

United States District Court
Southern District of Texas
Houston Division

| | | |
|--------------------------------------|---|------------------------|
| MM Steel, LP, | § | |
| | § | |
| Plaintiff, | § | |
| | § | |
| v. | § | |
| | § | |
| Reliance Steel & Aluminum Co., | § | |
| Chapel Steel Corp., American Alloy | § | Case No. 4:12-CV-01227 |
| Steel, Inc., Arthur J. Moore, | § | |
| JSW Steel (USA) Inc., & Nucor Corp., | § | |
| | § | |
| Defendants. | § | BOND #2177725 |

SUPERSEDEAS BOND FOR DEFENDANT JSW STEEL (USA) INC.

Recitals

1. A judgment was entered in the above-captioned case on May 27, 2014 in the United States District Court for the Southern District of Texas, Houston Division against Defendants/Appellants, JSW Steel (USA) Inc. (“JSW”) and Nucor Corp. (“Nucor”) and in favor of Plaintiff/Appellee MM Steel, L.P.

2. JSW has filed a timely notice of appeal of this judgment to the United States Court of Appeals for the Fifth Circuit and desires to suspend enforcement of the judgment pending determination of the appeal.

3. By order entered October 28, 2014 in the above titled and numbered cause, the Court set the amount of the supersedeas bond required by Defendant JSW Steel (USA) Inc. to stay execution of the judgment in this matter pending appeal at \$80 million.

4. JSW has filed its appeal to the United States Court of Appeals for the Fifth Circuit, and, pursuant to Fed. R. Civ. P. 62(d) and the Court’s October 28, 2014 order (Dkt. No. 715), is posting this bond to suspend execution on the judgment.

Promise to Pay

As a result of the facts just recited:

JSW and North American Specialty Insurance Company and Westport Insurance Corporation, which both have an office and usual place of business at 475 N. Martingale Road, Suite 850, Schaumburg, Illinois 60173, each undertakes and promises to pay to MM Steel, L.P. all damages, costs, and interest that may be awarded to it and against JSW following the appeal of this matter up to the maximum sum of \$80 million, if:

- a. the judgment so appealed is affirmed;
- b. the appeal is dismissed; or
- c. JSW fails to pay promptly all sums awarded against it in or following the appeal in this action, including any costs that the court of appeals may award if the judgment is modified.

If JSW fulfills the obligations on appeal set forth above, then this obligation will become void. Otherwise, the obligation will remain in full force and effect; provided however, the maximum liability of the Surety shall not exceed the penal sum of eighty million dollars (\$80,000,000.00).

Dated December 5, 2014

WITNESS OUR HANDS this 5th day of December, 2014.



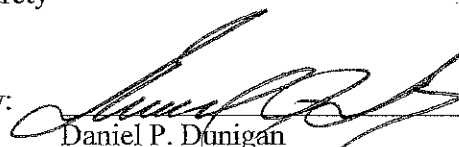
JSW Steel (USA) Inc. - MICHAEL J. FITCH

By: PRESIDENT & CEO

North American Specialty Insurance Company

Surety

By:



Daniel P. Dunigan

Attorney-in-fact for Surety



Westport Insurance Corporation, Surety

By:



Daniel P. Dunigan

Attorney-in-fact for Surety



APPROVAL OF SURETY BY DISTRICT JUDGE

The Court, having examined the above bond and the surety, finds both sufficient and therefore approves this bond on the _____ day of December, 2014.

Kenneth M. Hoyt

United States District Judge

Dated: December 5, 2014

Respectfully submitted,

/s/ Hunter M. Barrow

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Attorneys for Defendant JSW Steel (USA) Inc.

CERTIFICATE OF FILING AND SERVICE

I hereby certify that on December 5, 2014, the foregoing document was transmitted to the Clerk of Court using the ECF System for filing. Based on the records currently on file, the Clerk of Court will transmit a Notice of Electronic Filing for this filing to all registered counsel of record.

/s/ Hunter M. Barrow
Hunter M. Barrow

13264146

NAS SURETY GROUP

NORTH AMERICAN SPECIALTY INSURANCE COMPANY
WASHINGTON INTERNATIONAL INSURANCE COMPANY
WESTPORT INSURANCE CORPORATION

GENERAL POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, THAT North American Specialty Insurance Company, a corporation duly organized and existing under laws of the State of New Hampshire, and having its principal office in the City of Manchester, New Hampshire and Washington International Insurance Company a corporation organized and existing under the laws of the State of New Hampshire and having its principal office in the City of Schaumburg, Illinois, and Westport Insurance Corporation, organized under the laws of the State of Missouri, and having its principal office in the City of Overland Park, Kansas each does hereby make, constitute and appoint:

WILLIAM F. SIMKISS, DANIEL P. DUNIGAN, BRIAN C. BLOCK, JOSEPH W. KOLOK JR., JAMES L. HAHN, and RICHARD J. DECKER

JOINTLY OR SEVERALLY

Its true and lawful Attorney(s)-in-Fact, to make, execute, seal and deliver, for and on its behalf and as its act and deed, bonds or other writings obligatory in the nature of a bond on behalf of each of said Companies, as surety, on contracts of suretyship as are or may be required or permitted by law, regulation, contract or otherwise, provided that no bond or undertaking or contract or suretyship executed under this authority shall exceed the amount of:

ONE HUNDRED MILLION (\$100,000,000.00) DOLLARS

This Power of Attorney is granted and is signed by facsimile under and by the authority of the following Resolutions adopted by the Boards of Directors of North American Specialty Insurance Company and Washington International Insurance Company at meetings duly called and held on March 24, 2000 and Westport Insurance Corporation by written consent of its Executive Committee dated July 18, 2011.

"RESOLVED, that any two of the President, any Senior Vice President, any Vice President, any Assistant Vice President, the Secretary or any Assistant Secretary be, and each or any of them hereby is authorized to execute a Power of Attorney qualifying the attorney named in the given Power of Attorney to execute on behalf of the Company bonds, undertakings and all contracts of surety, and that each or any of them hereby is authorized to attest to the execution of any such Power of Attorney and to attach therein the seal of the Company; and it is

FURTHER RESOLVED, that the signature of such officers and the seal of the Company may be affixed to any such Power of Attorney or to any certificate relating thereto by facsimile, and any such Power of Attorney or certificate bearing such facsimile signatures or facsimile seal shall be binding upon the Company when so affixed and in the future with regard to any bond, undertaking or contract of surety to which it is attached."



By [Signature] Steven P. Anderson, Senior Vice President of Washington International Insurance Company & Senior Vice President of North American Specialty Insurance Company & Senior Vice President of Westport Insurance Corporation

By [Signature] Mike A. Ito, Senior Vice President of Washington International Insurance Company & Senior Vice President of North American Specialty Insurance Company & Senior Vice President of Westport Insurance Corporation



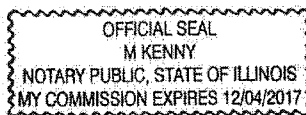
IN WITNESS WHEREOF, North American Specialty Insurance Company, Washington International Insurance Company and Westport Insurance Corporation have caused their official seals to be hereunto affixed, and these presents to be signed by their authorized officers this 26th day of November, 2014.

North American Specialty Insurance Company
Washington International Insurance Company
Westport Insurance Corporation

State of Illinois
County of Cook ss:

On this 26th day of November, 2014, before me, a Notary Public personally appeared Steven P. Anderson, Senior Vice President of

Washington International Insurance Company and Senior Vice President of North American Specialty Insurance Company and Senior Vice President of Westport Insurance Corporation and Michael A. Ito Senior Vice President of Washington International Insurance Company and Senior Vice President of North American Specialty Insurance Company and Senior Vice President of Westport Insurance Corporation, personally known to me, who being by me duly sworn, acknowledged that they signed the above Power of Attorney as officers of and acknowledged said instrument to be the voluntary act and deed of their respective companies.



[Signature] M. Kenny, Notary Public

I, Jeffrey Goldberg, the duly elected Vice President and Assistant Secretary of North American Specialty Insurance Company, Washington International Insurance Company and Westport Insurance Corporation do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney given by said North American Specialty Insurance Company, Washington International Insurance Company and Westport Insurance Corporation which is still in full force and effect.

IN WITNESS WHEREOF, I have set my hand and affixed the seals of the Companies this 5th day of December, 2014.

[Signature]



NORTH AMERICAN SPECIALTY INSURANCE COMPANY
An New Hampshire Corporation

BALANCE SHEET AS OF DECEMBER 31, 2013
(Statutory Basis)

Valuation of securities on National Association of Insurance Commissioner Basis

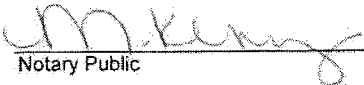
| ASSETS | | LIABILITIES | |
|------------------------------|--------------------|---|--------------------|
| Cash | 189,384,348 | Reserve for Unearned Premiums | 5,106,999 |
| Bonds | 195,092,331 | Reserve for Losses and Loss Adjustment Expenses | 25,730,296 |
| Other Invested Assets | 72,429,484 | Funds Withheld | 10,778,428 |
| Other Admitted Assets | 57,266,748 | Taxes and Other Liabilities | 99,509,970 |
| | | Surplus | 373,047,218 |
| TOTAL ADMITTED ASSETS | 514,172,911 | TOTAL LIABILITIES & POLICYHOLDERS' SURPLUS | 514,172,911 |

The undersigned, being duly sworn, says: That he is Vice President/Treasurer of North American Specialty Insurance Company, Schaumburg, Illinois that said company is a corporation duly organized, existing by virtue of the Laws of the State of New Hampshire and that said Company has also complied with and is duly qualified to act as Surety under the Act of Congress approved, July 1947 6 U.S.C. sec. 6-13; and that to the best of his knowledge and belief the above statement is a full, true and correct statement of the financial condition of the said Company on the 31st day of December, 2013.



Edward D. Stys
North American Specialty Insurance Company

Subscribed and sworn before me,
this 02 day of April, 2014



Notary Public



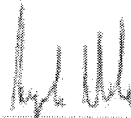
WESTPORT INSURANCE CORPORATION
A Missouri Corporation

BALANCE SHEET AS OF DECEMBER 31, 2013
(Statutory Basis)

Valuation of securities on National Association of Insurance Commissioner Basis


| ASSETS | | LIABILITIES & POLICYHOLDERS' SURPLUS | |
|---|----------------------|---|----------------------|
| CASH AND INVESTED ASSETS | | LIABILITIES | |
| Cash, Cash Equivalents and Short-term Investments | 181,036,259 | Outstanding Losses and Loss Expense | 1,702,620,671 |
| Bonds | 3,256,224,094 | Unearned Premiums | 220,791,779 |
| Preferred Stocks | 0 | Commissions, Taxes and Other Expenses | 60,682,696 |
| Common Stocks | 1,293,948,417 | Funds Held | 1,456,943,883 |
| Other Invested Assets | 134,477,374 | Payable to Parent, Subsidiaries & Affiliates | 22,335,811 |
| Receivable for Securities | 19,536,250 | Other Liabilities | 221,339,704 |
| | 4,885,222,394 | | 3,684,714,544 |
| OTHER ASSETS | | POLICYHOLDERS' SURPLUS | |
| Invested Income Due and Accrued | 19,546,519 | Capital Stock | 6,345,000 |
| Premium in Course of Collection | 181,775,735 | Paid-In Surplus | 1,812,260,885 |
| Reinsurance Recoverable | 162,185,891 | Unassigned Funds | 150,798,086 |
| Miscellaneous Assets | 205,387,976 | | |
| | 568,896,121 | | 1,769,403,971 |
| TOTAL ADMITTED ASSETS | 5,454,118,515 | TOTAL LIABILITIES & POLICYHOLDERS' SURPLUS | 5,454,118,515 |

The undersigned, being duly sworn, says: That he is Vice President of Westport Insurance Corporation, Overland Park, Kansas that said company is a corporation duly organized, existing by virtue of the Laws of the State of Missouri and that said Company has also complied with and is duly qualified to act as Surety under the Act of Congress approved, July 1947 6 U.S.C. sec. 6-13; and that to the best of his knowledge and belief the above statement is a full, true and correct statement of the financial condition of the said Company on the 31st day of December, 2013.



 WESTPORT INSURANCE CORPORATION Deryck Malone

Subscribed and sworn before me,
this 04th day of December, 2014



 Notary Public

