

THE STATE OF NEW HAMPSHIRE

MERRIMACK, SS.

SUPERIOR COURT

**BEFORE THE COURT-APPOINTED REFEREE
IN RE THE LIQUIDATION OF THE HOME INSURANCE COMPANY
DISPUTED CLAIMS DOCKET**

In Re Liquidator Number: 2006-HICIL-18, 2006-HICIL-21
Proof of Claim Number: INTL278096, INTL278096-02
Claimant Name: Winterthur Swiss Insurance Company

**REFEREE'S RULING ON CENTURY INDEMNITY COMPANY'S MOTION TO
STRIKE AND WINTERTHUR SWISS INSURANCE COMPANY'S OBJECTION
THERETO**

The Referee has reviewed the parties' pending motions, precipitated by the e-mail correspondence from counsel for Winterthur Swiss Insurance Company ("Winterthur") to Colin Edelman, Q.C., the English law expert appointed in this matter. In the e-mailed letter, Winterthur's counsel outlined his objection to certain factual and procedural matters raised by Century Indemnity Insurance Company ("CIC") in its Section 15 submission. Counsel for Winterthur objects to that content, asserting that CIC failed to properly confine the text of its submission to the specific matter of English law at issue, i.e., whether under the terms of the contract(s) under review by Mr. Edelman, London representative fees are properly recoverable, or not. Mr. Edelman awaits the Referee's direction on this issue.

Mr. Edelman is correct in understanding as stated in his e-mail of November 1, 2006 to counsel for Winterthur that "any issues of fact that either exist at present or which might arise as a result of my report and recommendation are not within the ambit of the reference to me". Therefore, after review of Century Indemnity Company's written submission and Winterthur's letter of October 27, 2006, the Referee relieves Mr. Edelman of need to consider those parts of the submission and Winterthur's letter which are irrelevant to his considerations.

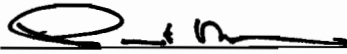
That being said, the Referee does conclude that should Mr. Edelman favor Winterthur's posture that London Representative Fees are recoverable under the contracts at issue, his Report and Recommendation should include specific analysis of the implication of the term "ultimate net loss" for the nature of the fees that may be recoverable. While it is noted that the opinions of both Brian Andrew Young and Peter Laverick Taylor touch upon the construction of the term "ultimate net loss", Century Indemnity Company's submission focuses heavily upon the term's definition, construction, and London market custom. To allow for full development of this issue, the Referee directs Winterthur to file a brief reply submission focusing on the foregoing by the end of business on December 8, 2006.

Finally, Century Indemnity Company has asserted that even if a determination is made that London Representative Fees are recoverable, Winterthur has failed to properly substantiate any

such fees and establish the relationship between them and specific claims. That matter is preserved for further consideration as may become necessary.

So ruled:

Dated: ~~November 27, 2016~~



Paula T. Rogers
Referee