

THE STATE OF NEW HAMPSHIRE

MERRIMACK, SS.

SUPERIOR COURT

**Docket No. 03-E-0106
In the Matter of the Liquidation of
The Home Insurance Company**

**ACE PROPERTY & CASUALTY INSURANCE COMPANY'S RESPONSE TO THE
LIQUIDATOR'S MOTION FOR APPROVAL OF SETTLEMENT AGREEMENT WITH
ALTON STEEL**

ACE Property & Casualty Insurance Company ("ACE P&C") (f/k/a CIGNA Property & Casualty Insurance Company), as successor in interest to Central National Insurance Company of Omaha, but only as respects policies issued through Cravens, Dargan & Company, Pacific Coast ("Central National"), by its attorneys Orr & Reno, respectfully submits this Response to the Liquidator's Motion for Approval of a Settlement Agreement and Mutual Release (the "Settlement Agreement") with Alton Steel, Inc. ("Alton Steel"), Individually and as Assignee of and/or F/B/O Laclede Steel Company ("Laclede").

Like the Home Insurance Company ("Home"), Central National (succeeded to by ACE P&C) also issued policies to Laclede. To the extent that ACE P&C has made and/or in the future will make any payments in connection with the policies that Central National issued to Laclede, it is 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 ACE P&C has and/or may have against the Home estate in connection with those payments (unless such claim has already been fully resolved).

The Liquidator has recognized as much in connection with his motion for the approval 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 remain to be determined on its own merits in the liquidation proceeding." *E.g.*, Liquidator's Motion for Approval of Settlement Agreement with PECO at ¶6 n.1. Thus, any current or future ACE P&C claim for contribution in connection with payments made under policies issued to Laclede will remain to be determined on their own merits in the Liquidation.

ACE P&C reserves all of its rights including any rights against all parties; nothing in this statement shall be deemed an admission by ACE P&C, or a waiver by ACE P&C of any rights or remedies including, without limitation, claims or defenses.

Respectfully submitted,

ACE Property & Casualty Insurance Company

By its attorneys,

ORR & RENO, P.A.
One Eagle Square
P.O. Box 3550
Concord, NH 03302-3550
Telephone (603) 224-2381
Facsimile (603) 224-2318

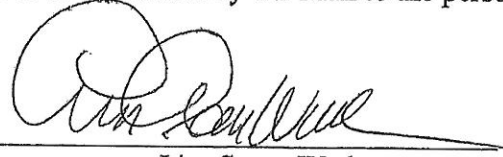
Date: November 27, 2012

By: 

Lisa Snow Wade (Bar #5595)

CERTIFICATE OF SERVICE

I, Lisa Snow Wade, Esq., hereby certify that on this 27th day of November, 2012, I have caused a copy of the attached document to be forwarded by US Mail to the persons listed on the attached service list.

A handwritten signature in black ink, appearing to read 'Lisa Snow Wade', is written over a horizontal line.

Lisa Snow Wade

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SERVICE LIST

J. Christopher Marshall, Esq.
New Hampshire Department of Justice
Attorney General's Office
33 Capitol Street
Concord, NH 03301-6397

J. David Leslie, Esq.
Eric. A. Smith, Esq.
Rackemann, Sawyer & Brewster
160 Federal Street
Boston, MA 02111

Gary S. Lee, Esq.
Kathleen E. Schaaf, Esq.
James J. DeChristofaro, Esq.
Morrison & Foerster
1290 Avenue of the Americas
New York, NY 10104-0050

George T. Campbell, III, Esq.
Robert A. Stein, Esq.
Robert A. Stein & Associates, PLLC
One Barberrry Lane
P.O. Box 2159
Concord, NH 03302-2159

David M. Spector, Esq.
Dennis G. LaGory, Esq.
Schiff Hardin, LLP
6600 Sears Tower
Chicago, Illinois 60606

Michael Cohen, Esq.
Cohen & Buckley, LLP
1301 York Road
Baltimore, Maryland 21093

David H. Simmons, Esq.
Mary Ann Etzler, Esq.
De Beaubien, Knight, Simmons,
Mantzaris & Neal, LLP
332 North Magnolia Avenue
P.O. Box 87
Orlando, Florida 32801

Martin P. Honigberg, Esq.
Suloway & Hollis, P.L.L.C.
9 Capitol Street
P.O. Box 1256
Concord, NH 03302-1256

Richard Mancino, Esq.
Willkie Farr & Gallagher, LLP
787 Seventh Avenue
New York, NY 10019

Joseph G. Davis, Esq.
Willkie Farr & Gallagher, LLP
1875 K Street, N.W.
Washington, DC 20006

Albert P. Bedecarre, Esq.
Quinn Emanuel Urguhart
Oliver & Hedges, LLP
50 California Street, 22nd Floor
San Francisco, California 94111

Jeffrey W. Moss, Esq.
Morgan Lewis & Bockius, LLP
115 Franklin Street
16th Floor
Boston, MA 02110

Gerald J. Petros, Esq.
Hinckley, Allen & Snyder, LLP
50 Kennedy Plaza, Suite 1500
Providence, RI 02903

Christopher H. M. Carter, Esq.
Hinckley, Allen & Snyder, LLP
11 South Main Street
Suite 400
Concord, NH 03301-4810

Robert M. Horkoviceh, Esq.
Robert Y Chung, Esq.
Anderson Kill & Olick, P.C.
1251 Avenue of the Americas
New York, NY 10020

Andrew B. Livernois, Esq.
Ransmeier & Spellman, P.C.
One Capitol Street
P.O. Box 600
Concord, NH 03302-0600

John A. Hubbard, Esq.
615 7th Avenue South
Great Falls, Montana 59404

Adebowale O. Osijo, Esq.
2015 East Pontiac Way, Suite 203
Fresno, California 93726

Paul Kalish, Esq.
Crowell Moring
1001 Pennsylvania Avenue, NW
Washington, DC 20004-2500

Ellen Farrell, Esq.
Crowell Moring
1001 Pennsylvania Avenue, NW
Washington, DC 20004-2500

Kyle A. Forsyth, Esq.
Commercial Litigation Branch
Civil Division
U.S. Dept. of Justice – PO Box 875
Washington, DC 20044-0875

Harry L. Bowles
306 Big Hollow Lane
Houston, Texas 774042

Kristine E. Nelson, Esq.
Crowell & Moring, LLP
1001 Pennsylvania Avenue, NW
Washington, DC 20004-2595

Gregory T. LoCasale, Esq.
White and Williams, LLP
One Liberty Place
Suite 1800
Philadelphia, PA 19103-7395

W. Daniel Deane, Esq.
Nixon, Peabody LLP
900 Elm Street, 14th Floor
Manchester, NH 03101-2031
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