

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF INDIANA  
INDIANAPOLIS DIVISION**

In re:	)	
	)	Chapter 11
	)	
USA GYMNASTICS,	)	Case No. 18-09108-RLM-11
	)	
Debtor.	)	
	)	

**ACE AMERICAN INSURANCE COMPANY’S RESPONSE TO JOINT MOTION  
REQUESTING A SETTLEMENT CONFERENCE AND OTHER RELIEF**

ACE American Insurance Company f/k/a Cigna Insurance Company (“ACE”) responds to the Joint Motion Requesting the Court to Conduct a Settlement Conference and for Other Relief (the “Motion”) filed by Debtor USA Gymnastics (“USAG”) and the Additional Tort Claimants Committee of Sexual Abuse Survivors (the “Committee”), as follows:

ACE issued Commercial General Liability coverage to USAG from August 1, 1998 to August 1, 2001. ACE does not oppose a settlement conference, but does oppose ordering any particular senior executive of ACE or any parent company to participate, as no basis is provided for that extraordinary measure. The Motion contains several vague, unsupported broadsides against “the insurers for USAG and USOPC.” It is not clear which, if any, of those broadsides are directed at ACE. ACE is further hamstrung in responding to the Motion given the mediation privilege protecting the mediation discussions and proceedings that the Motion broadly—and inaccurately—describes.

To the extent the Motion’s allegations are directed at ACE, USAG and the Committee have no basis to allege that ACE acted in “bad faith.” ACE fully complied with the Court’s order requiring a “meaningful” settlement offer, within the terms of the coverage that ACE underwrote and the limitations of that coverage, including those limitations addressed by the Court’s ruling

of November 14, 2019 [Adv. Case No. 19-50012, Dkt. No. 275]. USAG also has no basis to allege that the ACE representatives who attended the August 11 mediation lacked full authority (although again, it is unclear if this allegation is directed at ACE in the first instance), or that ordering a higher-ranked executive would accomplish anything other than harassment. ACE participated in the mediation with the full, reasonable authority allowable within the coverage limitations. Those limitations apply regardless of the title of the individual participating in the settlement conference.

Respectfully submitted.

Dated: August 24, 2020

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By       /s/ Stephen J. Peters      

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