From:

Van Tol, Pieter

Sent: To: Monday, March 21, 2005 5:53 PM

'Smith, Eric A. EAS'

Cc: Subject: 'Andre Bouffard'; Lee, Gary; Littrell, Ryan; 'Ronald L. Snow' Response to March 11, 2005 Letter on Privilege Issues

Eric --

Thank you for your letter of March 11, 2005 in response to our letter of February 18, 2005 regarding the privilege issues we have raised.

We continue to object to the scope of the Liquidator's privilege claims, particularly (1) the Liquidator's assertion that documents or information shared with Ernst & Young LLP may be deemed privileged; and (2) the Liquidator's assertion that privilege attaches to communications that do not involve an attorney and were not made for the purpose of facilitating the rendition of legal services to the Liquidator. We believe that the parties have reached an impasse on these issues, and the ACE Companies will be filing shortly a motion to compel the production of documents.

Regards,

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