make payments to AFLA cedents on Home's behalf."

Response: The Joint Provisional Liquidator incorporates the exhibits to the Affidavit and otherwise objects to the request as not relevant to the necessity, reasonableness and fairness of the Agreement, beyond the scope of discovery permitted by the Order on Remand, overbroad and unduly burdensome.

28. All documents concerning any cash reconciliation regarding Home's UK Branch, including but not limited to:
- (a) any cash reconciliation exercise undertaken by you;
 - (b) any cash reconciliation exercise undertaken by any other entity; and
 - (c) any request by you for any cash reconciliation pertaining to Home's UK operations.

Response: The Joint Provisional Liquidator objects to the request as not relevant to the necessity, reasonableness and fairness of the Agreement, beyond the scope of discovery permitted by the Order on Remand, overbroad and unduly burdensome.

29. All documents concerning your understanding of how Home's UK Branch funded its operations as referenced in paragraph 10 of the Affidavit, including but not limited to, all documents concerning your statement that funds made available for funding claims payment by Home to its creditors were:
- (a) drawn from CIRC;
 - (b) paid into England; and
 - (c) credited against recoveries falling due from "that company under BAFCO Reinsurances."

Response: The Joint Provisional Liquidator incorporates the exhibits to the Affidavit and otherwise objects to the request as not relevant to the necessity, reasonableness and fairness of the Agreement, beyond the scope of discovery permitted by the Order on Remand, overbroad and unduly burdensome.

30. All documents concerning your position that the ACE Companies are a "beneficial owner of the BAFCO Reinsurances," as referenced in paragraph 11 of the Affidavit.

Response: The Joint Provisional Liquidator objects that this request misstates the Affidavit. The Joint Provisional Liquidator incorporates the exhibits to the Affidavit and otherwise objects to this request as not relevant to the necessity, reasonableness and fairness of the Agreement, beyond the scope of discovery permitted by the Order on Remand, overbroad and unduly burdensome.

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31. All documents concerning the filing of any claim(s) by any AFIA Cedent(s) in the Liquidation, including, but not limited to:

- (a) all documents concerning your communications with any AFIA Cedent(s) regarding filing and prosecuting claims in the Liquidation, including, but not limited to, any communications referenced in paragraphs 13 of the Affidavit; and
- (b) all documents concerning your statement in paragraph 58 of the First Witness Statement regarding the AFIA Cedents' likelihood of filing any claims in the Liquidation.

Response: The Joint Provisional Liquidators and their Staff have provided responsive documents pursuant to Requests 4, 5 and 6 in the First ACE Request to the Liquidator and such responses are incorporated herein.

32. All documents concerning any AFIA Cedent's set-off rights, including, but not limited to your communications with any AFIA Cedent(s) regarding such rights.

Response: The Joint Provisional Liquidators and their Staff have provided certain responsive documents pursuant to Requests 4 and 5 in the First ACE Request to the Liquidator and such responses are incorporated herein. The Joint Provisional Liquidators otherwise object to this request as not relevant to the necessity, reasonableness and fairness of the Agreement, beyond the scope of discovery permitted by the Order on Remand, overbroad and unduly burdensome.

33. All documents concerning your view whether any AFIA Cedent(s) would receive any payment for their claims in the Liquidation.

Response: The Joint Provisional Liquidators and their Staff have provided responsive documents pursuant to Requests 4, 5 and 28 in the First ACE Request to the Liquidator and such responses are incorporated herein.

34. All documents concerning the time and expense to any AFIA Cedent(s) of filing and prosecuting any claims in the Liquidation.

Response: The Joint Provisional Liquidators and their Staff have provided responsive documents pursuant to Requests 4 and 5 in the First ACE Request to the Liquidator and such responses are incorporated herein.

35. All documents concerning your communications with any member of the Informal Creditors Committee, including but not limited to Equitas, Agrippina and Excess, regarding alternative means of recovering reinsurances from the Home, including:

- (a) cut-throughs to the reinsurance provided by Home;
- (b) negotiating a direct agreement with the ACE Companies; and
- (c) any other means of by-passing Home.

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Response: The Joint Provisional Liquidators and their Staff have provided responsive documents pursuant to Request 6 in the First ACE Request to the Liquidator and such responses are incorporated herein.

36. All documents concerning your position that the alternatives set forth in Request No. 37 (sic 35) are not legally permissible.

Response: The Joint Provisional Liquidators and their Staff have provided responsive documents pursuant to Request 6 in the First ACE Request to the Liquidator and Request 1 in the BMC Request and such responses are incorporated herein.

37. All documents concerning the Liquidator's position that the alternatives set forth in Request No. 37 (sic 35) are not legally permissible.

Response: The Joint Provisional Liquidators and their Staff have provided responsive documents pursuant to Request 6 in the First ACE Request to the Liquidator and Request 1 in the BMC Request and such responses are incorporated herein.

38. All documents concerning your communications with any AFIA Cedent(s) regarding your position on the legality of any alternatives set forth in Request No. 37 (sic 35).

Response: The Joint Provisional Liquidators and their Staff have provided responsive documents pursuant to Request 6 in the First ACE Request to the Liquidator and such responses are incorporated herein.

39. All documents concerning any communication between the Liquidator and any AFIA Cedent(s) regarding the Liquidator's position on the legality of the alternatives set for in Request No. 37 (sic 35)

Response: The Joint Provisional Liquidators and their Staff have provided responsive documents pursuant to Request 6 in the First ACE Request to the Liquidator and such responses are incorporated herein.

40. All documents concerning your view of the ability of Home to challenge any cut-through arrangement, as set forth in paragraph 14 of the Affidavit.

Response: The Joint Provisional Liquidators and their Staff have provided responsive documents pursuant to Request 6 in the First ACE Request to the Liquidator and Request 1 in the BMC Request and such responses are incorporated herein.

41. All documents concerning the "substantiation" referenced in paragraph 14 of the Affidavit.

Response: The Joint Provisional Liquidators have provided responsive documents pursuant to Request 8 in the First ACE Request to the Liquidator and such responses are incorporated herein.

42. All documents concerning any AFIA Cedent's claim(s) against Home, including, but not limited to:

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- (a) all documents concerning the validity of any AFIA Cedent's claim(s) against Home;
- (b) all documents concerning any AFIA Cedent's review of its claim(s) against Home;
- (c) all communications between you and any AFIA Cedent(s) concerning the validity of any AFIA Cedent's claim(s) against Home; and
- (d) all communications between and among any AFIA Cedent(s) concerning the validity of any AFIA Cedent's claim(s) against Home.

Response: The Joint Provisional Liquidators and their Staff have provided responsive documents pursuant to Request 1 in the First ACE Request to the Liquidator and such responses are incorporated herein. The Joint Provisional Liquidator otherwise objects to the request as not relevant to the necessity, reasonableness and fairness of the Agreement, beyond the scope of discovery permitted by the Order on Remand, overbroad and unduly burdensome. Notwithstanding General Objection 4(d), the Joint Provisional Liquidator notes that the Liquidator has provided the ACE Companies with copies of proofs of claim filed by AFIA Cedents.

43. All documents concerning any reinsurance contract(s) giving rise to any AFIA Cedent's claim(s) against Home.

Response: The Joint Provisional Liquidator objects to this request as not relevant to the necessity, reasonableness and fairness of the Agreement, beyond the scope of discovery permitted by the Order on Remand, overbroad and unduly burdensome.

44. All documents concerning your review, interpretation and understanding of the terms of any reinsurance contract(s) giving rise to any AFIA Cedent's claim(s) against Home.

Response: The Joint Provisional Liquidator objects to this request as not relevant to the necessity, reasonableness and fairness of the Agreement, beyond the scope of discovery permitted by the Order on Remand, overbroad and unduly burdensome.

45. All documents concerning the practices and procedures of the AFIA association or any AFIA Cedent regarding the filing and prosecution of claims, including, but not limited to:

- (a) all documents concerning the costs to any AFIA Cedent(s) of filing and prosecuting any claims, including but not limited to, any AFIA Cedent's claim(s) against Home;
- (b) all documents concerning the time and effort incurred by any AFIA Cedent(s) in filing and prosecuting any claims, including, but not limited to, any AFIA Cedent's claim(s) against Home; and

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- (c) all documents reflecting any practice and procedures regarding the filing of claims by any ceding company comprising your "substantial experience in insurance insolvency matters", as referenced in paragraph 2 of the Affidavit.

Response: The Joint Provisional Liquidators and their Staff have provided responsive documents to (a) and (b) pursuant to Requests 4 and 5 of the First ACE Request to the Liquidator and such responses are incorporated herein. The Joint Provisional Liquidator otherwise objects to the request as not relevant to the necessity, reasonableness and fairness of the Agreement, beyond the scope of discovery permitted by the Order on Remand, overbroad and unduly burdensome.

46. All documents concerning any determination by any AFIA Cedent(s) that the filing and prosecution of claims in the Liquidation is appropriate for any such AFIA Cedent.

Response: The Joint Provisional Liquidators and their Staff have provided responsive documents pursuant to Requests 4 and 5 of the First ACE Request to the Liquidator and such responses are incorporated herein.

47. All documents concerning any discussion between you and Home or the Liquidator, including its/their advisers and /or representatives regarding:

- (a) the ranking of any AFIA Cedent as a creditor; and
(b) any potential distribution to any AFIA Cedent.

Response: The Joint Provisional Liquidators and their Staff have provided responsive documents pursuant to Requests 5 and 28 of the First ACE Request to the Liquidator and such responses are incorporated herein.

48. All internal documents concerning the memorandum referenced in paragraph 10 of the Affidavit, including, but not limited to, all communications between you and any other entity regarding that memorandum.

Response: The Joint Provisional Liquidator objects to this request as not relevant to the necessity, reasonableness and fairness of the Agreement, beyond the scope of discovery permitted by the Order on Remand, overbroad and unduly burdensome.

49. All documents concerning the October 28 1995 letter referenced in paragraph 11 of the Affidavit.

Response: The Joint Provisional Liquidator objects to this request as not relevant to the necessity, reasonableness and fairness of the Agreement, beyond the scope of discovery permitted by the Order on Remand, overbroad and unduly burdensome.

Document Requests regarding the First Witness Statement

50. All documents concerning any meeting of the Scheme Creditors as referenced in paragraph 4.1 of the First Witness Statement.

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Response: Notwithstanding General Objection 4(d), the Joint Provisional Liquidator notes that the ACE Companies have previously been provided with the Joint Provisional Liquidators' application to the High Court of Justice for an order approving the convening of a scheme creditors' meeting which included, by way of exhibit, copies of documents sent to the Scheme Creditors in respect of that meeting and that the mailing to Scheme Creditors is posted on the HICIL website. Otherwise, the Joint Provisional Liquidator objects to this request as not relevant to the necessity, reasonableness and fairness of the Agreement and beyond the scope of discovery permitted by the Order on Remand.

51. All documents concerning your statement that the UK Scheme of Arrangement is "substantial" as referenced in paragraph 8 of the First Witness Statement.

Response: The Joint Provisional Liquidator objects to this request as not relevant to the necessity, reasonableness and fairness of the Agreement and beyond the scope of discovery permitted by the Order on Remand.

52. All documents concerning Home's underwriting through AFIA, as referenced in paragraph 24 of the First Witness Statement.

Response: The Joint Provisional Liquidator objects to this request as not relevant to the necessity, reasonableness and fairness of the Agreement, beyond the scope of discovery permitted by the Order on Remand and unduly burdensome.

53. All documents concerning your statement in paragraph 27 of the First Witness Statement that the Home UK Branch "effectively acted as a fronting company for the other AFIA members."

Response: The Joint Provisional Liquidator objects to this request as not relevant to the necessity, reasonableness and fairness of the Agreement and beyond the scope of discovery permitted by the Order on Remand and unduly burdensome.

54. All documents concerning your statement in paragraph 29 of the First Witness Statement regarding the Company's liabilities in respect of the AFIA Treaties.

Response: The Joint Provisional Liquidator objects to this request as not relevant to the necessity, reasonableness and fairness of the Agreement and beyond the scope of discovery permitted by the Order on Remand and unduly burdensome.

55. All documents concerning the "review" referenced in paragraph 54 of the First Witness Statement, including but not limited to, any review conducted by the Liquidators, as defined in that paragraph.

Response: The Joint Provisional Liquidator objects to this request as not relevant to the necessity, reasonableness and fairness of the Agreement and beyond the scope of discovery permitted by the Order on Remand.

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56. All documents concerning your statement in paragraph 56 of the First Witness Statement regarding the ranking of holders of insurance claims vis a vis reinsurance creditors in terms of priority of payments from an insolvent estate.

Response: The Joint Provisional Liquidators and their Staff have provided responsive documents pursuant to Requests 4, 5 and 9 in the First ACE Request to the Liquidator and such responses are incorporated herein. The Joint Provisional Liquidator otherwise objects to the request as not relevant to the necessity, reasonableness and fairness of the Agreement, beyond the scope of discovery permitted by the Order on Remand, overbroad and unduly burdensome.

57. All documents concerning your statement paragraph 60 of the First Witness Statement regarding any windfall advantage to CIC and CIRC.

Response: The Joint Provisional Liquidators and their Staff have provided responsive documents pursuant to Request 4 in the First ACE Request to the Liquidator and such responses are incorporated herein. The Joint Provisional Liquidator otherwise objects to the request as not relevant to the necessity, reasonableness and fairness of the Agreement, beyond the scope of discovery permitted by the Order on Remand, overbroad and unduly burdensome.

58. All documents concerning your statement in paragraph 61 of the First Witness Statement that any "side arrangements" could have a material adverse impact on policyholder level claimants.

Response: The Joint Provisional Liquidators and their Staff have provided responsive documents pursuant to Request 6 in the First ACE Request to the Liquidator and such response is incorporated herein. The Joint Provisional Liquidator otherwise objects to the request as not relevant to the necessity, reasonableness and fairness of the Agreement, beyond the scope of discovery permitted by the Order on Remand, overbroad and unduly burdensome.

59. All documents concerning the "concern" for litigation in the United States and England, as referenced in paragraph 62 of the First Witness Statement.

Response: The Joint Provisional Liquidators and their Staff have provided responsive documents pursuant to Requests 6, 7 and 8 in the First ACE Request to the Liquidator and such response is incorporated herein.

60. All documents concerning any sharing arrangement among AFIA Cedents from any of the AFIA Treaties.

Response: The Joint Provisional Liquidator objects to this request as vague and not relevant to the necessity, reasonableness and fairness of the Agreement and beyond the scope of discovery permitted by the Order on Remand.

61. All documents concerning the status of the ACE Companies as a creditor of the Home, as evidenced in paragraphs 98 through 103 of the First Witness Statement, including.

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but not limited to, any communications with the Liquidator regarding any such determination.

Response: The Joint Provisional Liquidator objects that the request misconstrues the First Witness Statement and is not relevant to the necessity, reasonableness and fairness of the Agreement beyond the scope of discovery permitted by the Order on Remand, overbroad and unduly burdensome.

62. All documents concerning any claims filing deadline notices, as referenced in paragraph 104 First Witness Statement.

Response: The Joint Provisional Liquidator incorporates the exhibits to the First Witness Statement and objects to this request as not relevant to the necessity, reasonableness and fairness of the Agreement and beyond the scope of discovery permitted by the Order on Remand.

63. All documents concerning the proposed Creditors' Meeting, as referenced in paragraph 105 of the First Witness Statement.

Response: Notwithstanding General Objection 4(d), the Joint Provisional Liquidator notes that the ACE Companies have previously been provided with the Joint Provisional Liquidators' application to the High Court of Justice for an order approving the convening of a scheme creditors' meeting which included, by way of exhibit, copies of documents sent to the Scheme Creditors in respect of that meeting and that the mailing to Scheme Creditors is posted on the HICIL website. Otherwise, the Joint Provisional Liquidator objects to this request as not relevant to the necessity, reasonableness and fairness of the Agreement and beyond the scope of discovery permitted by the Order on Remand.

Document Requests regarding the Second Witness Statement

64. All documents concerning your communication with AFIA Cedents regarding their proofs of claims as set forth in paragraph 8 of the Second Witness Statement.

Response: The Joint Provisional Liquidator incorporates the exhibits to the First Witness Statement and objects to this request as not relevant to the necessity, reasonableness and fairness of the Agreement and beyond the scope of discovery permitted by the Order on Remand.

65. All documents concerning your communications with the Liquidator regarding any proofs of claim filed in the Liquidation, as referenced in paragraph 9 of the Second Witness statement.

Response: The Joint Provisional Liquidator objects to this request as not relevant to the necessity, reasonableness and fairness of the Agreement and beyond the scope of discovery permitted by the Order on Remand.

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66. All documents concerning any evaluation by you or the Liquidator of the value of any claims filed in the Liquidation.

Response: The Joint Provisional Liquidator objects to this request as not relevant to the necessity, reasonableness and fairness of the Agreement and beyond the scope of discovery permitted by the Order on Remand.

Document Requests Regarding your Dealings with the Liquidator

67. All documents concerning retention of your services by the Liquidator to:

- (a) value any assets, including those of Risk Enterprise Management Limited; and
- (b) design any employee compensation plans for Home.

Response: The Joint Provisional Liquidator objects that the Joint Provisional Liquidators were not so retained and that this request is not relevant to the necessity, reasonableness and fairness of the Agreement and beyond the scope of discovery permitted by the Order on Remand.

68. All communications with the Liquidator concerning the retention of Conning Assets Management Company to manage the investment portfolio of Home, as referenced in paragraph 4 of the Affidavit of Peter A. Bengelsdorf, Special Deputy Commissioner, in Support of Approval of Asset Management, dated June 8, 2004 and submitted in the Liquidation.

Response: The Joint Provisional Liquidator objects to this request as not relevant to the necessity, reasonableness and fairness of the Agreement, beyond the scope of discovery permitted by the Order on Remand.

Yours faithfully

Clifford Chance LLP
Clifford Chance LLP

EXHIBIT A

Smith, Eric A. EAS

From: Smith, Eric A. EAS
Sent: Monday, November 15, 2004 7:15 PM
To: 'Gary Lee'
Subject: RE: Discovery

Gary,

The Liquidator has requested documents from the Joint Provisional Liquidators, and we have received documents in response. We are reviewing the documents and will make production in accordance with the Liquidator's written response to ACE's document request, which will be forthcoming on November 24.

Regards,

Eric A. Smith
Rackemann, Sawyer & Brewster
One Financial Center
Boston, MA 02111
Phone: 617/951-1127
Fax: 617/542-7437

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.....

-----Original Message-----
From: Lee, Gary [mailto:Gary.Lee@LOVELLS.com]
Sent: Thursday, November 11, 2004 5:31 PM
To: Smith, Eric A. EAS
Subject: RE: Discovery

Confidential/Privileged.

Eric, during our call last month, I asked for confirmation as to whether or not you would be producing documents from the JPLs. I believe you said you had made such a request from them, but were unable to give me confirmation at that time.

May I ask that you let me know early next week, so we can then decide what steps we will need to take.

Regards,

Gary S. Lee
Lovells
900 Third Avenue
New York, N.Y. 10022
Tel. (212) 909-0604
Fax. (212) 909-0686
E.mail: gary.lee@lovells.com

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

From: Smith, Eric A. EAS [mailto:EAS@Rackemann.com]
Sent: Friday, October 29, 2004 10:44 AM
To: Gary Lee
Subject: Discovery

Gary,

Further to our discussion earlier today, this will confirm that the ACE Companies have agreed to extend the time for the Liquidator to respond to ACE's document requests and interrogatories to November 24, 2004.

Thank you for your courtesy in this matter.

Regards,

Eric

Eric A. Smith
Rackemann, Sawyer & Brewster
One Financial Center
Boston, MA 02111
Phone: 617/951-1127
Fax: 617/542-7437

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