

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 PPG**

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 PPG Industries, Inc. ("PPG") 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, Special Deputy Liquidator, in Support of Motion for Approval of Settlement Agreement with PPG ("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 thirty insurance policies to PPG for various policy periods. Settlement Agreement, first Whereas clause. Upon Home's placement in liquidation, PPG filed thirty-five proofs of claim in the Home liquidation regarding claims under the policies, including but not limited to claims for coverage for asbestos bodily injury. Settlement Agreement, third Whereas clause. 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

\$68,400,000 as a Class II priority claim of PPG 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 PPG 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 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 PPG arising from or related to the proofs of claim or the policies. Id. ¶¶ 3, 4. The Liquidator also agrees not to pursue claims respecting the underlying matters covered by the proofs of claim against other insurers of PPG that agree not to pursue such claims against Home. Id. ¶ 7. Bengelsdorf Aff. ¶ 6.

5. The Liquidator is not aware of any third party claimants who have asserted claims under the policies.¹ 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 PPG. Accordingly, PPG acknowledges in the Settlement Agreement that it is intended to resolve all matters between PPG and the Liquidator/Home relating to the proofs of claim and the policies, including asserted rights of third party claimants. Settlement Agreement ¶ 5. PPG agrees to address, at its sole cost, the claims of claimants asserting claims against PPG as if PPG had no insurance coverage from Home under the policies. Id. Except as described in paragraph 7

¹ Several insurers have submitted contribution claims in respect of the policies. Unlike third party claimants' claims, a contribution claim is independent of the insured's claims (although derived from the same underlying circumstances), and it will be determined under applicable law in the liquidation proceeding. See Settlement Agreement ¶ 9.

below, PPG agrees to indemnify the Liquidator and Home against claims arising from the policies up to the amounts actually distributed to PPG. Id. Bengelsdorf Aff. ¶ 7.

6. The denial of any third party claimants' proofs of claim without prejudice to their claims against PPG will not harm the third party claimants, who will continue to have their claims against PPG. As noted, PPG 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 PPG from those claims up to the limits of the policies but only entitle the third party claimants (assuming their claims were allowed) to a 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, PPG will continue to be responsible for any third party claimants' claims against it. See Settlement Agreement ¶ 5. Bengelsdorf Aff. ¶ 8.

7. Under Settlement Agreement ¶ 5, PPG will not indemnify the Liquidator or Home with respect to claims by "PPG Participating Insurers" who have entered settlements in connection with the Plan of Reorganization of Pittsburgh Corning Corporation in the bankruptcy proceeding for that company. In re Pittsburgh Corning Corp., Case No. 00-22876 (Bnkrtcy. W.D. Pa.). With respect to insurers who are "PPG Non-Participating Insurers" under the Pittsburgh Corning Plan of Reorganization, PPG agrees to reduce the amount of any judgment it obtains against the insurer such that the Non-Participating Insurer will not have a claim against Home. Settlement Agreement, ¶ 6. If PPG fails to so reduce such a judgment, it will indemnify Home

for claims asserted by the Non-Participating Insurer. Settlement Agreement, ¶ 5. Bengelsdorf Aff. ¶ 9.

8. 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 claims for asbestos bodily injury 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 PPG. The Liquidator accordingly recommends approval of the Settlement Agreement and allowance of the \$68,400,000 settlement amount as a Class II claim of PPG in accordance with RSA 402-C:45 and RSA 402-C:44. Bengelsdorf Aff. ¶ 10.

9. 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.

10. 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 this type of comprehensive policy coverage compromise and settlement in an insurer liquidation context. That analysis also applies to the proposed Settlement Agreement with PPG.

11. 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. ¶ 11.

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 PPG's claim as a Class II claims in the aggregate amount of \$68,400,000; 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,

JOSEPH A. FOSTER
ATTORNEY GENERAL

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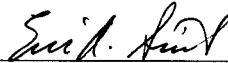


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August 2, 2013

Certificate of Service

I hereby certify that a copy of the foregoing Liquidator's Motion for Approval of Settlement Agreement with PPG, the Affidavit of Peter A. Bengelsdorf, and the Proposed Order, were sent, this 2nd day of August, 2013, by first class mail, postage prepaid to all persons on the attached service list.



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 this 16th day of July, 2013, by and between PPG Industries, Inc. ("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 the following insurance policies to Claimant:

<u>Policy Number</u>	<u>Policy Number</u>
HEC9557543	HEC9875476
HEC9558684	HEC9875477
HEC9305333	HEC9875478
HEC9919255	HEC9902937
HEC9791920	HEC9902938
HEC9792620	HEC9902939
HEC4345655	HEC9903575
HEC4356744	HEC9903576
HEC4495662	HEC9903577
HEC9346425	HEC9903609
HEC9531434	HEC9903610
HEC9531441	HEC9903611
HEC9631886	HEC9903612
HEC9631887	HXL1574572
HEC9690154	HXL1574573

which together with all other insurance policies that Home may have issued to Claimant 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, Claimant has submitted claims in the Home liquidation estate that have been assigned the following proof of claim numbers:

INSU701445	INSU701463
INSU701446	INSU701464
INSU701447	INSU701465
INSU701448	INSU701466
INSU701449	INSU701467
INSU701450	INSU701468
INSU701451	INSU701469
INSU701452	INSU701470
INSU701453	INSU701471
INSU701454	INSU701472
INSU701455	INSU94841
INSU701456	INSU239882
INSU701457	INSU240411
INSU701458	INSU275382
INSU701459	INSU275453
INSU701460	INSU275557
INSU701461	INSU391495
INSU701462	

which together with any other proof of claim hereinbefore or hereinafter filed by Claimant in the Home liquidation estate are hereinafter defined collectively as the "Proofs of Claim";

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 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 all 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 \$68,400,000 (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 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 that Claimant has. In the event that the Liquidation Court does not allow the Recommended Amount as a Class II 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 claim, Claimant will become a Class II 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 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 claim, Claimant for itself and on behalf of its respective 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 to the Policies, in law, admiralty, or equity, which Claimant, or 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 or to the Policies.

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 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 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 to 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 or to the Policies.

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 or the Proofs of Claim, 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 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 relating to the Proofs of Claim or to the Policies but such indemnification shall be capped at the amount actually received by Claimant as a distribution on the allowed amount of its claim, except that Claimant will not provide indemnification and will not hold the Liquidator and the Home harmless with respect to any claim asserted by any PPG Participating Insurer, as that term is defined in any Pittsburgh Corning Corporation Plan of Reorganization,¹ (which the Liquidator and/or Home will defend and/or address without indemnification). Claimant will likewise not indemnify or hold the Liquidator and the Home harmless with respect to any claim asserted by any PPG Non-Participating Insurer, as that term is defined in any Pittsburgh Corning Corporation Plan of Reorganization (which the Liquidator and/or Home will defend and/or address without indemnification) unless Claimant fails to honor its obligations set forth in Paragraph 6 of this Settlement Agreement. The future obligations of Claimant under this paragraph shall extend to and include (by way of example and not limitation) any claims, including claims for defense or indemnity made under the Policies against the Liquidator or Home by vendors, or by other insurers of Claimant (except any PPG Participating Insurer), or by any individuals or entities asserting "direct action" claims arising out of or related to the Policies. The Liquidator shall promptly notify Claimant of any such claim, and shall afford Claimant the opportunity to

¹ In re Pittsburgh Corning Corporation, Case No. 00-22876 JK (Western District of Pennsylvania).

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. Notwithstanding anything provided to the contrary in this paragraph 5, it is expressly understood and agreed by the Parties that Claimant shall not be obligated to indemnify, defend or hold harmless the Liquidator or Home for any claim brought or proof of claim submitted in the Home liquidation estate by any PPG Participating Insurer under the Policies.

6. Judgment Reduction. In the event that Claimant obtains a judgment against any PPG Non-Participating Insurer, as that term is defined in any Pittsburgh Corning Corporation Plan of Reorganization, Claimant shall reduce or return the amount of any judgment, including any associated interest or costs, to which Claimant would be entitled in connection with any cause of action against any PPG Non-Participating Insurer to the extent necessary to extinguish any liability of the Releasees identified in Paragraph 3 of this Settlement Agreement for any judgment for contribution, indemnity, reimbursement, or similar claims-over in respect of any cause of action against any PPG Non-Participating Insurer. Nothing herein prohibits the PPG Non-Participating Insurers from seeking a declaration or judgment regarding an allocation and/or apportionment of their liability in order to quantify the amount of judgment reduction required pursuant to this Settlement Agreement. To the extent that such a declaration or judgment regarding an allocation of liability is made, the judgment rendered in favor of Claimant shall be reduced or reimbursed in accordance with the above.

7. 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.

8. No Assignments. Claimant warrants and represents 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 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.

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

The Parties acknowledge that this Settlement Agreement does not impair in any way the right of any PPG Participating Insurer to prosecute such claim, if any, that a Participating Insurer may have against the Home estate provided that insurer asserted a proof of claim against the Home estate on or before October 29, 2007 (the current version of the Pittsburgh Corning Plan of

Reorganization, if confirmed, would enjoin claims against the Home estate that were asserted after October 29, 2007). While this agreement does not impair the right of any Participating Insurer to prosecute the claims referenced in the preceding sentence, this Settlement Agreement also does not impair in any way the Liquidator's right to argue that this Agreement or the allowance of the Claimant's claim is a complete or partial defense on the merits to such a claim prosecuted by a Participating Insurer.

Claimant agrees to cooperate with the Liquidator's defense of any claims by PPG Participating Insurers by complying with reasonable requests for documents and testimony regarding this Agreement and Claimant's resolution of its claims against the PPG Participating Insurers.

The Liquidator represents that he has reviewed the proofs of claim submitted in the Home liquidation estate and that as of the date of this Settlement Agreement is signed on his behalf, he is aware of no unresolved proofs of claim that have been submitted specifically referencing the Policies other than the Proof of Claim filed by Claimant and proofs of claim submitted by Century Indemnity Company, Mt. McKinley Insurance Company, Great American Insurance Company and Certain Underwriters at Lloyd's, London and certain solvent London Market Companies.

Claimant acknowledges that it is aware of the requirements of the Medicare Secondary Payer Act and the Medicare, Medicaid and SCHIP Extension Act of 2007 ("MMSEA"), 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. Neither Claimant nor the Liquidator believe that either party has

any reporting obligations pursuant to the statutes referenced above. Nevertheless, in the event that CMS determines that the Liquidator has a reporting obligation in connection with allowances and/or payments made to Claimant pursuant to this Agreement, Claimant agrees to comply with reasonable requests for data or information from the Liquidator, to the extent Claimant has reasonable access to the data and/or information, so that the Liquidator can comply with any asserted reporting obligation.

10. 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 or this Settlement Agreement shall be the Liquidation Court.

11. 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.

12. 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.

13. 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.

14. 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.

15. 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, affiliates, attorneys, liquidators, receivers, administrators, agents, representatives, successors, and assigns.

16. 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.

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

18. 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.

19. 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.

20. 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:

David C. Gallagher
Corporate Counsel
Enterprise Litigation and Insurance
PPG Industries, Inc.
One PPG Place
Pittsburgh, PA 15272

and

Michael S. Nelson, Esq.
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210 Sixth Avenue
Pittsburgh, PA 15222-2613

If to the Liquidator, to:

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The Home Insurance Company in Liquidation
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and

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Boston, MA 02110-1700
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21. 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 by the signatures of their duly authorized representatives.

PPG INDUSTRIES, INC.

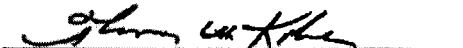
By: 

Name: GLENN E. BOST

Title: SR VP AND GENERAL COUNSEL

Date: July 16, 2013

**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. HORNER

Title: Chief Claims Officer

Date: July 8, 2013