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 and 21(Consolidated)

Proof of Claim Number:

INTL278096

INTL278096-02

Claimant Name:

Winterthur Swiss Insurance Company

CENTURTY INDEMNITY COMPANY'S REPLY TO WINTERTHUR SWISS INSURANCE COMPANY'S OPPOSITION TO CENTURY'S MOTION TO STRIKE WINTERTHUR'S CORRESPONDENCE WITH REFEREE-APPOINTED ENGLISH LAW EXPERT AND FOR DIRECTION THAT WINTERTHUR NOT SUBMIT REPLY BRIEF

Century Indemnity Company ("CIC") submits this reply to the opposition of Winterthur Swiss Insurance Company ("Winterthur") to CIC's motion to strike (the "Motion") Winterthur's letter, dated October 27, 2006, to Colin Edelman, Q.C., and for a direction that Winterthur not submit a reply brief.

As detailed by CIC in the Motion, absent an express request from the Court or the Referee, Winterthur is prohibited under Section 15(a) of the Claims Procedures Order and the Claims Protocol from making any further submissions in these disputed claim proceedings, whether in the form of a letter to Mr. Edelman, a reply brief or otherwise. If Mr. Edelman has a question about the written submissions of the parties, or would like the parties to submit further briefing on a particular point, he may make such a request through the Referee. However, it is wholly inappropriate for Winterthur to voluntarily offer to "clarify certain statements made by CIC" for "Mr. Edelman's benefit" and to address certain statements made in the legal opinion of Peter L. Taylor. *See* Winterthur Opposition Brief. Mr. Edelman will

let the Referee know whether he desires clarification or further factual development or legal analysis on any aspect of these disputed claim proceedings. In the absence of such a request, further submissions are not authorized. 1

For the reasons set forth above and in the Motion, CIC respectfully requests that the Referee (i) strike Winterthur's letter of October 27 and direct Mr. Edelman not to consider it in making his report and recommendation; and (ii) direct Winterthur not to submit a reply brief.

Dated: November 10, 2006

New York, New York

LOVELLS

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¹ Winterthur's allegation that "certain statements made by CIC were inconsistent with the factual history of this proceeding" and its suggestion that Mr. Edelman, who "is not wholly familiar with the procedural history to date," may benefit from Winterthur's clarification seem clearly designed to elicit just such a request from Mr. Edelman. CIC submits that Mr. Edelman can discern the procedural and factual history of these proceedings from reviewing the party's submissions and the Referee's orders alone; but we leave that, of course, to Mr. Edelman himself.