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SC Court of Appeals

THE STATE OF SOUTH CAROLINA
In the Court of Appeals

APPEAL FROM RICHLAND COUNTY
Court of Common Pleas

Jean Hoefer Toal, Chief Justice (Ret.) and Acting Circuit Court Judge
Case No. 2020-CP-40-04385

Appellate Case No. 2023-000252

Southern Insulation, Inc., through its Receiver, Peter D. Protopapas, ... Respondent,
vs.

OneBeacon Insurance Group, Ltd. (f/k/a White Mountains Insurance Group, Ltd., f/k/a CGU Insurance Company, f/k/a Commercial Union Corporation, f/k/a General Accident Insurance Company of America); OneBeacon Insurance Group LLC (n/k/a Intact Insurance Group USA LLC); R.V. Chandler & Associates, Inc.; Chandler Rental Properties, Inc.; Thomas S. Chandler; Jean B. Ownbey, as Trustee of the Thomas S. Chandler, Sr. Living Trust u/d 4/06/06; Gene N. Norville; the South Carolina Property and Casualty Insurance Guaranty Association; Trebuchet US Holdings, Inc.; Trebuchet Investments Limited; Trebuchet Group Holdings Limited (f/k/a Armour Group Holdings Limited); Brad S. Huntington, individually; and John C. Williams, individually,

Of which OneBeacon Insurance Group, Ltd. (f/k/a White Mountains Insurance Group, Ltd., f/k/a CGU Insurance Company, f/k/a Commercial Union Corporation, f/k/a General Accident Insurance Company of America); OneBeacon Insurance Group LLC (n/k/a Intact Insurance Group USA LLC); Trebuchet US Holdings, Inc.; Trebuchet Investments Limited; Trebuchet Group Holdings Limited (f/k/a Armour Group Holdings Limited); Brad S. Huntington, individually; and John C. Williams, individually, are the Appellants.

APPELLANTS' JOINT PETITION FOR REHEARING

Appellants jointly petition the Court, pursuant to Rule 221(a), SCACR, to reconsider and rehear this Court's order granting the motion to dismiss this appeal by Respondent Southern Insulation, Inc., through its Receiver, Peter D. Protopapas ("Southern"), entered on April 13, 2023

(the “Order”).¹ The Court missed or misapprehended certain issues in its Order and should not have dismissed this appeal for reasons explained below.

Appellants respectfully request the Court grant this Petition for Rehearing, vacate the Order, and proceed with this appeal.

SUMMARY OF ARGUMENT

This Court concluded Appellants’ appeal should be dismissed as interlocutory because 1) the insurer (Bedivere Insurance Company (“Bedivere”)) subject to the out-of-state Liquidation Order (defined below) is not a party to this action; 2) Southern alleged wrongdoing “by Appellants only”; 3) Appellants are not referenced in the Bedivere Liquidation Order; and 4) therefore the trial court order denying Appellants’ motions to dismiss was not appealable because the order did not refuse an injunction. In reaching these conclusions, this Court too narrowly construed *Williams v. Northwestern Security Life Ins. Co.*, 307 S.C. 462, 415 S.E.2d 809 (1992), and overlooked key allegations by Southern and provisions in the Liquidation Order that show the trial court did in fact refuse an injunction in the Trial Court Order. Specifically, this Court failed to account for the following:

1. A trial court order denying a motion to dismiss may be *appealed* under *Williams* if an injunction is refused by the trial court’s order, and whether that appeal is successful—i.e., whether Southern’s complaint against Appellants is barred by the injunction set forth in the Liquidation Order—is a merits question that should be decided after full briefing and argument;
2. An order that refuses an injunction when an injunction is asserted as a basis to dismiss a lawsuit is immediately appealable under S.C. Code Ann. § 14-3-330(4) and *Williams* and is not limited to those cases where an insurer in liquidation is a party to the lawsuit;
3. The Liquidation Order enjoins action against Bedivere or its assets, yet Southern alleges that Appellants were, at different times, alter egos of Bedivere

¹ In the trial court, Appellants separately moved to dismiss Respondent’s Second Amended Complaint based on the Liquidation Order, S.C. Code Ann. § 38-27-430, and Rule 12(b), which motions the trial court denied by Form 4 order (the “Trial Court Order”). Appellants then separately appealed, which appeals this Court consolidated. Southern moved to dismiss the appeal, which this Court granted.

and that Southern is entitled to attach the assets of Bedivere allegedly in possession of Appellants.

BRIEF BACKGROUND²

Bedivere was at one time known as OneBeacon Insurance Company and was a subsidiary of OneBeacon Insurance Group LLC, which was later re-named Intact LLC. See Second Amended Complaint (“SAC”) ¶¶ 4, 29. Respondent Trebuchet US Holdings, Inc. completed its purchase of Bedivere on December 23, 2014, after public notice and comment and an extensive regulatory review. See generally *Crosby Valve, LLC v. Department of Ins.*, 131 A.3d 1087, 1089-90 (Pa. Commw. Ct. 2016); see also SAC ¶ 39.

More than six years later, on March 11, 2021, Bedivere entered liquidation proceedings. SAC ¶ 57. The Bedivere Order of Liquidation in the Commonwealth Court of Pennsylvania (the “Liquidation Order”)³ vests in the Liquidator “title to all property, assets, contracts and rights of action of Bedivere of whatever nature and wherever they may be located.” Liquidation Order ¶ 4. It also establishes 1) the Commonwealth Court’s *in rem* jurisdiction over all assets wherever they may be located and regardless of whether they are held in the name of Bedivere or any other name, 2) its exclusive authority to determine whether assets belong to Bedivere or another party, and 3) its exclusive jurisdiction over all determinations of the amount, validity and priority of the claims against Bedivere. *Id.* To protect this exclusivity, the Liquidation Order enjoins the commencement or continuation of any action against Bedivere *or its assets* absent written consent of the Liquidator. *Id.* ¶ 13. It also enjoins all persons claiming secured, priority, or preferred interests in property or assets of Bedivere from taking any steps to exercise such rights. *Id.* ¶ 14.

² The facts and procedural history are fully set forth in Appellants’ respective Returns in opposition to Southern’s Motion to Dismiss Appeal (the “Intact Return” and “Trebuchet Return”). Additionally, rather than re-attaching each exhibit referenced in the Responses in Opposition, Appellants refer to any referenced document by its exhibit number in earlier briefing on Southern’s motion to dismiss.

³ A copy of the Liquidation Order is attached as **Exhibit 2** to the Intact Return.

In the SAC, Southern⁴ does not name Bedivere as a defendant⁵ but asserts numerous claims that fall squarely within the ambit of the injunction in the Liquidation Order:

- Southern’s claims concern its tender of asbestos suits against it for defense and coverage under Bedivere policies, and it seeks declarations of coverage and terms of those policies. SAC ¶¶ 27-31, 59, 82.
- Southern alleges Intact stripped Bedivere of its assets before selling Bedivere to Trebuchet in 2014, leading to Bedivere’s demise in 2021. SAC ¶¶ 35-38.
- Southern similarly alleges the Trebuchet Appellants later caused a “fraudulent incurrence of obligations” on Bedivere that, in turn, damaged Southern. *Id.* ¶¶ 145-152.
- Appellants’ actions were designed to hinder policyholders. SAC ¶ 50; *id.* ¶¶ 146, 161.
- Southern specifically claims that it seeks “assets of Bedivere” (that it alleges Intact acquired and retained), and that, at different times, Appellants were Bedivere’s alter egos, constituting a single business enterprise. SAC ¶¶ 126, 154, 172, 177-78, 182-83. Southern likewise seeks an attachment of Bedivere assets alleged to be in the possession of Appellants. *See* SAC ¶ 136 (seeking “an attachment ... against the assets fraudulently transferred from [Bedivere f/k/a OneBeacon Insurance Company] to OneBeacon or its other affiliates.”); *id.* ¶ 151 (seeking “an attachment...against the assets owned by Bedivere prior to the Merger” undertaken by the Trebuchet Appellants of Bedivere, EFIC, Lamorak, and Potomac II).

If successful, recovery under these claims would provide Southern with a preference to Bedivere’s assets and privilege Southern over and above the rights of other similarly situated policyholders who made claims for these same assets in the Pennsylvania liquidation proceedings as required by the Liquidation Order.

⁴ Southern is alleged to have exposed its employees and customers to asbestos-containing products prior to its dissolution in 1991. SAC ¶¶ 1, 24. Southern alleges that at some point it was insured by a Pennsylvania company now known as Bedivere. SAC ¶ 27, 29.

⁵ Bedivere was once a party to the action but was dropped after the Liquidation Order. *See, e.g.*, Intact Return at p. 3 n.3 (discussing Southern’s pleading history); **Exhibit 2** (earlier pleadings).

ARGUMENT FOR REHEARING

This Court should rehear Southern's motion to dismiss this appeal, vacate the Order, and deny the motion so this appeal may proceed. First, Southern alleges Appellants' actions injured Bedivere Insurance Company and, by extension, Southern, rendering Southern's claims derivative and thus the property of the Bedivere estate. Second, Southern alleges that Appellants were, at different times, alter egos of Bedivere. Third, Southern seeks declarations concerning Bedivere policies, including amounts owed under them. Fourth, Southern seeks to attach the assets of Bedivere, which it alleges the Appellants wrongly obtained and now possess. These allegations and related remedies directly contravene the Pennsylvania Commonwealth Court's Liquidation Order and injunction, which vest Bedivere's Liquidator with sole and exclusive possession of all of Bedivere's assets *and* prohibit any actions by creditors or other third-parties implicating those assets. An order refusing to honor the injunction is appealable under S.C. Code Ann. § 14-3-330(4) and *Williams*. In its Order, this Court erred in determining otherwise.

Enforcement of liquidation orders and injunctions is a matter of critical import under the reciprocal Insurers' Rehabilitation and Liquidation Acts in South Carolina, Pennsylvania and elsewhere that are intended to ensure equitable apportionment among creditors of an insolvent insurance company and to lessen the problems of interstate rehabilitation and liquidation by facilitating cooperation between states in the liquidation process. See 40 P.S. § 221.1, S.C. Code. Ann. § 38-27-30. Both Pennsylvania and South Carolina acknowledge the crucial role of comity and reciprocity to any successful liquidation process and the vesting of title over the insurer's assets in the insurer's domiciliary state. Compare 40 P.S. § 221.55 ("The domiciliary liquidator of an insurer domiciled in a reciprocal state shall be vested by operation of law with the title to all of the property, contracts and rights of action, and all of the books, accounts and other records of the

insurer located in this Commonwealth.”); S.C. Code Ann. § 38-27-930 (“The domiciliary liquidator of an insurer domiciled in a reciprocal state is...vested by operation of law with the title to all of the assets, property, contracts and rights of action, agents’ balances, and all of the books, accounts, and other records of the insurer located in this State.”). Southern’s lawsuit against Appellants, which seeks a preference to alleged assets of Bedivere and seeks policy construction that may be inconsistent with that reached by the Liquidator in Pennsylvania, disrupts the orderly liquidation process enacted in both South Carolina and Pennsylvania. Further, dismissal of Appellants’ appeal is in conflict with the Supreme Court’s decision in *Williams*.

A. S.C. Code Ann. § 14-3-330(4) and *Williams* only require a dispute over the applicability of an injunction and do not require an insurer to be a party for an action to be appealable.

i. An order is immediately appealable under S.C. Code Ann. § 14-3-330(4) and Williams when an injunction is asserted as a basis to dismiss the suit and the trial court refuses the injunction.

Appellants appeal an order refusing an injunction under S.C. Code Ann. § 14-3-330(4). In *Williams*, a named-defendant insurance company was subject to an out-of-state liquidation order. *Id.* at 463, 415 S.E.2d at 809. After the trial court refused to honor the injunction, the Supreme Court of South Carolina determined that the appeal was proper because the defendant in *Williams* argued the injunction barred the suit and the trial court refused to follow the injunction. *Id.* at 464, 415 S.E.2d at 810 (“[The insurer in liquidation] argues that when the trial judge denied its motion to dismiss, *the injunction in effect was refused thereby bringing the order within the parameters of subsection (4)*. Under these facts, we agree.”) (emphasis added); *see also* 24 S.C. Jur. *Rules of Civil Procedure* § 12.2 (“if a motion to dismiss is based on an injunction issued by the court of another state, then the denial will be immediately appealable under the clear terms of section 14-3-330(4)”) (citing *Williams*, 307 S.C. at 464, 415 S.E.2d at 810); Jean Hoefer Toal, et al., *Appellate Practice in South Carolina* at Ch. 8, Section V, ¶ 9 (3rd ed. 2016) (“Where the trial judge denies

a motion to dismiss, which has the effect of refusing an injunction, the order is appealable under section 14-3-330(4).”) (citing *Williams*, 307 S.C. at 464, 415 S.E.2d at 810). In other words, an appeal is allowed immediately from an order where the parties dispute the application of an injunction and its impact on the case.

Moreover, whether a trial court order is immediately *appealable* under *Williams* is a different question from whether that appeal is ultimately successful. To decide this Petition for Rehearing and Southern’s motion to dismiss, this Court need not reach whether Southern’s complaint against Appellants is barred by the Liquidation Order. Whether Appellants are correct regarding the injunction’s scope and effect is a merits question that should be decided after full briefing and argument of this appeal. It is only necessary now to decide if Appellants, like the *Williams* defendant, assert that an injunction bars Southern’s action. As briefing in the trial court, the Trial Court Order, and briefing in this Court show, Appellants moved to dismiss based on the injunction in the Liquidation Order.⁶ As in *Williams*, this case is immediately appealable under S.C. Code Ann. § 14-3-330(4).

ii. *Williams and S.C. Code Ann. § 14-3-330(4) do not require that an insurer subject to another state’s liquidation order be a party to the lawsuit for an order refusing an injunction to be immediately appealable.*

While *Williams* addressed a case where the insurer subject to a liquidation order was a party, nothing in the opinion suggests that S.C. Code Ann. § 14-3-330(4) is limited to those cases where the insurer in liquidation is a party. *Williams* instead required only that the lower court’s action refuse an injunction. *See Williams*, 307 S.C. at 464, 415 S.E.2d at 810 (“[The insurer in

⁶ As referenced above, Appellants moved to dismiss under both the Liquidation Order and S.C. Code Ann. § 38-27-430. *See* Intact Return at **Exhibit 3** (“This motion is made based on the Order of Liquidation entered against Bedivere Insurance Company, S.C. Code Ann. § 38-27-430, and Rule 12(b).”); *see also* Trebuchet Return at **Exhibit C** (“By seeking to collect from the Trebuchet Defendants based on purported injuries to Bedivere, Plaintiff’s lawsuit directly contravenes the Commonwealth Court’s Order and the exclusive authority of Bedivere’s Liquidator.”).

liquidation] argues that when the trial judge denied its motion to dismiss, the injunction in effect was refused thereby bringing the order within the parameters of subsection (4). Under these facts, we agree.”). Here, both Appellants moved to dismiss under S.C. Code Ann. § 38-27-430 and the Liquidation Order’s injunction because Southern 1) seeks assets of Bedivere, 2) seeks determination of Bedivere’s liability to Southern under the alleged policies, and 3) alleges Appellants were, at different times, alter egos of Bedivere. Like *Williams*, Appellants asserted before the trial court that an injunction is in effect which enjoins Southern’s case and requires dismissal of Southern’s claims. Accordingly, the Trial Court Order refused an injunction when it denied Appellants’ motions to dismiss, rendering the Order immediately appealable under S.C. Code Ann. § 14-3-330(4).

Importantly, there is no policy basis for limiting *Williams* to claims asserted against an insolvent/liquidated insurer. The prohibition on creditor attempts to recover for harm inflicted directly on a liquidating entity is equally necessary to liquidators’ and liquidating courts’ collaborative ability “[t]o secure an economical, efficient, and orderly liquidation and distribution of the assets of an insolvent corporation for the benefit of all creditors and stockholders[.]” *A.P.I., Inc. v. Home Ins. Co.*, 706 F.Supp. 2d 926, 936 (D. Minn. 2010). Without such exclusivity, creditors frustrated by a sometimes protracted liquidation process could seek to bypass fellow creditors. Such a result would be untenable: allowing creditors to assert “separate actions in separate states” would likely give rise to a “race to the courthouse” and, by extension, competing claims of entitlement among creditors. *Koken v. Fidelity Mut. Life Ins. Co.*, 803 A.2d 807, 822 (Pa. Commw. Ct. 2002).

As noted in Appellants’ respective Responses in Opposition, courts have repeatedly held that similar injunction orders bar proceedings against entities alleged to have caused insurers to

become insolvent—even where the liquidated insurer was not the party seeking to enforce the injunction. *See, e.g., A.P.I., Inc.*, 706 F.Supp. 2d at 929 (dismissing policyholder claims against third-party based on out-of-state liquidation order and injunction); *Brooklyn Union Gas Co. v. Century Indem. Co.*, No. 403087/2002, 2005 N.Y. Slip Op. 30325 at *6-7 (N.Y. Sup. Ct. Jan. 10, 2005)⁷ (dismissing policyholder’s claims against third party who allegedly caused insurer to become insolvent because allowing the plaintiff’s claim to proceed “would undermine the very stay that was instituted by the court ordering the liquidation” and thus the principles of reciprocity imposed by state law); *Consolidated Edison Co. v. Am. Home Ins. Co.*, No. 600527/01, Slip Op. at 2, 2005 N.Y. Misc. LEXIS 8439 *1 (N.Y. Sup. Ct. Mar. 29, 2005)⁸ (dismissing claim that third party was “legally responsible for [insolvent insurer’s] coverage obligations to plaintiff” because affording “full faith and credit,” to foreign liquidation order foreclosed plaintiff’s claim); *Argon Fin. Group v. Marro*, 897 F. Supp. 568 (D.D.C. 1995); *Bard v. Charles R. Myers Ins. Agency, Inc.*, 839 S.W.2d 791, 795, 797 (Tex. 1992); *see also Garrou v. Shovelton*, 439 P.3d 65 (Col. Ct. App. 2019) (reversing and remanding for entry of a stay of a medical malpractice claim against the defendant nurse anesthetist following entry of a South Carolina liquidation order for the defendant’s insurer that contained an injunction, and holding that court must give full faith and credit to any injunction order in liquidation proceedings); *Antinopoulos v. DS Contractors, Inc.*, No. 01-CP-10-632, 2003 WL 25465662 (S.C.Com.Pl.) (Trial Order) (staying proceedings against insured in light of New Hampshire Order of Liquidation and S.C. Code Ann. § 38-27-430(a)). Accordingly, actions by policyholders like Southern alleging wrongdoing by parties other than an

⁷ As noted in the Intact Return, a copy of *Brooklyn Union Gas Company v. Century Indemnity Company* is available at https://www.nycourts.gov/reporter/pdfs/2005/2005_30325.pdf.

⁸ As noted in the Intact Return, a copy of *Consolidated Edison Company v. American Home Insurance Company* is also available at https://decisions.courts.state.ny.us/fcas/fcas_docs/2005mar/300600527200122sciv.pdf.

insurer in liquidation can implicate the injunction provisions in liquidation orders even where the insurer in liquidation is not a party to the suit.

The Order concludes that Appellants cannot appeal because other insurers are identified in the Liquidation Order but Appellants are not. It is true that the Liquidation Order names other insurers that merged with Bedivere. *See* Liquidation Order ¶ 15. And it is also true that Bedivere (as Bedivere or under a prior name) never merged with the Intact or Trebuchet Appellants; it was instead, at different times, a subsidiary entity of each. As explained above, however, Bedivere or the other merged insurance companies need not be parties for the Trial Court Order to be appealable. And in any event, Southern is asserting that Appellants were both alter egos of, and/or single business enterprises with, Bedivere.

Accordingly, Appellants are appealing an order that refused an injunction, and there is no requirement under *Williams* that Bedivere be a party for this case to fall within S.C. Code Ann. § 14-3-330(4). This appeal is properly before the Court.

B. Southern did not only allege wrongdoing by Appellants but also alleged that Appellants are in possession of Bedivere’s assets and were alter egos of Bedivere.

Southern is also seeking attachment of assets that belong to Bedivere based on injuries allegedly sustained by Bedivere in the first instance. *See, e.g.*, SAC ¶¶ 124 (“OneBeacon [Intact] stripped assets of *OneBeacon Insurance Company*, later named Bedivere”); *id.* ¶ 136(a) (seeking “an attachment, or other provisional or post-trial remedy against the assets fraudulently transferred from OneBeacon Insurance Company to OneBeacon or its other affiliates”); *id.* ¶ 151 (seeking “an attachment, or other provisional post-trial remedy, against the assets owned by Bedivere prior to the Merger” currently in Trebuchet Appellants’ possession “and that a portion of these assets may be used to satisfy the Insurance Policy obligations to Southern”)); *see also, id.* ¶¶ 145, 147, 154, 158. All of Bedivere assets are expressly subject to the Liquidation Order, which sweeps far more

broadly than a simple injunction against suits naming Bedivere as a defendant—it vests the Liquidator in Pennsylvania with title to all of Bedivere’s assets, *including rights of action*. Liquidation Order ¶ 4. The Liquidation Order also reaffirms the Commonwealth Court’s jurisdiction “over all determinations as to whether assets belong to Bedivere or to another party.” *Id.* ¶ 13. Finally, the Order expressly enjoins parties from “taking any steps whatsoever to ... exercise purported rights in or against any property or assets of Bedivere” except as provided by Pennsylvania statute.⁹ *Id.* ¶ 14.

Southern’s claims against Appellants, including but not limited to its allegations of asset-stripping and fraudulent transfer, as well as its attempt to attach the assets of Bedivere, together and separately violate the Liquidation Order by usurping Bedivere’s right to 1) collect any assets to which it is entitled and 2) to assert any causes of action based on injuries it allegedly sustained at the hands of third-parties. Similarly, Southern’s claims intrude upon the Commonwealth Court’s *in rem* jurisdiction over all of Bedivere’s assets, as well as its exclusive authority to determine the validity, the amounts, and the priority of claims against Bedivere. *Id.* ¶ 4. Put simply, Southern’s claims against the Appellants fall squarely within the injunctive provisions of the Liquidation Order.

As Appellants explained at length in their prior briefing, other courts have frequently held that liquidation orders from sister states bar creditors, such as Southern, from asserting similar claims. *See, e.g., A.P.I., Inc.*, 706 F. Supp. 2d at 937, 939 (dismissing claims because the liquidation order “vest[ed] the Liquidator with exclusive authority” to pursue such claims and prohibited plaintiffs from “recover[ing] damages relating to Home’s res, which the Liquidator has

⁹ Southern has filed a proof of claim in the Bedivere Liquidation as required by ¶ 13 of the Liquidation Order yet seeks duplicate findings and relief here. *See Exhibit 2* to Intact Return at **Exhibit C**, p. 2.

sole authority to protect and manage.”); *Boedeker v. Rogers*, 746 N.E.2d 625, 635-36 (Ohio App. Ct. 2000); *Corcoran v. Frank B. Hall & Co., Inc.*, 545 N.Y.S.2d 278, 284-85 (1st Dept. 1989) (liquidator had exclusive standing to assert claims for fraudulent transfers and other common law remedies against holding company where such claims were on behalf of the insurance company, its creditors and policyholders).

Moreover, Southern—despite acknowledging that it is prohibited from suing Bedivere¹⁰—is in fact attempting to sue Bedivere because it alleges Appellants and Bedivere were, at different times, alter egos. By contending that Appellants and Bedivere were alter egos and/or constituted a single business enterprise, SAC ¶¶ 175-83, Southern alleges that in the eyes of the law, its claims against Appellants *are claims against Bedivere* because the corporate distinction between Bedivere and Appellants must be disregarded. *See, e.g.*, Southern’s Joint Response to the Motions to Dismiss at 23–24 n.10, 26, 34 (under single enterprise theory, courts regard multiple corporations as the same enterprise) (citing *Pertuis v. Front Roe Rests., Inc.*, 423 S.C. 640, 652-53, 817 S.E.2d 273, 279 (2018), among others).

Accordingly, the Court overlooked these allegations by Southern concerning Bedivere, the effect of the injunction, and relevant law, which show Appellants’ appeal is properly before this Court under S.C. Code Ann. § 14-3-330(4) and *Williams*.

CONCLUSION

The Court of Appeals overlooked relevant facts and law in granting the motion to dismiss this appeal. As set forth above, under S.C. Code Ann. § 14-3-330(4) and *Williams*, the Trial Court Order is immediately appealable because it refused an injunction. Moreover, Southern alleged

¹⁰ *See, e.g.*, **Exhibit 5** to the Intact Return (citing Southern Insulation’s Joint Response to the Motions to Dismiss at 35 (“Southern is prohibited from directly litigating against Potomac, due to the automatic stay in place resulting from Potomac’s liquidation”).

more than just wrongdoing by Appellants; it also alleged causes of action that, if successful, would entitle Southern to recover the assets of Bedivere as a preference over Bedivere's other, similarly situated policyholders; and thus, Southern's claims implicate the Liquidation Order. Appellants respectfully request this Court grant this petition for rehearing, vacate the Order, and deny Southern's motion to dismiss the appeal.

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Of which OneBeacon Insurance Group, Ltd. (f/k/a White Mountains Insurance Group, Ltd., f/k/a CGU Insurance Company, f/k/a Commercial Union Corporation, f/k/a General Accident Insurance Company of America); OneBeacon Insurance Group LLC (n/k/a Intact Insurance Group USA LLC); Trebuchet US Holdings, Inc.; Trebuchet Investments Limited; Trebuchet Group Holdings Limited (f/k/a Armour Group holdings Limited); Brad S. Huntington, individually; and John C. Williams, individually, are the Appellants.

PROOF OF SERVICE

The undersigned hereby certifies that, on this date, a copy of **Appellants' Joint Petition for Rehearing** has been served upon counsel listed below via email, as follows:

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April 27, 2023

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April 27, 2023

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SC Court of Appeals

VIA EMAIL: ctappfilings@sccourts.org

The Honorable Jenny Abbott Kitchings
Clerk of Court
S. C. Court of Appeals
1220 Senate Street
Columbia, SC 29201

RE: Southern Insulation, Inc., through its Receiver, Peter D. Protopapas
vs. OneBeacon Insurance Group, Ltd., *et al.*
Appellate Case No. 2023-000252

Dear Ms. Kitchings:

Enclosed herewith please find Appellants' Joint Petition for Rehearing, together with the Proof of Service, in the above-referenced matter.

Kindly file the same and return a clocked-in copy to the undersigned via email.

This firm's check in the amount of \$50 in payment of the required filing fee will be hand delivered to your office.

Please do not hesitate to contact me with any questions.

With kind regards, I am

Sincerely yours,

CALLISON TIGHE & ROBINSON, LLC

s/ Demetri “Jim” K. Koutrakos

Demetri “Jim” K. Koutrakos

DKK:ksr

Enclosures

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The Honorable Jenny Abbott Kitchings

April 27, 2023

Page 2

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