UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF INDIANA
INDIANAPOLIS DIVISION

In re: USA GYMNASTICS, Debtor	Chapter 11 Case No. 18-09108-RLM-11
USA GYMNASTICS, Plaintiff, v. ACE AMERICAN INSURANCE COMPANY f/k/a CIGNA INSURANCE COMPANY, GREAT AMERICAN ASSURANCE COMPANY, LIBERTY INSURANCE UNDERWRITERS INC., NATIONAL CASUALTY COMPANY, RSUI INDEMNITY COMPANY, TIG INSURANCE COMPANY, VIRGINIA SURETY COMPANY, INC. f/k/a COMBINED SPECIALTY INSURANCE COMPANY, WESTERN WORLD INSURANCE COMPANY, ENDURANCE AMERICAN INSURANCE COMPANY, AMERICAN INTERNATIONAL GROUP, INC., and AMERICAN HOME ASSURANCE COMPANY, AND DOE INSURERS, Defendants.	1:18-cv-1306-RLY-MPB Bankr. Adv. Case No. 19-50012

ORDER ON THE RENEWED MOTION TO WITHDRAW THE REFERENCE OF THE ADVERSARY PROCEEDING

Ace American Insurance Company f/k/a Cigna Insurance Company ("AAIC") and TIG Insurance Company filed a renewed motion to withdraw the reference of the adversary proceeding filed by Plaintiff, USA Gymnastics ("USAG"), in the United States Bankruptcy Court for the Southern District of Indiana. AAIC and TIG primarily contend that: (1) USAG improperly filed motions for partial summary judgment about the extent of its coverage under the AAIC and TIG policies while mediation was still-ongoing; and (2) that issues of insurance coverage are non-core and are best addressed by the district court.

From a review of the lengthy docket sheet, the bankruptcy court has gained extensive experience with the background issues of the case—most notably the insurance coverage issues—since USAG filed the adversary proceeding on February 1, 2019. The bankruptcy court can use that knowledge base to manage the pre-trial issues,[1] reach a plan of reorganization, and (hopefully) come to a global settlement regarding the claims brought by hundreds of survivors of Mr. Nassar's sexual abuse. Keeping the reference in the adversary proceeding is therefore a more efficient use of judicial resources and is a more effective forum for resolving the issues in this case. Accordingly, AAIC's and TIG's renewed motion to withdraw reference (Filing No. 114) is therefore **DENIED**

[1] Notably, the bankruptcy court recently issued proposed findings and conclusions regarding the motions for partial summary judgment under the AAIC and TIG policies. (*See* Adv. Proc. No. 19-50012, Filing Nos. 274, 275).

without prejudice to renewing the motion when the case is ready for trial.

SO ORDERED this 18th day of November 2019.

RICHARD L. YOUNG, JUDGE
United States District Court
Southern District of Indiana

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