

**STATE OF NEW HAMPSHIRE**

**MERRIMACK, SS.**

**SUPERIOR COURT**

Docket No. 03-E-0106

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

**CENTURY INDEMNITY COMPANY'S AND ACE PROPERTY & CASUALTY  
INSURANCE COMPANY'S RESPONSE TO THE LIQUIDATOR'S MOTION  
FOR APPROVAL OF SETTLEMENT AGREEMENT WITH FEDERAL CLAIMANTS**

Century Indemnity Company, (i) in its capacity as successor to CIGNA Specialty Insurance Company, formerly known as California Union Insurance Company, (ii) in its capacity as successor to Indemnity Insurance Company of North America, and (iii) in its capacity as successor to CCI Insurance Company, as successor to Insurance Company of North America; and ACE Property & Casualty Insurance Company, formerly known as CIGNA Property and Casualty Insurance Company, formerly known as Aetna Insurance Company, on its own behalf and in its capacity as successor in interest to Central National Insurance Company of Omaha, but only as respects policies issued through Cravens, Dargan & Company, Pacific Coast (collectively, "ACE P&C"), by its attorneys, respectfully submits this Response to the Liquidator's Motion for Approval of Settlement Agreement with Federal Claimants and Release Agreement with United States.

The Liquidator's Motion seeks approval of a Settlement Agreement (collectively the "Settlement Agreement") between the Liquidator and the United States of America on behalf of the U.S. Environmental Protection Agency ("EPA"), U.S. Department of the Navy ("Navy"), U.S. Department of the Interior ("DOI"), and the National Oceanic and Atmospheric Administration of the United States Department of Commerce ("NCAA") (collectively, "Federal

Claimants”) with respect to the environmental liabilities of certain policyholders of the Home Insurance Company (“Home”) identified in the Settlement Agreement. The Liquidator’s Motion states that the Settlement relates to five proofs of claim filed by the Federal Claimants in the Home liquidation in connection with the CERLA liabilities of the following entities: Executeam Corp.; Industrial Salvage and Disposal and Sauget & Company; Ace Manzo Inc. (and related entities); R. Lavin & Sons, Inc.; and Azusa Pipe and Tube Bending Corp. In addition, the Settlement Agreement resolves certain additional proofs of claim which the U.S. Department of Justice (“DOJ”) was prepared to file with respect to the CERCLA liabilities of: Sharon Steel Corporation; Manson Construction and Engineering Company; Duwamish Shipyard, Inc; Explorer Pipeline Company; Louisville Varnish Company, Inc.; and Shaw Trucking.

CIC and/or ACE P&C have (or are alleged to have) issued one or more policies to Manson Construction & Engineering Company, Shaw Trucking, Sauget & Company, Ace Manzo and R. Lavin & Sons. Those policies, like the policies issued by Home, may provide coverage for underlying environmental liabilities of the relevant policyholders whose claims are resolved by the Settlement Agreement. To the extent that CIC or ACE P&C has made and/or in the future will make any payments for the underlying environmental claims addressed in the Home Liquidator’s proposed settlement with the Federal Claimants in connection with the policies that CIC or ACE P&C issued, it is CIC’s and ACE P&C’s position that nothing in the Liquidator’s Settlement Agreement affects, alters or in any way negates any current and/or future contribution or subrogation claim which CIC or ACE P&C has and/or may have against the Home estate in connection with those payments (unless such claims have already been fully resolved).

The Liquidator has recognized as much in connection with his motion for the approval of other settlement agreements, by acknowledging that: "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." *E.g.*, Liquidator's Motion for Approval of the PPG Settlement Agreement with at ¶5 n.1. As a result, any current or future CIC or ACE P&C claim for contribution or subrogation in connection with payments made to the Federal Claimants with respect to the underlying environmental liabilities of one of the Home policyholders included within the Settlement Agreement will remain to be determined in the Liquidation.

CIC and ACE P&C requests that the Liquidator retain all claim files pertaining to the Federal Claimants. CIC and ACE P&C reserve all of their rights including any rights against all parties; nothing in this statement shall be deemed an admission by CIC or ACE P&C, or a waiver by CIC or ACE P&C of any rights or remedies including, without limitation, claims or defenses.

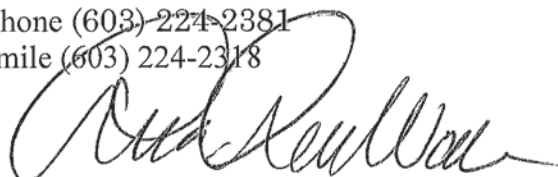
Respectfully submitted,

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ACE PROPERTY & CASUALTY INS. COMPANY  
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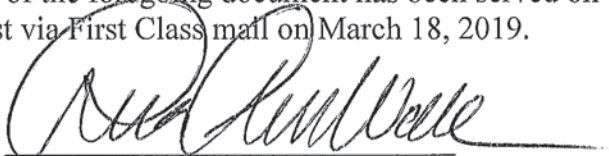
By:



Lisa Snow Wade (Bar #5595)

**Certificate of Service**

The undersigned certifies that a copy of the foregoing document has been served on counsel of record and the attached service list via First Class mail on March 18, 2019.

A handwritten signature in cursive script, appearing to read "Lisa Snow Wade", written over a horizontal line.

Lisa Snow Wade (Bar #5595)

**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**

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