

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

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

Plaintiff,

v.

RELIANCE INSURANCE COMPANY,

Defendant.

DOCKET NO. 269 MD 2001

RECEIVED AND FILED
PHILADELPHIA
COMMONWEALTH COURT
OF PENNSYLVANIA
JAN 9 2 46 PM '02

ORDER

AND NOW, this day of , 2002, it is hereby ORDERED that
the Petition of Murray Garson and Kristin Garson for Relief from Automatic Stay is
DISMISSED.

BY THE COURT:

By: _____ J.

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

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

Plaintiff,

v.

RELIANCE INSURANCE COMPANY,

Defendant.

DOCKET NO. 269 MD 2001

**RESPONSE OF M. DIANE KOKEN IN OPPOSITION
TO MURRAY GARSON AND KRISTIN GARSON'S
PETITION FOR RELIEF FROM AUTOMATIC STAY**

Plaintiff M. Diane Koken, Insurance Commissioner of the Commonwealth of Pennsylvania ("Commissioner"), as Liquidator of Reliance Insurance Company ("Liquidator"), by her undersigned counsel, responds to Murray Garson and Kristin Garson's Petition for Relief from Automatic Stay of the action captioned Murray Garson and Kristin Garson v. Pottstown Memorial Hospital, et al., Court of Common Pleas of Philadelphia County, Pennsylvania at Docket No. 01-1180 as follows:

1. Pursuant to this Court's October 3, 2001 Order placing Reliance in liquidation ("Liquidation Order"), all proceedings in which Reliance is obligated to provide a defense were stayed for ninety (90) days. See Order at ¶ 23.

2. On December 28, 2001, Murray Garson and Kristin Garson ("the Garsons") filed a Petition from Relief of the 90-day Automatic Stay issued on October 3, 2001.

3. The 90-day Automatic Stay expired on January 3, 2002. Therefore, the Garsons' Petition seeking Relief from the Automatic Stay is moot. The Garsons' Petition may, however, be subject to a 30-day Stay issued by this Court. On December 28, 2001, this Court issued an Order granting a petition to intervene filed on behalf of the Pennsylvania Property and Casualty Insurance Guaranty Association ("Guaranty Association") and staying all proceedings in which Reliance Insurance Company is "obligated to defend any party in any court of this Commonwealth" for thirty (30) days, until February 1, 2002. See Order at ¶ 1.

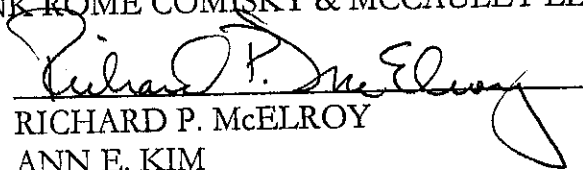
4. Pursuant to this Court's December 28, 2001 Order, Reliance is not the appropriate party to defend the enforcement of the current Stay. Instead, the party which sought the Stay, the Guaranty Association, should be served and respond to this Petition for Relief from the Stay. The Certificate of Service attached the Garsons' Petition shows that Reliance was the only party served with the Petition. Because formal service has not been effectuated on the Guaranty Association, it has not had an opportunity to respond. Thus, the Liquidator opposes the Garsons' Petition on the ground that the Guaranty Association, rather than Reliance, is the appropriate party to respond to this Petition.

WHEREFORE, the Liquidator request that this Court dismiss the Petition of Murray Garson and Kristin Garson for Relief from Automatic Stay.

Respectfully submitted,

BLANK, ROME, COMISKY & MCCAULEY LLP

By:



RICHARD P. McELROY

ANN E. KIM

ALPHONSO DAVID

One Logan Square

Philadelphia, PA 19103-6998

(215) 569-5500

Attorneys for Plaintiff

M. Diane Koken, Insurance Commissioner
of the Commonwealth of Pennsylvania, in her
capacity as Liquidator for Reliance Insurance
Company

OF COUNSEL:

David F. Simon, Esquire

Chief Counsel

The Pennsylvania Insurance Department

Office of Chief Counsel

1341 Strawberry Square

Harrisburg, PA 17104

Dated: January 9, 2002

CERTIFICATE OF SERVICE

I, Alphonso David, hereby certify that this day a true and correct copy of the foregoing Response of M. Diane Koken to the Petition of Murray Garson and Kristin Garson for Relief from Automatic Stay was served on all persons listed on the attached Master Service List by facsimile and U.S. Mail, postage prepaid.



ALPHONSO DAVID

Dated: January 9, 2002

Master Service List

M. Diane Koken, Insurance Commissioner of the Commonwealth of Pennsylvania
v.

Reliance Insurance Company
No. 269 M.D. 2001 (Commonwealth Court of Pennsylvania)

Jerome R. Richter
Ann B. Laupheimer
Blank Rome Comisky & McCauley LLP
One Logan Square
Philadelphia, PA 19103
(215) 569-5500
(Attorneys for M. Diane Koken,
Insurance Commissioner of the
Commonwealth of Pennsylvania)

David F. Simon
Chief Counsel
Pennsylvania Insurance Department
1341 Strawberry Square
Harrisburg, PA 17120
(717) 787-6009
(Attorney for M. Diane Koken,
Insurance Commissioner of the
Commonwealth of Pennsylvania)

Marilyn K. Kincaid
Reliance Insurance Company
(in Liquidation)
Three Parkway
Philadelphia, PA 19102
(215) 864-4205
(Attorney for Reliance Insurance
Company (in Liquidation))

Hillary C. Steinberg
James Michael Matour
Hangley Aronchick Segal & Pudlin, P.C.
One Logan Square
Philadelphia, PA 19103
(215) 568-6200
(Attorneys for Reliance Group
Holdings, Inc.)

Jeffrey B. Rotwitt
Obermayer Rebmann Maxwell & Hippel
1 Penn Center, 19th Floor
Philadelphia, PA 19103-1895
(215) 665-3000
(Attorneys for M. Diane Koken,
Insurance Commissioner of the
Commonwealth of Pennsylvania)

Edward A. Perell
Debevoise & Plimpton
875 Third Avenue
New York, NY 10005
(212) 909-6000
(Attorneys for Reliance Group
Holdings, Inc.)

William Charles Bensley
George Whittaker Howard
Edward M. Nass
Howard Brenner & Nass, P.C.
1608 Walnut Street, Suite 1700
Philadelphia, PA 19103
(215) 546-8200
(Attorneys for Francine and Ted Forman)

Brad S. Karp
Paul, Weiss, Rifkind, Wharton & Garrison
1285 Avenue of the Americas
New York, NY 10019
(212) 373-3000
(Attorneys for Reliance Group
Holdings, Inc.)

Robert H. Levin
Adelman Lavine Gold & Levin, P. C.
1900 Two Penn Center Plaza
Philadelphia, PA 19102
(215) 568-7515
(Attorneys for Committee of Policyholders)

Richard E. Poole
Potter Anderson & Corroon LLP
1313 North Market Street
P.O. Box 951
Wilmington, DE 19899-0951
(302) 984-6006
(Attorneys for Jason Pauley)

Richard P. Coe
Weir & Partners, LLP
1339 Chestnut Street, Suite 500
Philadelphia, PA 19107
(215) 665-8181
(Attorneys for Forestal Village Community
Services Association, Inc. and Sutton
Woods Condominium Assoc., Inc.)

Theodore E. Huenke
Huenke & Rodriguez
One Huntington Quadrangle, Suite 2S02
Melville, NY 11747
(631) 756-2024
(Attorneys for Hanover Ins. Co.)

Andrew K. Stutzman
David Carl Franceski
Stradley, Ronon, Stevens & Young, LLP
2600 One Commerce Square
Philadelphia, PA 19103-7098
(215) 564-8008
(Attorneys for Citicorp North America, Inc.)

Roy S. Cohen
Nicole L. Herman
Cohen, Segalis, Pallas & Greenhall, P.C.
1515 Market Street, 11th Floor
Philadelphia, PA 19102
(215) 564-1700
-and-
Richard D. Batchelder, Jr.
Ropes & Gray
One International Place
Boston, MA 02110-2624
(617) 951-7000
(Attorneys for Miami Cruiseline
Holdings LLC)

Frank F. McGinn
Bartlett Hackett Feinberg, P.C.
Suite 920
10 High Street
Boston, MA 02110
(617) 422-0200
(Attorneys for Flatley Company)

James W. Creenan
Francis X. McTiernan
Wayman, Irvin & McAuley
1624 Frick Building
Pittsburgh, PA 15219
(412) 566-2970
(Attorneys for Consolidated Freightways)

Janet S. Baer
Kirkland & Ellis
200 East Randolph Drive, Suite 6500
Chicago, IL 60601
(312) 861-2200
(Attorneys for AmeriServe Food
Distribution, Inc.)

Robert D. Rhoad
Dechert Price & Rhoads
Princeton Pike Corporate Center
P.O. Box 5218
Princeton, NJ 08543
(609) 620-3200
(Attorneys for Acumen Re Management
Corporation)

Robert A. Kaufman
Michael L. Browne
Reed Smith Shaw & McClay LLP
2500 One Liberty Place
Philadelphia, PA 19103
(215) 851-8262
(Attorneys for Vitas Healthcare Corp.)

Thomas J. Madigan
Christopher A. Coppula
Cohen & Grigsby, P.C.
11 Stanwix Street, 15th Floor
Pittsburgh, PA 15222
(412) 297-4900
(Attorneys for O'Brien-Kreitzberg
& Associates, Inc.)

Stephen C. Becker
Becker Law Office
P.O. Box 192991
San Francisco, CA 94119-2991
(415) 434-8000
(Attorneys for Great Western Collection
Bureau)

Terence R. Savage
Employment Development Department
State of California
800 Capitol Mall, Legal Office
Sacramento, CA 95814
(916) 654-8410
(Attorneys for Employment Development
Department, State of California)

Peter J. Boyer
McCarter & English, LLP
One Commerce Square
2005 Market Street, Suite 3600
Philadelphia, PA 19103
(215) 557-7700
(Attorneys for Brand Scaffold Services, Inc.
and Magellan Ins. Co. Ltd.)

Philip A. Ignelzi
Michael A. Murphy
Ogg, Cordes, Murphy & Ignelzi, LLP
Riverview Place
245 Fort Pitt Boulevard
Pittsburgh, PA 15222
(412) 471-8500
(Attorneys for the Estate of Richard
McClintock)

John Norig Ellison
Timothy Patrick Law
Anderson, Kill & Olick P.C.
1600 Market Street, 32nd Floor
Philadelphia, PA 19103
(215) 568-4202
-and-
Marvin L. Wilenzik
Elliott Reihner Siedzikowski & Egan, P.C.
925 Harvest Drive
P.O. Box 3010
Blue Bell, PA 19422
(215) 977-1050
(Attorneys for Synagro Technologies, Inc.)

Jeremy J.O. Harwood, Esquire
Healy & Baillie, LLP
29 Broadway
New York, NY 10006-3293
(212) 943-3980
(Attorneys for Steamship Mutual
Underwriting Association (Bermuda) Ltd.)

Daniel J. DiGiacomo, Esquire
Law Offices of DiGiacomo & Baffa
1601 Market Street, 16th Floor
Philadelphia, PA 19103
(215) 568-3700
(Attorneys for Aleksander Blonarowycz and
Parthenia Ponder Vicks, Administratrix of
the Estate of Antwanette Ponder and Murray
Garson)

Thomas V. White, Esquire
Joseph P. Rusnak, Esquire
Tune, Entekin & White, P.C.
AmSouth Center, 21st Floor
315 Deaderick Street
Nashville, TN 37238
(615) 244-2770
(Attorneys for Home Builders Association
of Tennessee Self-Insured Trust)

N. Christian Glenos
Walston Wells Anderson & Bains
Suite 500 505 20th Street North
Birmingham, AL 35203
(205) 251-9600
(Attorneys for Healthsouth Corporation)

Robert D. Brown
Donato Minx & Brown
Suite 2310, 3200 Southwest Freeway
Houston, TX 77027-7525
(713) 877-1112
(Attorneys for Andy's Marine, Inc.)

Mike Crane, Esquire
Law Office of McManus & Crane, LLP
209 West Juan Linn
P.O. Box 2206
Victoria, TX 77902-2206
(361) 575-6764
(Attorneys for Iris Kramer, Individually and
as Guardian of the Person and Estate of
Nicky Lee Kramer, an Incapacitated Person,
and as Next Friend of Joshua Kramer, Minor
Child of Nicky Lee Kramer, Jason Kramer
and Jason Tarver)

Michele Ann Smolin, Esquire
McDonald, Hopkins, Burke & Haber
600 Superior Avenue E
Cleveland, OH 44114-2653
(216) 348-5400
(Attorneys for United Church of Christ
Insurance Board)

Dolores Mary Troiani, Esquire
Bebe Holtzman Kivitz, Esquire
38 North Waterloo Road
Devon, PA 19333
(610) 688-8400
(Attorneys for Dawn Popoca)

Joshua Brian Irwin, Esquire
11 Park Place, Suite 915
New York, NY 10007
(212) 267-1550
(Attorneys for Peter Korobov)

John Michael Sheridan
Sheridan, Bracken & White
P.O. Box 1940
101 West Baltimore Avenue
Media, PA 19063
(610) 565-7770
(Attorneys for Harry Moser)

Philip J. Goodman
Chadbourne & Parke LLP
120 New Hampshire Avenue, NW
Washington, DC 20036
(202) 974-5600
(Attorneys for 1741 Ivar LLC)

Lise Luborsky
Britt, Hankins, Schaible & Moughan
Two Penn Center Plaza, Suite 515
1500 John F. Kennedy Blvd.
Philadelphia, PA 19102-1888
(215) 569-6918
(Attorneys for the Pennsylvania Property
and Casualty Insurance Guaranty
Association)

Frederick P. Santarelli
Elliott Reihner Siedzikowski & Egan, P.C.
925 Harvest Drive
P.O. Box 3010
Blue Bell, PA 19422
(215) 977-1050
(Attorneys for Estate of Leo Frances
Tenczynski)

Janice Marie Savinis
Goldberg, Persky, Jennings & White, P.C.
1030 Fifth Avenue
Pittsburgh, PA 15219
(412) 471-3980
(Attorneys for Harold W. Thomas)