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MAR 20 2009

**HARRY L. BOWLES**

**306 BIG HOLLOW LANE**

**HOUSTON TX 77042**

**Tel 713-983-6779 fax 713-983-6722**

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MAR 18 2009

HICIL

**SCANNED**

**MAR 18 2009**

March 12, 2009

Liquidation Clerk

The Home Insurance Company in Liquidation

Office of Disputed Claims

P.O. 1720

Manchester NH 03105-1720

J. David Leslie

Rackemann, Sawyer & Brewster, P.C.

160 Federal Street

Boston, MA 02110-1700

Mr. J. Christopher Marshall

Ast. Attorney General

New Hampshire Department of Justice

33 Capitol Street

Concord, New Hampshire 03301-6397

Subject: Disputed Claim 2008-HICIL-41

Claimant Bowles' Mandatory Disclosures Per Rule 14(b)

1. Bowles' has previously submitted a large number of documents that are disclosures per Rule 14(b). These include (a) Bowles' February 4, 2008 claim to the Liquidator that included a general background of why the claim was filed and why it was filed nearly four years after the deadline for filing claims had passed; (b) Bowles' December 20, 2008 Objection to Liquidator's determination of proof of claim (16 pages and Exhibits (A-D)); (c) Bowles' January 5, 2009 First Supplement to Objection to Liquidator's determination of proof of claim (11 pages and Exhibits

A-C); (d) Bowles' Second Supplement to Objection to Liquidator's determination of proof of claim (14 pages and Exhibits A-C).

2. The above-cited information has been transmitted to the Liquidation Clerk and to the counsel for the Liquidator. The information reflects Bowles' position that officials of the former insurer The Home Insurance Company in New York in conspiracy with officials of Texas Property and Casualty Insurance Guaranty Association. Fraudulently initiated litigation in 2005 against Bowles by employing defense counsel to defend a long-expired legal malpractice Home insurance policy. This was done in violation of the New Hampshire Superior Court's Order of Liquidation that prohibited Home officials from initiating or continuing litigation in defense of Home policies after June 13, 2003.

3. Bowles believes that the Liquidator's determinations of proofs of claim filed by Bowles in August 2003 and in February 2008 were issued on the strength of fraudulent misrepresentations to the Liquidator made by Home officials in New York. The Liquidator lacked knowledge or understanding that the Order of Liquidation was blatantly violated by HICIL and TPCIGA in furtherance of a fraudulent conspiracy designed to illegally pour Bowles out of a court in Texas by summary judgment. The Liquidator was suborned to render a false determination stating that Bowles lacks standing to present claims to the Liquidator by *res judicata*. This determination was based on the claim that an applicable Home policy was successfully defended against Bowles in the Texas court. In fact, the Home policy purported to be applicable had expired without an insured party having made a timely claim against it involving Bowles. Furthermore, the officious intervention in Bowles' legal malpractice lawsuit by Home officials and TPCIGA was in violation of New Hampshire law regarding proper procedure **and in violation of Sections (e), (j), (k) and (m) of the Order of Liquidation.**

4. There have been nearly three years of communications with HICIL and TPCIGA regarding the officious intermeddling by TPCIGA and HICIL in Bowles' legal malpractice suit against George M. Bishop, et al in the 151st Court in Harris County, Texas. Never in all that time have either HICIL or TPCIGA produced one shred of evidence that would show that the Liquidator, with the approval of the Superior Court, acted to formally authorize HICIL and TPCIGA to employ a Houston law firm to defend Home insurance policy No. LPL-F871578 in Bowles' malpractice suit in Texas. To the contrary, they have refused to admit they were third-party defendants in the case, which proves that there was no such authorization.

5. And beyond that, they have refused to provide documents proving that any insureds under the policy ever made timely claims for coverage under the policy based on Bowles having complained of professional misconduct prior to February 6, 1994. Bowles has no such documents. All disagreements between Bowles and Bishop began in March 1994 when Bishop demanded that Bowles consent to a Receiver's Sale of a company that Bishop knew was blatantly in violation of a Settlement Agreement and in violation of Texas Receivership Law (Texas Civil Practices & Remedies Code, Chapter 64). Undisclosed to Bowles was the fact that Bishop was in conspiracy with the Receiver who negotiated a sale of assets that was some one million dollars below market value.

5. Attached **EXHIBIT A** is Bowles' inquiry dated February 2, 2009 to the Daniels-Head Insurance Agency and the Daniels-Head response dated February 3, 2009. The Agency obviously recognized its duties and responsibilities regarding notices to policy holders and claimants when Home went into liquidation. Bowles holds that the response from Daniels-Head is positive proof that the insurance agency had no knowledge of any ongoing litigation

concerning the policy when Home was placed in the hands of the Liquidator in June 2003, and did not notify either Bishop or Bowles of their options.

6. If Home Insurance had timely notice of a claim made by a Bishop insured party as has been claimed by HICIL official Barta, then it was the Liquidator's duty to give the Bishop party notice of impairment and termination of coverage in June 2003 per 402-C:26. Barta submitted Bowles' August 2003 proof of claim to TPCIGA two years after June 13, 2003 knowing that Home had no coverage liability. This is proof that Barta acted independently of the Liquidator and in conspiracy with TPCIGA officials to defend a policy that was certainly terminated by the Order of Liquidation, if not by Home's notice of cancellation issued in December 1993.

7. Mr. Barta's testimony stating that a Bishop party submitted a timely proof of claim against the policy based on its Discovery Clause has not been verified with documentary proof. If a Bishop insured party notified Home Insurance of a claim under the Discovery Clause, then it was the company's duty to investigate the basis for that claim, which could only have been an admission by Bishop that the policy was purchased in bad faith. A Discovery Clause claim would involve much written communication and documentation. If the Liquidator has these documents, they must be produced as proof that the Bishop proof of claim under the discovery clause was accepted as a covered claim. It is most likely that any such Discovery Clause claim would have been determined to be fraudulent, thus voiding the policy under Section F-V.

8. Likewise, if, as Mr. Barta claims, HICIL, by and through the Liquidator and the Superior Court, acted in defense of Policy No. LPL-F781578 by a decision to voluntarily provide defense counsel for Bishop, Peterson & Sharp, then that must have entailed much written communication and documentation. . If the Liquidator has these documents, they must be produced as proof that

the Bishop proof of claim was accepted as a covered claim with a defense provided voluntarily by HICIL.

9. The May 2008 Liquidator's Report stated that 19,883 proofs of claim had been submitted. Bowles requested on January 26, 2009 that the Liquidation Clerk to supply a listing of all claims filed in Texas. This request is to ascertain whether or not any of the Bishop insureds submitted claims against Policy No. LPL-F781578 after June 13, 2003. The Bishop party's failure to do so would indicate that the claims by HICIL and TPCIGA officials that Bishop had demanded defense or indemnity by Home or by HICIL was false and fraudulent. The Liquidation Clerk has failed to, provide this important information.

10. Having received no response from the Liquidator to the proof of claim filed in February 2008, Bowles proceeded in October 2008 to refile his suit in the federal court in Austin, Texas against HICIL and TPCIGA. There are multiple causes of action, including fraud and conspiracy, tortious interference and abuse of process. The filing resulted in the defendants again filing Rule 12 Motions to Dismiss for failure to state a claim and for lack of subject matter jurisdiction.

11. On February 27, 2009 Bowles filed in the federal court a Motion for a Temporary Suspension of that litigation in deference to the pending action in the Superior Court regarding insurance policy coverage. Said motion has been transmitted to the Liquidation Clerk, to Mr. Leslie and to Mr. Marshall.

12. As part of the instant Rule 14(b) disclosures, Bowles attaches herewith as **EXHIBIT B** copies of the major documents filing in the Austin federal court including the original petition, the Rule 12 motions, and a preliminary Joint discovery/Case Management Plan.

13. Defendants have not responded to the Motion for Temporary Suspension, and the federal court has not acted on the motion. Bowles believes the Liquidator must make a decision as to what action he should take in response to the motion.

14. Regarding the amount of Bowles' claim against Home, this is a matter that is not clear at this time. Bowles desires that the Liquidator renounce and recant his support for the actions taken by TPCIGA and by the Home officials in New York in initiating litigation in violation of the Order of Liquidation. Presently, the issue of damages is dependent on the Liquidator's position, which will be revealed in further proceedings.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Harry L. Bowles".

Harry L. Bowles