

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION

In re:

Westmoreland Coal Company, *et al.*,

Debtors.

Chapter 11

Case No. 18-35672 (DRJ)

(Jointly Administered)

**JOINDER AND RESERVATION OF RIGHTS OF  
ARGONAUT INSURANCE COMPANY IN CONNECTION WITH WMLP PLAN**

Argonaut Insurance Company (“Argonaut”), by and through its undersigned counsel, submits this joinder and reservation of rights (the “Joinder”) in connection with the *Joint Plan of Liquidation for the WMLP Debtors* [Docket No. 1612] (as amended, the “WMLP Plan”).<sup>1</sup>

In support of this Joinder, Argonaut respectfully states as follows:

**BACKGROUND**

**A. The Indemnity Agreement and the Bonds**

1. Argonaut and certain of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) are parties to that certain General Indemnity Agreement dated as of July 7, 2016 (as amended, the “Indemnity Agreement”), pursuant to which Argonaut issued certain surety bonds (collectively, the “Bonds”) to certain obligees with respect to certain obligations of the Debtors and/or their non-Debtor affiliates.<sup>2</sup>

2. Additionally, certain of the Debtors have executed and delivered certain continuing agreement(s) of indemnity pursuant to which such Debtors are required to pay all

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<sup>1</sup> Capitalized terms used but not defined herein have the meaning set forth in the disclosure statement accompanying the WMLP Plan [Dkt. No. 1617].

<sup>2</sup> Argonaut notes that it did not issue any Bonds to the WMLP Debtors and files this Joinder in an abundance of caution to the protect its rights.

premiums and indemnify Argonaut, and hold Argonaut harmless from and against every claim, demand, liability, cost, charge, suit judgment and expense incurred by Argonaut in connection with, among things, (1) the furnishing of any Bond or (2) the enforcement of any indemnity agreement.

**B. The Chapter 11 Cases**

3. The WMLP Debtors filed the WMLP Plan on March 15, 2019. Since the WMLP Plan was filed, certain of the Debtors' surety companies filed objections to the WMLP Plan,<sup>3</sup> including: (i) Travelers Casualty and Surety Company of America (*see* Docket No. 1872); and (ii) Lexon Insurance Company, Sampo International Insurance and Bond Safeguard Insurance Company (*see* Docket No. 1873). A hearing to consider confirmation of the WMLP Plan is scheduled for June 5, 2019 at 1:00 p.m. (prevailing Central Time).

**JOINDER AND INCORPORATION**

4. Argonaut expressly joins in, incorporates by reference, and adopts as its own, the arguments and objections raised in the Surety Objections.

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<sup>3</sup> The objections to the WMLP Plan filed by the Debtors' sureties, including but not limited to the specific objections identified in Paragraph 3 hereof, shall be referred to collectively herein as the "Surety Objections").

**RESERVATION OF RIGHTS**

5. This Joinder is submitted without prejudice to, and with a full reservation of, the Argonaut's right to supplement it in advance of, or at, any hearing to consider confirmation of the WMLP Plan.

New York, New York  
May 24, 2019

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*Counsel to Argonaut Insurance Company*

**CERTIFICATE OF SERVICE**

I certify that on the 24<sup>th</sup> of May, 2019, I caused a copy of the foregoing document to be served on the parties listed below by U.S. Mail and e-mail. I further certify that I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas.

By: /s/ Eric G. Waxman III  
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