

EXHIBIT A
AFFIDAVIT OF DIRK EICHLER

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**

**AFFIDAVIT OF DIRK EICHLER
IN SUPPORT OF ZURICH INSURANCE PLC, GERMAN BRANCH AND
WÜRTTEMBERGISCHE VERSICHERUNG AG'S OPPOSITION TO LIQUIDATOR'S
MOTION FOR APPROVAL OF CLAIM AMENDMENT DEADLINE**

I, Dirk Eichler, hereby depose and say:

1. I am Head of Liability Claims Non Motor of Zurich Insurance plc, German branch ("Zurich").

2. I submit this affidavit in support of Zurich and Württembergische Versicherung AG's ("Württembergische") Opposition to Liquidator's Motion for Approval of Claim Amendment Deadline. The facts and information set forth are either within my own knowledge gained through my close involvement with this matter, in which case I confirm that they are true, or are based on information provided to me by others or documents in Zurich's files, in which case the stated facts are true to the best of my knowledge, information, and belief.

3. After I joined Zurich on January 1, 2015, I took over the responsibility for the matters described herein in the spring of 2015. From my review of company records, I am aware that on or about June 3, 2004, Zurich filed its proof of claims in The Home liquidation proceeding. A true and accurate copy of Zurich's proof of claims is attached hereto as Exhibit A-1.

4. The proof of claim explicitly states that Zurich's reinsurance claims were unknown, that The Home and its reinsurer had been handling the claims and only they were in a

position to fully quantify Zurich's reinsurance claims, and that Zurich's reinsurance claims against The Home included incurred but not reported claims ("IBNR"). (*See* Ex. A-1 at ¶¶ 1.4-2.2.2.)

5. Zurich is a member of a group, or pool, of companies that underwrote insurance and reinsurance risks through a pool underwriting managing agent, the M.E. Ruddy Underwriting Agency Limited (the "Ruddy Pool"). Zurich is the successor-in-interest to Agrippina Versicherung Aktiengesellschaft, an original Ruddy Pool member that participated on the risks written for the Ruddy Pool from 1962 to 1967.

6. In approximately 2004 the Liquidator proposed settlement agreements between The Home Estate and a number of The Home's cedents, including Zurich (collectively the "AFIA Cedents"), under which Zurich and the other AFIA Cedents agreed to submit all of their reinsurance claims to the Liquidator, who would then submit them to ACE/Chubb and other reinsurers of The Home to recover reinsurance payments for the benefit of The Home's creditors. A true and accurate copy of the settlement agreement between The Home and Zurich (the "Settlement Agreement") is attached hereto as Exhibit A-2.

7. Pursuant to the Settlement Agreement, The Home is obligated to investigate, adjust and admit or refute liability for all claims brought by insurance policyholders and cedent insurance companies of Zurich as an AFIA Cedent. (*See* Ex. A-2 at ¶ 6.3.)

8. Due to the long-tail nature of much of the Ruddy Pool business, which includes liability for asbestos, pollution and other types of long-tail claims, injured parties continue to file claims against the policyholders and ceding insurers of the Ruddy Pool members, including Zurich. Those claims are fully reinsured by The Home and, in turn, ACE/Chubb.

9. At this time, Zurich lacks sufficient information to calculate and provide to the Liquidator a reliable estimate of its IBNR arising from its Rutty Pool business. ACE/Chubb, as The Home's claims handling agent for the Rutty Pool business, possesses the claims information needed to prepare a reliable IBNR estimate. Neither ACE/Chubb nor the Liquidator has provided Zurich with an IBNR estimate for Zurich's share of the Rutty Pool business that The Home reinsures on a 100% basis.

10. Moreover, according to recent estimates provided by CISUK (an ACE/Chubb entity), Zurich and the other Rutty Pool members standing alone have approximately (a) \$25.9 million in outstanding losses/case reserves for reported and known asbestos claims; (b) \$4.2 million in outstanding losses/case reserves for reported and known environmental claims; (c) \$1.7 million in outstanding losses/case reserves for reported and known health claims; and (d) \$1.9 million in outstanding losses/case reserves for "other" reported and known long-tail claims.

11. Since 2015, I have had regular telephone conversations, as well as in-person meetings in England, with representatives of the Liquidator and with personnel administering the inwards claims exposures of the Rutty Pool, which The Home fully reinsures (and in turn ACE/Chubb fully reinsures). In my role at Zurich as the manager responsible for Zurich's Rutty Pool business, my understanding is that from 2012 onwards, these discussions have addressed the efforts of the Liquidator to negotiate an agreement between the Home Estate and its reinsurer of the Rutty Pool business, ACE/Chubb, under which ACE/Chubb will pay The Home Estate a negotiated sum in return for the complete discharge of all obligations between the parties under their reinsurance contract covering the Rutty Pool and other business relating to the AFIA Cedents' claims exposures (including the paid loss, case reserves and IBNR claims exposures of

Württembergische and Zurich arising from the Rutty Pool which are fully reinsured by The Home and in turn ACE/Chubb).

12. Zurich sent a letter to the Liquidator dated 13 April 2012, in response to his request of 12 December 2011, providing Zurich's ultimate valuation analysis of its total case reserves and IBNR for its Rutty Pool claims exposures. A true and accurate copy of Zurich's letter is attached hereto as Exhibit A-3. Based on conversations with representatives of the Liquidator, Zurich understood that this analysis would serve as the basis of the Liquidator's commutation negotiations with ACE/Chubb. Zurich did not receive any response from the Liquidator to its letter.

13. In September 2012, a Zurich representative, Guido Aulbach, was informed in discussions with representatives of the Liquidator that ACE/Chubb was serious about negotiations to commute these Rutty Pool exposures including a negotiated and agreed IBNR value. However, despite having been assured in the years since 2012 that such a commutation would be pursued, representatives of the Liquidator have not provided to Zurich any details of such negotiations. Despite requests in discussions with representatives of the Liquidator and ACE/Chubb over the years, neither the Liquidator nor ACE/Chubb has shared with Zurich any IBNR methodology or calculation that has been used in these negotiations. Given their central roles and access to the necessary information for preparing a reliable estimate of IBNR on the Rutty Pool claims exposures, it is my understanding that the Liquidator and/or ACE/Chubb have possessed all of the required data to perform these IBNR calculations. Zurich does not possess this essential data.

14. While quarterly reports of gross case reserves are shared with Zurich, Zurich does not have sufficient information to be able to perform a reliable estimate of its Rutty Pool IBNR.

As a result, Zurich is unable to engage in negotiations with the Liquidator or its agent claims handler to commute this IBNR.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct to the best of my knowledge.

Executed on November 18, 2019.



Dirk Eichler
Head of Liability Claims Non-Motor
Zurich Insurance plc, German Branch

Document Register No. 1568/2019 -CN-

This is to certify that the above signature was made before me in his own hand by

Mr. Dirk Eichler,
born on 30.06.1967,
resident in Mülheim an der Ruhr,
business address 50679 Köln, Deutzer Allee 1,

who is personally known to me.

Cologne, this 18 November 2019



(Dr. Christoph Neuhaus)
civil law notary