

086

Yerger, Steven

Subject: FW: OneBeacon

From: Johnson, Stephen
Sent: Monday, June 30, 2014 10:49 AM
To: Yerger, Steven
Subject: FW: OneBeacon

From: Stockman, Paul K. [<mailto:PStockman@mcguirewoods.com>]
Sent: Friday, June 27, 2014 3:25 PM
To: Johnson, Stephen
Subject: RE: OneBeacon

Mr. Johnson--

Thank you for sending a copy of the Pennsylvania Bulletin notice. The Pennsylvania Manufacturers' Association, Associated Industries of Massachusetts, Belden, Inc., Crosby Valve, LLC, ITT Corporation, PolyOne Corporation, The Procter & Gamble Company, 3M Company, United Technologies Corporation and The William Powell Company (collectively, "Petitioners") do plan on attending the July 23, 2014 public hearing and providing statements, and also expect to provide further written comments in advance of the public hearing.

While we appreciate the opportunity to comment, please recognize, however, that we do not view this as a substitute for the ability to participate in the proceeding as intervenors, as provided by 1 Pa. Code §§ 35.27-.28 and 31 Pa Code § 56.1. In particular, without access to the complete Form A filing, complete copies of the supporting analyses, and the underlying data supporting Towers Perrin's analyses and RRC's reviews, Petitioners are limited in their ability to evaluate fully the impact of the proposed transaction, utilize their own experts, and to comment meaningfully on the proposed transaction's effect on Petitioners and other policyholders. In other words, the ability to review those portions of the file that have been made public, and to make statements based upon those documents, is not a substitute for complete access to all relevant materials and the opportunity to perform our own expert analyses to test Towers Watson's and RRC's conclusions and, especially, the actuarial and other financial assumptions that underlie those conclusions. Accordingly, we continue to believe that the Department should grant the pending Petition to Intervene (Petitioners' entitlement to intervene is of course expressly contemplated by 1 Pa. Code § 35.28(a)(2)), and that any Department decision on the proposed transaction should be postponed until Petitioners, as intervenors, have the ability to review and meaningfully analyze all relevant materials (including those that the parties to the proposed transaction have shielded from scrutiny through claims of confidentiality). As Petitioners have noted, we are willing to enter into a confidentiality agreement that will accommodate any confidentiality concerns that the parties to the proposed transaction may legitimately have.

In short, Petitioners look forward to the opportunity to comment, in writing and at the July 23 hearing, but continue to reserve all of our rights, including the right to file a petition for review challenging any Department decision that is inconsistent with Petitioners' procedural or substantive rights or that is otherwise arbitrary, capricious, inconsistent with law, unsupported by the factual record, or outside the bounds of the Department's sound discretion.

Please do not hesitate to contact me if you have any questions, comments or concerns.

--Paul Stockman

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