

THE STATE OF NEW HAMPSHIRE

MERRIMACK, SS.

SUPERIOR COURT

Docket No. 217-2003-EQ-00106

**In the Matter of the Liquidation of
The Home Insurance Company**

**LIQUIDATOR'S MOTION FOR APPROVAL OF
SETTLEMENT AGREEMENT WITH INGERSOLL-RAND COMPANY**

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 Ingersoll-Rand Company 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 Ingersoll-Rand Company ("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. ¶ 5.

2. Home issued an insurance policy, HEC4356362, under which Ingersoll-Rand Company ("Ingersoll-Rand") is the named insured for the period of time from June 9, 1972 to January 1, 1975 (the "Policy"). Settlement Agreement, first Whereas clause. Upon Home's placement in liquidation, Ingersoll-Rand filed one proof of claim regarding asbestos related bodily injury claims in the Home liquidation under the Policy (the "Proof of Claim"). *Id.*, third Whereas clause. Bengelsdorf Aff. ¶ 3.

3. The Liquidator and Ingersoll-Rand have negotiated the Settlement Agreement reflecting a resolution of the Proof of Claim and all matters between them under the Policy. The Settlement Agreement is subject to approval by the Court. Settlement Agreement ¶ 1. Bengelsdorf Aff. ¶ 5.

4. The Settlement Agreement provides that the Liquidator will recommend allowance of the Proof of Claim in the amount of \$28,880,717 as a Class II priority claim of Ingersoll-Rand 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 Proof of Claim and all claims Ingersoll-Rand has under the Policy. 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. ¶ 6.

5. The Settlement Agreement is intended to resolve the Proof of Claim and all claims that Ingersoll-Rand has under the Policy. See Settlement Agreement ¶ 2(B). Bengelsdorf Aff. ¶ 7. To that end, the Settlement Agreement provides for mutual releases of all claims among the Liquidator, Home, and Ingersoll-Rand arising from or related to the Proof of Claim or the Policy. Settlement Agreement ¶¶ 3, 4. The Liquidator also releases claims respecting the underlying matters covered by the Proof of Claim or among the Liquidator, Home, and Ingersoll-Rand arising from or related to the Policy against other insurers of Ingersoll-Rand that agree to release such claims against Home. Bengelsdorf Aff. ¶ 7.

6. In resolving Ingersoll-Rand's claim relating to the Proof of Claim and the Policy, the Settlement Agreement is intended to resolve all matters arising out of or relating to any rights Ingersoll-Rand ever had, now has, or hereafter may have in the Policy and the Proof of Claim, including any asserted rights of third-party claimants against Ingersoll-Rand under the Policies. See Settlement Agreement, ¶ 5. Ingersoll-Rand agrees to address, at its sole cost, any such

claims of third-party claimants asserting claims against Ingersoll-Rand as if there had been no liquidation proceeding for Home and as if Ingersoll-Rand had no insurance coverage from Home under the Policies. *Id.* Ingersoll-Rand also agrees to indemnify and hold the Liquidator and Home harmless from all claims, including asserted rights of third party claimants, arising from or relating to the Proof of Claim or Ingersoll-Rand's rights under the Policy, up to the amount ultimately distributed or distributable to Ingersoll-Rand. *Id.* Bengelsdorf Aff. ¶ 8.

7. The Liquidator is not aware of any third party claimants asserting claims under the Policy.¹ Bengelsdorf Aff. ¶ 9. The denial of any third party claimants' claims without prejudice to their claims against Ingersoll-Rand will not harm the third party claimants, who will continue to have their claims against Ingersoll-Rand. As noted above, Ingersoll-Rand has agreed to address these claims as if it had no insurance coverage from Home under the Policy.

Settlement Agreement ¶ 5. Third party claimants' proofs of claim against the insolvent Home, if not denied with the agreement, would release Ingersoll-Rand from those claims up to the limits of the policy but only entitle the third party claimants (assuming their claims were allowed) to the initial interim distributions and any later distribution at a presently undetermined distribution percentage from Home at the future date when 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) of Home will be paid in full. Under the Settlement Agreement, Ingersoll-Rand will continue to be fully responsible for any third party claimants' claims against it. See Settlement Agreement ¶ 5. Bengelsdorf Aff. ¶ 9.

¹ The Liquidator is aware that an insurer submitted a proof of claim asserting a contribution claim related to the Policy. A notice of determination was recently issued regarding that proof of claim. Bengelsdorf Aff. ¶ 9 n. 1. In any event, 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.

8. The Liquidator is aware that Home issued five other insurance policies under which Ingersoll-Rand is the named insured for various periods of time from October 15, 1962 to January 1, 1986 (the "Other Policies"). Settlement Agreement, second Whereas clause. Bengelsdorf Aff. ¶ 4. Ingersoll-Rand previously submitted claims as the named insured under the Other Policies (the "Other Proofs of Claim") and these claims were the subject of a separate Notice of Determination approved by the Liquidation Court on October 2, 2006. Settlement Agreement, second and fifth Whereas clauses, Bengelsdorf Aff. ¶ 4, 10. None of the Other Policies nor any claims related to the Other Policies, including the Other Proofs of Claim, are subject to, nor covered by, the Settlement Agreement and the recommended amount under the Settlement Agreement related to the Proof of Claim is distinct from, and in addition to, any amounts allowed related to the Other Proofs of Claim. Settlement Agreement, fifth and sixth Whereas clauses. Bengelsdorf Aff. ¶ 10.

9. The Liquidator is not aware of any proof of claim, other than the Proof of Claim, asserting a claim subject to the same limits in the Policy. Settlement Agreement ¶ 6, Bengelsdorf Aff. ¶ 11. However, if a claim of another claimant is subject to the same limit of liability as the claim resolved by the Settlement Agreement, and if the total allowed amounts for all claimants exceed the limit, then the allowed amounts for all claimants will be subject to adjustment under RSA 402-C:40, IV, so that the policy limit will not be exceeded. See Settlement Agreement ¶ 6. Bengelsdorf Aff. ¶ 11.

10. The Settlement Agreement reflects a compromise of the claim asserted in the Proof 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 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 Ingersoll-Rand. The Liquidator accordingly recommends approval of the Settlement Agreement and allowance of the \$28,880,717 settlement amount as a Class II claim of Ingersoll-Rand in accordance with RSA 402-C:45 and RSA 402-C:44.

Bengelsdorf Aff. ¶ 12.

11. The Court has previously approved similar settlement agreements. See, e.g., Order Approving Settlement Agreement with Washington Gas (July 15, 2013); Order Approving Settlement Agreement with Wisconsin Energy (March 18, 2010); Order Approving Settlement Agreement with Straits Steel (May 3, 2009); 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.

12. 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 Ingersoll-Rand.

13. 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. ¶ 12.

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 Ingersoll-Rand's claim as a Class II claim in accordance with RSA 402-C:45 and RSA 402-C:44 in the amount of \$28,880,717; 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, AS LIQUIDATOR
OF THE HOME INSURANCE
COMPANY,

By his attorneys,

JOSEPH A. FOSTER
ATTORNEY GENERAL

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NH Bar ID No. 1619
Civil Bureau
New Hampshire Department of Justice
33 Capitol Street
Concord, NH 03301-6397
(603) 271-3650



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Rackemann, Sawyer & Brewster P.C.
160 Federal Street
Boston, MA 02110
(617) 542-2300

June 22, 2016

Certificate of Service

I hereby certify that a copy of the foregoing Liquidator's Motion for Approval of Settlement Agreement with Ingersoll-Rand, the Affidavit of Peter A. Bengelsdorf, and the Proposed Order, were sent this 22d day of June, 2016, 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

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Docket No. 217-2003-EQ-00106

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SETTLEMENT AGREEMENT AND MUTUAL RELEASE

This Settlement Agreement and Mutual Release ("Settlement Agreement") is made as of this 17 day of June 2016, by and between Ingersoll-Rand Company ("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 policy (the "Policy") under which Claimant is the named insured:

<u>Policy Number</u>	<u>Policy Period</u>
HEC4356362	6/9/72 – 1/1/75

WHEREAS, Home also issued the following insurance policies (the "Other Policies") under which Claimant is the named insured, which policies are not subject to this Settlement Agreement:

<u>Policy Number</u>	<u>Policy Period</u>
HEC9543191	10/15/62 – 1/1/66
HEC9544890	1/1/66 – 1/1/69
HEC9664310	1/1/69 – 1/1/72
HEC4344563	1/1/72 – 1/31/75
HXL1639989	1/1/85 – 1/1/86

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

WHEREAS, Claimant has submitted a claim relating to the Policy in the Home liquidation that has been assigned proof of claim number INSU711170 (the "Proof of Claim");

WHEREAS, Claimant also submitted claims relating to the Other Policies in the Home liquidation that have been assigned proof of claim numbers INSU390684, INSU275208-01, INSU275415, and INSU275468 (the "Other Proofs of Claim"), which are not subject to this Settlement Agreement;

WHEREAS, a Notice of Determination with regard to the Other Proofs of Claim was approved by the Liquidation Court on October 2, 2006, in the amount of \$16,786,495 ("Partial Allowance");

WHEREAS, the Parties are desirous of finally resolving all claims that were asserted, or could have been or could be asserted, between them and resolving all matters concerning the Proof of Claim and all rights and obligations with respect to the Policy; and

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 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 upon approval by the Liquidation Court. The Liquidator shall move 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 Proof of Claim be allowed in the amount of \$28,880,717 (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 Proof of Claim and any and all claims of whatever nature that Claimant has under the Policy. 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 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. All distributions to Claimant shall be made to:

Ingersoll-Rand Company, c/o

Allan Tananbaum, Esq.
Vice President - Compliance and Deputy General Counsel
Ingersoll-Rand Company
One Centennial Avenue
Piscataway, NJ 08854

Claimant agrees that it will promptly notify the Liquidator of any change of address or addressee.

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 each 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 Proof of Claim or the Policy, 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 Proof of Claim or the Policy.

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 each of its respective 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 Proof of Claim or the Policy, 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 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 Proof of Claim or the Policy.

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 in the Policy and the Proof of Claim, including any asserted rights of third-party claimants against Claimant under the Policy, 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 Policy. 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 related to the Proof of Claim or the Policy 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) any claims for defense or indemnity for claims made under the Policy against the Liquidator or Home by vendors, or by other insurers of Claimant, or by any individuals or entities asserting "direct action" claims arising out of or related to the Policy. 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. The Liquidator shall not settle any claim for which it seeks indemnification from Claimant without first obtaining Claimant's consent, which shall not be unreasonably withheld. Further, the Liquidator represents and warrants that he is presently unaware of any claims that would trigger any indemnification obligation of Claimant pursuant to this Settlement Agreement.

6. Multiple Claims. The Policy against which the Proof of Claim is made contains certain limits. New Hampshire RSA 402-C:40 (IV) provides that in the event multiple claims against such a policy are filed, and the aggregate allowed amount of all claims to which the same limit of liability in the policy is applicable exceeds that limit, then each claim as allowed shall be

reduced in the same proportion so that the total equals the policy limit. The Liquidator is presently unaware of any proof of claim, other than the Proof of Claim, filed in the Home liquidation asserting a claim subject to the same limits in the Policy. However, if an allowance is made such that the aggregate allowed amount of all claims subject to the same limit exceeds the limit, each claim will be prorated so that the total equals the Policy limit. The Liquidator will be unable to determine the extent to which Claimant's claim may be subject to proration until all claims against the Policy are identified and evaluated. If the aggregate allowed amount of claims against the Policy exceeds the applicable limit of the Policy such that the Recommended Amount is subject to proration, the Liquidator will inform Claimant accordingly.

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 Proof 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 the underlying matters covered by the Proof of Claim. The Liquidator agrees to waive, relinquish, and release any claim, including contribution, apportionment, indemnification, subrogation, equitable subrogation, allocation, or recoupment, as to the underlying matters covered by the Proof 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 Policy, or any proceeds thereof, or the Proof of Claim, or 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. 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. 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 agree 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.

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 Proof of Claim, the Policy, 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 Settlement 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; and that each individual signing on behalf of a Party has been duly authorized by that Party to execute this Settlement Agreement on its behalf.

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, agents, attorneys, liquidators, receivers, administrators, 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 electronic and first class U.S. mail directed to:

If to Claimant, to:

Allan Tananbaum, Esq.
Vice President - Compliance and Deputy General Counsel
Ingersoll-Rand Company
One Centennial Avenue
Piscataway, NJ 08854
Email: atananbaum@trane.com

and

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Email: dleslie@rackemann.com

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 by their duly authorized representatives.

INGERSOLL RAND COMPANY

By: Maria C. Green
Name: MARIA C GREEN
Title: SVP & GENERAL COUNSEL
Date: June 17, 2016

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

By: Thomas W. Kopen
Name: Thomas W. Kopen
Title: EVP + Chief Claims Officer
Date: June 17, 2016