

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

LIQUIDATOR'S MOTION FOR APPROVAL OF  
SETTLEMENT AGREEMENT WITH API TRUST

Roger A. Sevigny, Insurance Commissioner for the State of New Hampshire, as Liquidator ("Liquidator") of The Home Insurance Company ("Home"), moves that the Court enter an order in the form submitted herewith approving a Settlement Agreement and Mutual Release ("Settlement Agreement") between the API Inc. Asbestos Settlement Trust ("API Trust") and the Liquidator. As reasons therefor, the Liquidator states as follows:

1. The Settlement Agreement was negotiated under the supervision of the Special Deputy Liquidator. Affidavit of Peter A. Bengelsdorf in Support of Motion for Approval of Settlement Agreement with API Trust ("Bengelsdorf Aff.") ¶ 2. A copy of the Settlement Agreement is attached hereto as Exhibit A. The Settlement Agreement is subject to approval by the Court. Settlement Agreement ¶ 1. Bengelsdorf Aff. ¶ 4.

2. Home issued ten insurance policies to Asbestos Products Inc. ("API Products") and API Inc. ("API Inc.") under which Asbestos Products Inc. and API Inc. were the named insureds for various policy periods between April 30, 1970 and July 1, 1995. Settlement Agreement, first Whereas clause. (Eleven workers compensation insurance policies that Home issued to Asbestos Products Inc. and API Inc. are excluded from the terms of the Settlement Agreement. Id.) Upon Home's placement in liquidation, API Inc. filed eight proofs of claim in the Home liquidation regarding claims under the policies. Settlement Agreement, third Whereas

clause. (Another proof of claim filed by API Inc. as reorganized in bankruptcy is excluded from the terms of the Settlement Agreement. Id.) In the API Inc. bankruptcy proceeding, API Trust succeeded to all rights of API Products and API Inc. with respect to asbestos-related claims under the policies. Settlement Agreement, fourth Whereas clause.<sup>1</sup> API Trust and API Inc. have asserted claims against Home in a declaratory judgment action in Minnesota. Settlement Agreement, fifth Whereas clause. That action has not been pursued as against Home in light of the Home liquidation proceeding. Bengelsdorf Aff. ¶ 3.

3. The Settlement Agreement provides that the Liquidator will recommend allowance of the proofs of claim with respect to the settled claims in the aggregate amount of \$21,500,000 as a Class II priority claim of API Trust under RSA 402-C:44. Settlement Agreement ¶ 2(A). Allowance of the recommended amount as a Class II claim will fully and finally resolve the proofs of claim and all claims API Trust has under the policies. Id. ¶2(B). Distributions based on that allowance will be made at the same intervals and at the same percentages as distributions to other Class II creditors of Home. Id. ¶ 2(C). Bengelsdorf Aff. ¶ 5.

4. The Settlement Agreement is intended to resolve the proofs of claim and all claims API Trust has under the policies. See Settlement Agreement ¶¶ 2(B), 5. To that end, the Settlement Agreement provides for mutual releases of all claims among the Liquidator, Home and API Trust arising from or related to the proofs of claim or the policies. Id. ¶¶ 3, 4. API Trust will also dismiss all claims against Home in the Declaratory Judgment action. Id. ¶ 3. The Liquidator agrees not to pursue claims respecting the underlying matters covered by the proof of

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<sup>1</sup> API Inc. filed a bankruptcy petition in 2005 (In re: API Inc., Chapter 11 Case No. 05-30073 (Bankr. D. Minn.)), and it is the subject of a plan of reorganization that established the API Trust. Under the Third Amended Plan of Reorganization of A.P.I. Inc. (November 21, 2005) as Modified at Confirmation (the “Plan”), API Trust succeeded to all of the asbestos insurance rights of Asbestos Products Inc. and API Inc. and was authorized to act on behalf of Asbestos Products Inc. and API Inc. in respect of asbestos claims and coverage under the policies.

claim against other insurers of API Trust that agree not to pursue such claims against Home.

Id. 6. Bengelsdorf Aff. ¶ 6.

5. The Liquidator is not aware of any third party claimants who have asserted claims under the policies. However, in resolving all matters relating to the proofs of claim and the policies, the Settlement Agreement contemplates denial of any third party claimants' claims under the policies in the Home liquidation without prejudice to their claims against API Trust. Accordingly, API Trust acknowledges in the Settlement Agreement that it is intended to resolve all matters between API Trust and the Liquidator/Home relating to the proofs of claim and the policies, including asserted rights of third party claimants. Settlement Agreement ¶ 5. API Trust agrees to address, at its sole cost, the claims of claimants asserting claims against API Trust as if API Trust had no insurance coverage from Home under the policies. Id. API Trust agrees to indemnify the Liquidator and Home against claims arising from the policies or the proofs of claim up to the amount ultimately distributed or distributable to API Trust. Id. Bengelsdorf Aff. ¶ 7.

6. The denial of any third party claimants' proofs of claim without prejudice to their claims against API Trust will not harm the third party claimants, who will continue to have their claims against API Trust, although those claims can only be paid in accordance with the provisions of the API Trust and the bankruptcy plan.<sup>2</sup> As noted above, API Trust has agreed to address these claims as if it had no insurance coverage from Home under the policies. Settlement Agreement ¶ 5. Third party claimants' proofs of claim against the insolvent Home, if not denied with this agreement, would release API Trust from those claims up to the limits of the policy but only entitle the third party claimants (assuming their claims were allowed) to a

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<sup>2</sup> Under the provisions of the Plan, the API Trust assumed all asbestos claims against A.P.I. Inc., and those claims are to be paid in accordance with the Trust Agreement and the Trust Distribution Procedures.

presently undetermined percentage distribution at the future date when a distribution is made. See RSA 402-C:40, I; Gonya v. Commissioner, New Hampshire Insurance Dept., 153 N.H. 521, 535 (2006) (noting the “inherent uncertainty of any creditor’s recovery in a liquidation”). It is not expected that the allowed claims of any third party claimants (or other Class II creditors) will be paid in full. Under the Settlement Agreement, API Trust will continue to be responsible for any third party claimants’ claims against it in accordance with its terms and the provisions of the bankruptcy plan. See Settlement Agreement ¶ 5. Bengelsdorf Aff. ¶ 8.

7. The Settlement Agreement reflects a compromise of the claims asserted in the proofs of claim. It is the result of negotiations involving the Claims Department, under the supervision of the Special Deputy Liquidator, which has extensive experience in assessing the exposure presented by asbestos-related bodily injury claims under Home’s insurance policies. The agreed settlement amount is based on careful evaluation and negotiation of coverage obligations under Home’s policies respecting the underlying liabilities of API Trust. The Liquidator accordingly recommends approval of the Settlement Agreement and allowance of the \$21,500,000 settlement amount as a Class II claim of API Trust in accordance with RSA 402-C:45 and RSA 402-C:44. Bengelsdorf Aff. ¶ 9.

8. The Court has previously approved similar settlement agreements. See, e.g., Order Approving Settlement Agreement with Wisconsin Energy (March 18, 2010); Order Approving Settlement Agreement with Straits Steel (May 3, 2009); Order Approving Settlement Agreement with Georgia-Pacific (April 3, 2008); Order Approving Commutation Agreement with Northwestern National Insurance Company and Settlement Agreement and Assignment of Distribution with AK Steel Corporation (March 10, 2006). The Liquidator’s negotiation and the Court’s approval of such agreements are authorized by the broad authority of the Liquidator to “compound, compromise or in any other manner negotiate the amount for which claims will be

recommended to the court,” RSA 402-C:45, I, and the authority of the Court to “approve, disapprove or modify any report on claims by the liquidator.” RSA 402-C:45, II. It is also an appropriate exercise of the Liquidator’s authority (“[s]ubject to the court’s control”) to “do such other acts . . . as are necessary or expedient for the accomplishment of or in aid of the purpose of liquidation.” RSA 402-C:25, XXII.

9. In his Motion for Approval of Commutation with Northwestern National Insurance Company and Settlement Agreement and Assignment of Distribution with AK Steel Corporation ¶¶ 19-23 (February 16, 2006), the Liquidator provided his analysis of New Hampshire law, including RSA 402-C:40 III, as it applies to policy coverage compromises and settlements in an insurer liquidation context. That analysis also applies to the proposed Settlement Agreement with API Trust.

10. The Liquidator submits that the Settlement Agreement is fair and reasonable and in the best interests of the policyholders and creditors of Home. See Bengelsdorf Aff. ¶ 10.

WHEREFORE, the Liquidator respectfully requests that this Court:

- A. Grant this Motion;
- B. Enter an Order in the form submitted herewith approving the Settlement Agreement, approving the Liquidator's claim recommendation, and allowing API Trust's claim as a Class II claims in the aggregate amount of \$21,500,000; and
- C. Grant such other and further relief as justice may require.

Respectfully submitted,

ROGER A. SEVIGNY, INSURANCE  
COMMISSIONER OF THE STATE OF  
NEW HAMPSHIRE SOLELY AS  
LIQUIDATOR OF THE HOME  
INSURANCE COMPANY,

By his attorneys,  
MICHAEL A. DELANEY  
ATTORNEY GENERAL

J. Christopher Marshall  
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New Hampshire Department of Justice  
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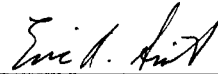
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November 27<sup>th</sup>, 2012

**Certificate of Service**

I hereby certify that a copy of the foregoing Liquidator's Motion for Approval of Settlement Agreement with API Trust, the Affidavit of Peter A. Bengelsdorf, and the Proposed Order, were sent, this 27<sup>th</sup> day of November, 2012, by first class mail, postage prepaid to all persons on the attached service list.



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Eric A. Smith  
NH Bar ID No. 16952

THE STATE OF NEW HAMPSHIRE

MERRIMACK, SS.

SUPERIOR COURT

In the Matter of the Liquidation of  
The Home Insurance Company  
Docket No. 03-E-0106

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**SETTLEMENT AGREEMENT AND MUTUAL RELEASE**

This Settlement Agreement and Mutual Release ("Settlement Agreement") is made as of this 7<sup>th</sup> day of November 2012, by and between the API Inc. Asbestos Settlement Trust ("Claimant") on the one hand, and Roger A. Sevigny, Insurance Commissioner of the State of New Hampshire, solely in his capacity as Liquidator ("Liquidator") of The Home Insurance Company ("Home"), on the other hand (the Claimant and the Liquidator are hereinafter referred to collectively as the "Parties").

**WHEREAS**, Home issued insurance policies to Asbestos Products Inc. and API Inc. under which Asbestos Products Inc. and API Inc. are the named insureds:

<u>Policy Number</u>	<u>Policy Period</u>
IDR8838381	4/30/70 - 4/30/73
IDR8838461	4/30/73 - 6/30/74
IDR8838413	6/30/74 - 6/30/76
BAF326904	7/1/93 - 7/1/94
BAF975907	7/1/93 - 7/1/94
BAF165388	7/1/94 - 7/1/95
BAF976179	7/1/94 - 7/1/95
GLR9097905	7/1/93 - 7/1/94
GLR9100789	7/1/94 - 7/1/95
GLR9100785	7/1/94 - 7/1/95

which together with all other insurance policies that Home may have issued to Asbestos Products Inc. and API Inc. (except WC4041326, WC4114708, PWC4125819, PWC4124836, PWC9132011, WCK980035, WCK980036, WC1757138, WCF448688, WCK980062 and WCK980063) are hereinafter defined collectively as the "Policies";

**WHEREAS**, Home is being liquidated pursuant to the June 13, 2003 Order of the Merrimack County Superior Court (the "Liquidation Court"), pursuant to which the Liquidator was appointed as the Liquidator of Home;

**WHEREAS**, API Inc. has submitted proofs of claim in the Home liquidation estate that have been assigned the following proof of claim numbers:

INSU92868  
INSU202929  
INSU239479  
INSU274006  
INSU276040  
INSU276061  
INSU276062  
INSU276755

which together with any other proof of claim hereinbefore or hereinafter filed by Claimant in the Home liquidation estate (for the avoidance of doubt, excluding proof of claim number INSU206866 filed by Reorganized API Inc.) are hereinafter defined collectively as the "Proofs of Claim";

**WHEREAS**, pursuant to a Third Amended Plan of Reorganization of A. P. I. Inc. (November 21, 2005) as Modified at Confirmation, Claimant succeeded to all of the Asbestos Insurance Rights of Asbestos Products Inc. and A.P.I. Inc.; was deemed fully authorized to act in its own name on behalf of Asbestos Products Inc. and A.P.I. Inc.; and pursuant to Bankruptcy Code section 524(g) was further deemed, for the purpose of insurance and indemnity, the successor to API in respect to Asbestos Claims and coverage under the Policies.

**WHEREAS**, Claimant and A P I Inc. have asserted claims against Home in an action filed in Ramsey County, Minnesota District Court No. C9-02-8084 captioned as St. Paul Fire and Marine Insurance Company, Plaintiff, vs. A.P.I., Inc., defendant, counter-claimant, third party plaintiff vs. One Beacon Insurance Company, as successor to General Accident Insurance Company, third party defendant, and The Home Insurance Company, et al., Third Party Defendants ("Declaratory Judgment Action").

**WHEREAS**, the Parties are desirous of resolving all claims that were asserted, or could have been or could be asserted, between them and resolving all matters concerning the Proofs of Claim, the Declaratory Judgment Action and all rights and obligations with respect to the Policies;

**WHEREAS**, the Parties agree that this Settlement Agreement is subject to and conditioned upon its approval by the Liquidation Court and allowance of the Recommended Amount (as defined below) into the Home liquidation estate and in the event that the Liquidation Court does not approve the Settlement Agreement and allow the Recommended Amount, this Settlement Agreement shall be null and void and without any force or effect;

**NOW, THEREFORE**, in consideration of all the respective transactions contemplated by this Settlement Agreement, and the mutual covenants and representations herein contained, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. Effectiveness. This Settlement Agreement is conditioned and shall only become effective (the "Effective Date") upon approval by the Liquidation Court. The Liquidator shall move at his expense for approval of this Settlement Agreement promptly following execution by both Parties.

2. Recommendation, Allowance, and Classification of Claims.

A. Subject to all the terms of this Settlement Agreement, and with the agreement of Claimant, which by Claimant's execution hereof is hereby granted, the Liquidator shall recommend pursuant to N.H. RSA 402-C:45 that the Proofs of Claim be allowed in the amount of \$21,500,000 (the "Recommended Amount") as a Class II priority claim under N.H. RSA 402-C:44. The Liquidator shall seek allowance of the Recommended Amount as a Class II priority

claim by the Liquidation Court in the Liquidator's motion for approval of this Settlement Agreement.

B. Allowance of the Recommended Amount as a Class II priority claim by the Liquidation Court shall fully and finally resolve the Proofs of Claim and any and all claims of whatever nature under the Policies the Claimant has. In the event that the Liquidation Court does not allow the Recommended Amount as a Class II priority claim, this Settlement Agreement shall be null and void and shall have no force and effect and the Parties will be returned to *status quo ante*, as if no such agreement was ever reached, with this Settlement Agreement thereafter being inadmissible for any purpose in any dispute between the Parties.

C. If and when the Liquidation Court allows the Recommended Amount as a Class II priority claim, Claimant will become a Class II priority creditor in the Home liquidation estate pursuant to N.H. RSA 402-C:44, and Claimant shall, subject to this Settlement Agreement, receive distributions on the allowed amount at the same intervals and at the same percentages as other Class II priority creditors of Home.

3. Release by Claimant. Subject to the terms of this Settlement Agreement and the Liquidation Court's approval of the Recommended Amount as a Class II priority claim, Claimant for itself and on behalf of its officers, directors, employees, agents, attorneys, subsidiaries, affiliates, predecessors, and their successors and assigns, irrevocably and unconditionally releases and discharges the Liquidator and Home and each of their respective officers, directors, employees, agents, attorneys, subsidiaries, affiliates, predecessors, successors, and assigns (including any trustee or other statutory successor), from any and all actions, causes of action, liabilities, adjustments, obligations, offsets, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, premiums, losses, salvage, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, extents,

executions, claims, and/or demands arising from or related to the Proofs of Claim or the Policies, in law, admiralty, or equity, which Claimant, its subsidiaries, affiliates, predecessors, successors, and assigns, ever had, now have, or hereafter may have against the Liquidator or Home or their respective officers, directors, employees, agents, attorneys, subsidiaries, affiliates, predecessors, successors, and assigns, all whether known or unknown, suspected or unsuspected, fixed or contingent, in law, admiralty or equity, arising from or related to the Proofs of Claim, the Policies or the Declaratory Judgment Action and, consistent therewith, will cause a dismissal with prejudice to be promptly filed as to The Home Insurance Company in the Declaratory Judgment Action.

4. Release by Liquidator. Subject to the terms of this Settlement Agreement and the Liquidation Court's approval of the Recommended Amount as a Class II priority claim, the Liquidator, in his capacity as such, and on behalf of Home and each of their respective officers, directors, employees, agents, attorneys, subsidiaries, affiliates, predecessors, and their successors and assigns, irrevocably and unconditionally releases and discharges Claimant and each of its officers, directors, employees, agents, attorneys, subsidiaries, affiliates, predecessors, successors, and assigns, from any and all actions, causes of action, liabilities, adjustments, obligations, offsets, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, premiums, losses, salvage, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, extents, executions, claims, and/or demands arising from or related to the Proofs of Claim or the Policies, in law, admiralty or equity, which the Liquidator, Home, or their subsidiaries, affiliates, predecessors, successors, and assigns, ever had, now have, or hereafter may have against Claimant or its officers, directors, employees, agents, attorneys, subsidiaries, affiliates, predecessors, successors, and assigns, all whether known or unknown,

suspected or unsuspected, fixed or contingent, in law, admiralty or equity, arising from or related to the Proofs of Claim, the Policies, or the Declaratory Judgment Action.

5. Resolution of Matters and Indemnification. Claimant acknowledges that this Settlement Agreement is intended to resolve all matters arising out of or relating to any rights Claimant ever had, now has, or hereafter may have under the Policies, the Proofs of Claim, and the Declaratory Judgment Action including any asserted rights of third party claimants against Claimant under the Policies, and Claimant agrees to address, at its sole cost and expense, any such claims of third party claimants against Claimant as if there had been no liquidation proceeding for Home and as if Claimant had no insurance coverage from Home by virtue of the Policies. In consideration of the Recommended Amount being allowed by the Liquidation Court as a Class II priority claim, Claimant agrees to indemnify and hold the Liquidator and Home harmless from and against any and all claims, losses, liabilities, debts, damages, costs or expenses arising from or related to the Policies or Proofs of Claim or the Declaratory Judgment Action and such indemnification shall be capped at the total amount ultimately distributed or distributable in relation to the Recommended Amount as allowed by the Liquidation Court. The future obligations of Claimant under this paragraph shall extend to and include (by way of example and not limitation) claims for defense or indemnity for claims made under the Policies against the Liquidator or Home by vendors, by other insurers of Claimant, and by any individuals or entities asserting "direct action" claims arising out of or related to the Policies (hereinafter "Indemnified Claims"). The Liquidator shall promptly notify Claimant of any such claim, and shall afford Claimant the opportunity to reasonably participate in the defense of such claims. The Liquidator shall assert all defenses to such claims reasonably available to the Liquidator, including defenses under the Order of Liquidation or the New Hampshire Insurers



Rehabilitation and Liquidation Act. Claimant shall cooperate with the Liquidator (including but not limited to the provision of affidavits or testimony) to defend against and resolve such claims.

6. Mutual Release of Settling Carriers. Claimant agrees to use reasonable commercial efforts to cause any settlement agreement relating to the underlying matters covered by the Proofs of Claim with any other insurance company to include a waiver by that other insurance company of any claim, including contribution, apportionment, indemnification, subrogation, equitable subrogation, allocation, or recoupment, against Home regarding these matters. The Liquidator agrees to waive, relinquish and release any claim, including contribution, apportionment, indemnification, subrogation, equitable subrogation, allocation, or recoupment, as to the matters covered by the Proofs of Claim against any other insurance company which executes a settlement with Claimant that includes a provision that is materially the same as this paragraph.

7. No Assignments. Claimant warrants and agrees that it has not assigned, conveyed, or otherwise transferred any claims, demands, causes of action, rights, or obligations related in any way to the Policies, or any proceeds thereof, or to the Proofs of Claim or to the Declaratory Judgment Action or to the claims, losses and expenses released herein, to any person or entity. Claimant shall not assign or otherwise transfer this Settlement Agreement or any rights or obligations thereunder without the written consent of the Liquidator, which consent shall not be unreasonably withheld.

8. Further Assurances. The Parties shall take all further actions as may be reasonably necessary to carry out the intent and purpose of this Settlement Agreement and to consummate the transactions contemplated herein.

Claimant acknowledges it is aware of the requirements of the Medicare Secondary Payer Act and the Medicare, Medicaid and SCHIP Extension Act of 2007, including provisions

concerning Medicare Set-Asides and/or notification to the Centers For Medicare and Medicaid Services (“CMS”) regarding certain Medicare-eligible, or potentially eligible, claimants who enter into settlement agreements that may justify recovery for Medicare covered case-related services. Claimant acknowledges that it may be obligated, and otherwise agrees, to provide data, if and when required or requested, for CMS regarding claimants who will share in distributions from Claimant's assets that include a portion of the Recommended Amount.

9. Governing Law and Venue. This Settlement Agreement shall be governed by and construed in accordance with the laws of the State of New Hampshire without regard to the conflicts of law provisions thereof. The Parties agree that the exclusive venue for any dispute between the Parties arising out of the Proofs of Claim, the Policies, the Declaratory Judgment Action or this Settlement Agreement shall be the Liquidation Court.

10. Due Diligence. The Parties acknowledge and agree that, in negotiating and executing this Settlement Agreement, they have relied upon their own judgment and upon the recommendations of their own legal counsel, that they have read this Settlement Agreement and have had the opportunity to consider its terms and effects, and that they have executed this Settlement Agreement voluntarily and with full understanding of its terms and effects. This Settlement Agreement is the product of negotiations between the Parties. No Party shall be charged with having promulgated this Settlement Agreement, and the general rule that ambiguities are to be construed against the drafter shall not apply to this Agreement.

11. No Third Party Rights. This Settlement Agreement is entered into solely for the benefit of the Liquidator, Home, and Claimant and is not intended to, and does not give or create any rights to or in any person or entity other than the Parties.

12. Counterparts. This Settlement Agreement may be executed in multiple counterparts, each of which, when so delivered, shall be an original, but such counterparts shall together constitute one and the same instrument. The Parties agree that a signature sent by facsimile or electronic mail to the other Party shall have the same force and effect as an original signature.

13. Power and Authority to Execute. Subject to the approval of the Liquidation Court required by paragraph 1, each Party hereto represents and warrants that it has the full power and authority to execute, deliver, and perform this Settlement Agreement; that all requisite and necessary approvals have been obtained to consummate the transactions contemplated by this Settlement Agreement; that there are no other agreements or transactions to which it is a party that would render this Settlement Agreement or any part thereof, void, voidable or unenforceable; that each individual signing on behalf of a Party has been duly authorized by that Party to execute this Settlement Agreement on its behalf; and that no claims being released under the terms of this Settlement Agreement have been assigned, sold, or otherwise transferred to any other entity.

14. Successor-in-Interest Bound. This Settlement Agreement shall be binding upon, and shall inure to the benefit of the Parties and their respective officers, directors, employees, agents, attorneys, liquidators, receivers, administrators, successors, and assigns.

15. Entire Agreement. This Settlement Agreement constitutes the entire agreement and understanding between the Parties with respect to the subject matter thereof. This Settlement Agreement supersedes all prior agreements and understandings, whether written or oral, concerning such matters.

16. Survival of Warranties and Representations. The warranties and representations made herein shall survive the execution of this Settlement Agreement.

17. Validity of Settlement Agreement. Subject to approval of this Settlement Agreement by the Liquidation Court as required by paragraph 1, each Party represents and warrants that this Settlement Agreement is a legal, valid, and binding obligation, enforceable in accordance with its terms.

18. No Waiver. No waiver of any right under this Settlement Agreement shall be deemed effective unless contained in a writing signed by the Party or an authorized representative of the Party charged with such waiver, and no waiver of any breach or failure to perform shall be deemed to be a waiver of any future breach or failure to perform or of any other provision of this Settlement Agreement. This Settlement Agreement may not be amended except in a document signed by the Party or an officer or other authorized official of the Party to be charged.

19. Notice. All notices to be given under this Settlement Agreement shall be given by facsimile and first class U.S. mail directed to:

If to Claimant, to:

Robert D. Brownson, Trustee  
API, Inc. Asbestos Settlement Trust  
225 South Sixth Street  
Suite 4800  
Minneapolis, MN 55402  
Fax: 612-332-4025

If to the Liquidator, to:

Thomas W. Kober, Chief Claims Officer  
The Home Insurance Company in Liquidation  
61 Broadway 6th Floor  
New York, New York 10006  
Fax: 212-299-3824

and

J. Christopher Marshall  
Civil Bureau  
New Hampshire Department of Justice  
33 Capitol Street  
Concord, New Hampshire 03301-6397  
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and

J. David Leslie, Esq.  
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160 Federal Street  
Boston, MA 02110-1700  
Fax: 617-542-7437

20. Severability. If any provision of this Settlement Agreement is invalid, unenforceable, or illegal under the law of any applicable jurisdiction, the validity and enforceability of such provision in any other jurisdiction shall not be affected thereby and the remaining provisions of this Settlement Agreement shall remain valid and enforceable. However, in the event of such invalidity, unenforceability, or illegality, the Parties shall negotiate in good faith to amend this Settlement Agreement through the insertion of additional provisions which are valid, enforceable, and legal and which reflect, to the extent possible, the purposes contained in the invalid, unenforceable, or illegal provision.

**WHEREFORE**, the Parties have caused this Settlement Agreement to be executed on their respective behalves as of the date below the signatures of their duly authorized representatives.

**API, INC. ASBESTOS SETTLEMENT TRUST,  
ROBERT D. BROWNSON TRUSTEE**

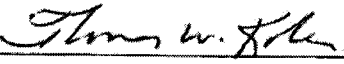
By: 

Name: Robert D. Brownson

Title: Trustee

Date: November 7, 2012

**ROGER A. SEVIGNY INSURANCE  
COMMISSIONER OF THE STATE OF  
NEW HAMPSHIRE, SOLELY IN HIS  
CAPACITY AS LIQUIDATOR OF  
THE HOME INSURANCE COMPANY**

By: 

Name: Thomas W. Kober

Title: Chief Claims Officer

Date: November 7, 2012