

## COMMONWEALTH OF PENNSYLVANIA GOVERNOR'S OFFICE OF GENERAL COUNSEL

July 5, 2023

Gaetan J. Alfano, Esquire Pietragallo Gordon Alfano Bosick & Raspanti, LLP 1818 Market Street, Suite 3402 Philadelphia, Pennsylvania 19103

RE: RFP OGC-2023-04

Pennsylvania Department of Insurance ("Insurance")

Project: R&Q Reinsurance Co. Insurance Receivership Counsel

Dear Mr. Alfano:

After evaluation of your proposal in response to RFP #OGC-2023-04 R&Q Reinsurance Co. Insurance Receivership Counsel RFP, by the Office of General Counsel ("OGC"), I hereby appoint your firm, Pietragallo Gordon Alfano Bosick & Raspanti, LLP, the firm ("Firm") to represent the Commonwealth of Pennsylvania and Insurance, in the above-referenced matter. As per the terms of the contract, your firm will be subcontracting with Adept Consulting Services, Inc. and G S Woods Financial Solutions LLC throughout the duration of this engagement. This appointment will be governed by all terms and conditions of the Contract for Legal Services which will be routed for execution.

This letter sets forth: (1) information regarding the proposed engagement; (2) specific scope of work to be performed; and (3) compensation to be paid for these services.

## 1. <u>Information regarding the proposed engagement</u>

The purpose of this appointment is for the Firm to satisfy a need for legal services to represent the R&Q Reinsurance Company ("R&Q Re") Receivership Estate in general rehabilitation matters, litigation and collection matters.

Please review the above-described information carefully to ensure there are no conflicts of interest posed in the proposed representation of the Commonwealth of Pennsylvania in connection with providing legal services. Should you require additional information to evaluate any potential conflicts prior to your acceptance of this appointment, please contact Derek Riker, Deputy Chief of Staff at

## 2. <u>Scope of Services</u>

Subject to modification from time to time at the direction of the General Counsel, the Chief Counsel of Insurance, or the Office of Liquidations, Rehabilitations and Special Funds ("OLRSF"), the Firm shall represent the Insurance Commissioner of Pennsylvania in his capacity as Statutory Liquidator of various liquidation and rehabilitation estates ("Statutory Liquidator") as set forth below.

The Firm shall represent the Statutory Liquidator in all matters related to the R&Q Reinsurance Company insurance receivership, including, but not limited to:

- i. Collection and/or protection of estate assets;
- ii. Representation in matters relating to resolution of claims against the estate, including: asbestos, pollution and other environmental claim issues; as well as health hazard issues such as lead, silica, and benzene issues;
- iii. Representation in reinsurance matters, including commutations, collections and arbitrations;
- iv. Representation in Pennsylvania Commonwealth Court;
- v. Ability to review potential third-party liability issues and prepare investigative reports;
- vi. Representation in litigation against third parties, including professional service providers;
- vii. Representation in general liquidation matters including all tasks necessary to effectuate closure of the estate.

The General Counsel reserves the right to make any assignment as she may deem necessary or desirable, in her judgment, for all aspects of, or roles within the scope of, this RFP.

## 3. <u>Compensation</u>

It is agreed upon by the Firm and all parties to this agreement consistent with its proposal for this engagement that the Firm shall be paid at the following rates: Equity Partners will be billed at a rate of \$390.00 per hour; Partners will be billed at a rate of \$375.00 per hour; Senior Associates will be billed at a rate of \$280.00 per hour; Associates will be billed at a rate of \$250.00 per hour; Paralegals will be billed at a rate of \$100.00 per hour.

Upon your review of the proposed assignment, the scope of work, and the compensation, should the Firm be willing to accept this assignment, please execute this letter as indicated below and return the correspondence via email to <a href="mailto:ogc-outsidecounsel@pa.gov">ogc-outsidecounsel@pa.gov</a>, along with copies to the Issuing Officer, Jordan Kiessling at and Kimberly Sheaffer, Legal Office Administrator, Department of Insurance at acknowledging that the Firm has completed a conflict-of-interest analysis and identified nothing to be reported prior to the acceptance of work on behalf of the Governor's Office of General Counsel. Should a conflict or potential conflict be identified at any time during the term of this engagement, the Firm is under a continuing obligation to disclose such matter, in writing, to the

Gaetan J. Alfano, Esquire July 5, 2023 Page 3 of 3

Governor's Office of General Counsel in accordance with OGC's Conflict Waiver Procedure. Failure to sign and return your Firm's appointment letter within thirty (30) days will result in your Firm being dropped from this engagement.

Due to the urgent need for legal services, approval has been granted for the Firm to begin work immediately. We look forward to working with you on this important matter for the Commonwealth of Pennsylvania.

Sincerely,

LAURIE A. MALONE

Chief of Staff to the General Counsel

Accepted on Behalf of the Firm:

Bv:

Date

(Title)

Cc: Theron R. Perez, First Deputy General Counsel, Governor's Office of General Counsel Derek Riker, Deputy Chief of Staff, Governor's Office of General Counsel Kathryn McDermott Speaks, Chief Counsel, Department of Insurance Kirit Mehta, Adept Consulting Services, Inc.

Graeme S. Woods, G S Woods Financial Solutions LLC

Jordan M. Kiessling, Senior Legal Analyst, Governor's Office of General Counsel Alicia C. Rizzi, Legal Office Administrator, Governor's Office of General Counsel

Alicia C. Rizzi, Legal Office Administrator, Governor's Office of General Counsel Kimberly M. Sheaffer, Legal Office Administrator, Department of Insurance