

Orr&Reno

Professional Association

One Eagle Square, P.O. Box 3550, Concord, NH 03302-3550
Telephone 603-224-2381 • Facsimile 603-224-2318
www.orr-reno.com

March 3, 2005

Malcolm McLane
(Retired)

VIA FACSIMILE

Ronald L. Snow
Charles F. Leahy
Mary Susan Leahy
William L. Chapman
George W. Roussos
Howard M. Moffett
James E. Morris
John A. Malmberg
Martha Van Oot
Douglas L. Patch
Connie L. Rakowsky
Jill K. Blackmer
James P. Bassett
Emily Gray Rice
Charles A. Szypszak
Steven L. Winer
Peter F. Burger
Lisa Snow Wade
Jennifer A. Eber
Roy S. McCandless
Pamela E. Phelan
Connie Boyles Lane
Jeffrey C. Spear
James F. Laboe
Maria M. Proulx
Michael R. Rizzo

Gernot A. Warmuth, Esq.
Scheiber & Partner
Kennedyville 97
80595 Frankfurt
Germany

**Re: *In The Matter Of The Liquidation Of The Home Insurance
Company
Docket No. 03-E-0106***

Dear Mr. Warmuth:

This is in response to your letter dated March 3, 2005. While we were hoping to reach an amicable resolution of the outstanding discovery requests to Zurich in this matter, we are disappointed that your letter effectively confirms that we have probably reached an impasse with regard to the majority of the disputed discovery issues.

The document request served upon Zurich by the ACE Companies was drafted to seek information and documents directly relevant to the Proposed Agreement. To achieve that goal, there were designed to track, virtually line by line, the affidavit which you submitted in this proceeding supporting the Liquidator's efforts to obtain Court approval of the "Proposed Agreement." Your "overbreadth" objection to ACE's request is not well taken when viewed in that light. You obviously now understand based on recent correspondence that ACE's document requests do not refer to "Rutty Pool" documents. What is being sought is the production of documents that bear on the assertions of your affidavit.

With regard to the "common interest" privilege objection which has been asserted by you, ACE's position remains that the absence of a common legal interest among AFIA Cedents is in a pending litigation, among other reasons renders that privilege inapplicable to Zurich. It is becoming increasingly clear that your legal objections to the production requested which you now understand to be limited as above noted may have to be resolved by Court Order.

Judith A. Fairclough
(Of Counsel)

Susan S. Geiger
(Of Counsel)

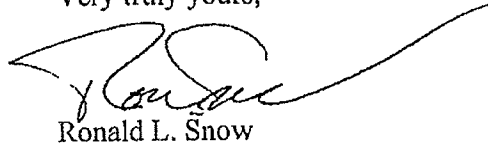
Gernot A. Warmuth, Esq.
March 3, 2005
Page 2

So that there can be no question that we have attempted in every way possible to at least narrow the bases of difference in this document request, I am prepared to wait until Monday, March 7th, for acknowledgement by you as follows:

1. That you will prepare immediately and submit a privilege log in enough detail to isolate those matters that you believe are subject to some legitimate privilege.
2. That you will forward all discovery which you now understand to be the subject matter of this request no later than one week from Monday (i.e. March 14, 2005) to which you claim no privilege as explained in your privilege log.

If we do not have this assurance of compliance at least to the extent where privilege is not an issue by March 7th, I will have no alternative but to seek compliance through the Presiding Justice.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Ronald L. Snow', with a long, sweeping horizontal stroke extending to the right.

Ronald L. Snow

RLS:pht

387066_1.DOC