

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

W.G. Yates & Sons Construction Company,	:	
Objector,	:	
	:	Objection to Notice of Determination
v.	:	
	:	Re: Proofs of Claim No. 801
First Sealord Surety, Inc. (In Liquidation)	:	
	:	No. 9 FSS 2014
	:	
(Ancillary Matter to In Re:	:	
First Sealord Surety, Inc., No. 1 FSS 2012)	:	

**LIQUIDATOR'S RESPONSE
TO OBJECTION TO NOTICE OF DETERMINATION**

Michael F. Consedine, Insurance Commissioner of the Commonwealth of Pennsylvania, in his Official Capacity as Statutory Liquidator of First Sealord Surety, Inc. ("Liquidator"), through undersigned counsel, hereby responds to the Objection of W.G. Yates & Sons Construction, Inc. ("Yates"), to Notice of Determination ("Objection") as follows.

1. Admitted.
2. Admitted.
3. Admitted that Yates sent the Liquidator a letter dated February 6, 2014, which is attached as Exhibit A to Yates's Objection, and a copy of a Complaint that Yates had filed in Florida. Said letter is a writing that speaks for itself, and any factual or legal conclusions drawn therefrom are

denied. Moreover, the Liquidator is without information sufficient to form a belief as to the accuracy of the statement in footnote 1 of paragraph 3 that Yates does not seek to gain any monetary advantage by the requested extension to submit an estimated claim value and anticipates that its estimated claim value will fall within the range originally stated in its Proof of Claim, and therefore said statement is denied.

4. Admitted.

5. Admitted that this Court entered an Order on May 16, 2014, approving, among other things, the establishment of an estimated claims value process and directing the Liquidator to serve a copy of the Order on all claimants affected by the estimated claims value process. To the extent the remaining assertions in paragraph 5 constitute factual or legal conclusions, they are denied.

6. Denied to the extent the assertion in paragraph 6 constitutes a factual or legal conclusion.

7. Admitted.

8. Admitted.

9. Admitted.

10. Admitted that in paragraph 54 of the Liquidator's Application to Establish a Claims Bar Date and Approve the Notice of an Estimated Claim Value Process, which is attached to Yates's Objection as Exhibit D, the Liquidator states that he is cognizant of Section 546 of the Insurance Department Act (40 P.S. §221.46), and quotes therefrom as represented in paragraph 10 of Yates's Objection.

11. Denied to the extent the assertions in paragraph 11 constitute factual or legal conclusions.

12. As previously represented to Yates by the Liquidator, the Liquidator will remain neutral with respect to Yates's request for *nunc pro tunc* relief that would allow Yates to file an estimated value of its claim beyond the July 15, 2014 deadline for the filing of estimated value

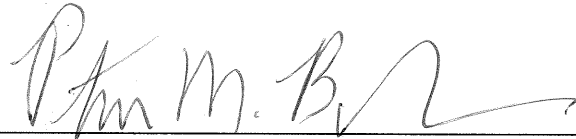
claims, as established by this Court in its May 16, 2014 Order that approved the establishment of an estimated claim value process. In accordance with that neutral position, the Liquidator neither admits nor denies the assertions in paragraph 12 of Yates's Objection.

13. Admitted.

WHEREFORE, the Liquidator respectfully requests that if this Honorable Court should allow Yates to file an estimated value of its claim beyond the July 15, 2014 deadline for the filing of estimated value claims, which the Liquidator neither supports nor opposes, that Yates be directed to provide a specific estimated value of its claim, as opposed to a range of estimated value, and that the specific estimated value of the claim be supported by appropriate documentation to the extent further documentation is required beyond the information that Yates has already provided to the Liquidator.

Respectfully submitted:

By:



PRESTON M. BUCKMAN (I.D. #57570)

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Attorney for Michael F. Consedine, Insurance
Commissioner of the Commonwealth of
Pennsylvania, in his official capacity as Statutory
Liquidator of FSSI

Dated:

10/23/14

CERTIFICATE OF SERVICE

I hereby certify that I am this day serving the foregoing document upon all parties of record in this proceeding in accordance with the requirements of 1 Pa. Code Chapter 33 in the following manner:

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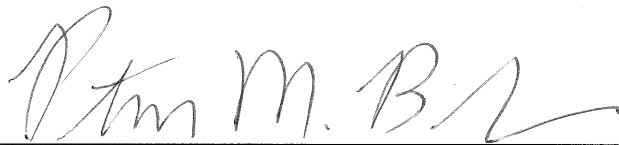
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Liquidator of FSSI

Dated: 10/23/14



COMMONWEALTH OF PENNSYLVANIA
GOVERNOR'S OFFICE OF GENERAL COUNSEL

October 23, 2014

Michael F. Krimmel, Chief Clerk
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Re: *W.G. Yates & Sons Construction Company v. First Sealord Surety, Inc.*
(In Liquidation)
Objection to Notice of Determination Re POC No. 801
No. 9 FSS 2014
Ancillary Matter to In Re: First Sealord Surety, Inc., No. 1 FSS 2012

Dear Mr. Krimmel:

Attached please find the Liquidator's Response to Objection to Notice of Determination with regard to the above-referenced liquidation.

Thank you for your assistance in this matter.

Very truly yours,

A handwritten signature in dark ink, appearing to read "Preston M. Buckman".

Preston M. Buckman
Insurance Department Counsel

PMB:drh

Enclosures