

COPY

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

M. DIANE KOKEN,
Insurance Commissioner of the
Commonwealth of Pennsylvania,

Plaintiff,

v.

RELIANCE INSURANCE COMPANY
(IN LIQUIDATION),

Defendant.

MAGELLAN INSURANCE COMPANY, LTD.,

Petitioner,

v.

M. DIANE KOKEN,

Respondent.

NO. 269 M.D. 2001

2004 DEC 23 A 11: 36

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COMMONWEALTH COURT
OF PA (PHILA)

**THE STATUTORY LIQUIDATOR'S REPLY BRIEF
RESPONDING TO KEYBANK'S MOTION TO STAY**

M. Diane Koken, Commissioner of the Insurance Department of the Commonwealth of Pennsylvania, in her official capacity as Statutory Liquidator (the "Liquidator") for Reliance Insurance Company (In Liquidation) ("Reliance"), submits this Reply Brief in response to KeyBank USA, National Association's ("KeyBank") request to stay this action.

The Liquidator does not oppose KeyBank's motion because, as the issues are currently framed for the Liquidator, it makes economic sense from the estate's perspective to

allow the Ohio federal court to dispose of the issues before it. The Liquidator's position is grounded in its duty to preserve assets of the estate and minimize undue expenditure of those sparse assets. The Liquidator takes no position on the merits of the stay and reserves its right to respond and/or object to the substance of the allegations set forth in the parties' motion papers when appropriate.

Respectfully submitted,

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By:



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Dated: December 23, 2004

CERTIFICATE OF SERVICE

I hereby certify that on December 23, 2004, a true and correct copy of the foregoing Statutory Liquidator's Reply Brief Responding to KeyBank's Motion to Stay was served via electronic mail and United States mail, with first-class postage prepaid, to:

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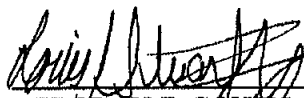
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