

**IN THE COMMONWEALTH COURT OF PENNSYLVANIA**

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In Re: Penn Treaty Network America Insurance Company in Rehabilitation	:	DOCKET NO. 1 PEN 2009
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In Re: American Network Insurance Company in Rehabilitation	:	DOCKET NO. 1 ANI 2009
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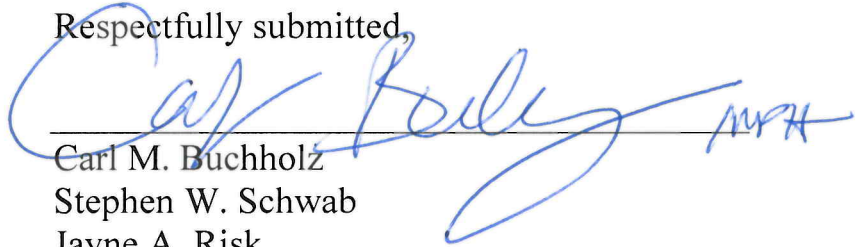
**REHABILITATOR’S RESPONSE  
TO CERTAIN INTERVENORS’ APPLICATION TO RECOVER  
LEGAL FEES, COSTS, AND OTHER EXPENSES**

Pennsylvania Acting Insurance Commissioner Teresa D. Miller, in her capacity as statutory rehabilitator (“Rehabilitator”) of Penn Treaty Network America Insurance Company and American Network Insurance Company (collectively “the Companies”), takes no position on the present fee-recovery petition filed by Intervenor Eugene J. Woznicki (“Woznicki”) and Penn Treaty American Corporation (“PTAC” and collectively, the “PTAC Intervenor”). However, she has not acquiesced to the appropriateness of further fees, nor has she conceded either the PTAC Intervenor’s entitlement to such fees under Article V of the Insurance Department Act of 1921 or the PTAC Intervenor’s characterization of their work as a “defen[se] against the Rehabilitator’s continued efforts to pursue liquidation.” The Rehabilitator expressly reserves her right to object to future fee applications. Furthermore, the Rehabilitator is concerned that the PTAC

Intervenors' approach to objections to the Second Amended Plan and discovery to date assumes their recovery of their fees and expenses. Thus far, the PTAC Intervenors have made dozens of separate objections to the Plan and matters not truly related to the Plan, and have served numerous interrogatories, requests for admission, and requests for production of documents. The document requests alone seek a review of all files in the possession of Special Deputy Receiver Patrick Cantilo, Chief Rehabilitation Officer Robert Robinson, and PricewaterhouseCoopers, among others. The scope of these requests covers several million pages of documents. If that scope is not limited, it will likely cost millions of dollars for the Rehabilitator to review and produce those materials for production, and for the PTAC Intervenors to review them once produced. The Companies' estates should not be required to bear the costs of such broad discovery, particularly when the plan-approval hearing should be limited to the merits of the Second Amended Plan. The PTAC Intervenors should not anticipate recovery of fees associated with such burdensome discovery any more than should other commenters and objectors.

Dated: June 1, 2015

Respectfully submitted,



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her capacity as statutory rehabilitator of  
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## CERTIFICATE OF SERVICE

I certify that I will cause a Notice of Filing of the foregoing Response to be served on all parties listed on the Master Service List by electronic mail or facsimile, or by U.S. Mail where no electronic mail address or facsimile number was available, and that, on June 1, 2015, I served the foregoing Response upon all interested persons as follows:

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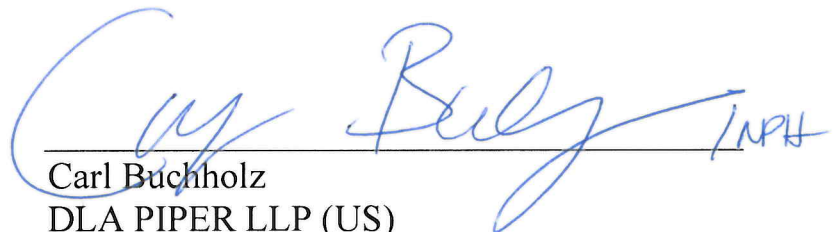
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