

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF DELAWARE**

In re:)	
)	Chapter 11
MET-COIL SYSTEMS CORPORATION)	
)	Case No. 03-12676 (MFW)
Debtors.)	

**LIMITED OBJECTION AND RESERVATION OF RIGHTS OF COLUMBIA
CASUALTY COMPANY TO FOURTH AMENDED CHAPTER 11 PLAN OF
REORGANIZATION PROPOSED BY MET-COIL SYSTEMS CORPORATION AND
MESTEK, INC., AS CO-PROONENTS**

Columbia Casualty Company (“Columbia”),¹ by and through undersigned counsel, hereby files this limited objection and reservation of rights (the “Reservation”) to the Fourth Amended Chapter 11 Plan Of Reorganization Proposed By Met-Coil Systems Corporation And Mestek, Inc., As Co-Proponents (the “Fourth Amended Plan”), and in support of the Reservation, respectfully states as follows:

BACKGROUND

1. The Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code on our about August 26, 2003 (the “Petition Date”).
2. The Debtor continues to operate its estate as a debtor in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code.
3. On or about September 11, 2003, the Official Committee of Unsecured Creditors (the “Committee”) was appointed.
4. On or about June 22, 2004, the Debtor filed the Fourth Amended Plan and its Fourth

¹ Capitalized terms used but not defined herein shall have the meaning ascribed to them in the Fourth Amended Plan.

Amended Disclosure Statement.

5. On information and belief, the Confirmation Hearing is currently set for July 28, 2004. The last day to file objections to the Fourth Amended Plan is July 21, 2004.

RESERVATION OF RIGHTS

6. On or about December 3, 2002, Met-Coil Systems Corporation, Mestek, Inc., The Lockformer Company (collectively, the “Insureds”) and Columbia entered into the Agreement Of Settlement, Compromise And Release (hereinafter the “2002 Settlement Agreement”), which purported to settle, resolve, extinguish, and exhaust all claims against Columbia and coverage under certain insurance policies as described in the 2002 Settlement Agreement. In addition, the 2002 Settlement Agreement provided, among other things, that the Insureds would indemnify Columbia for any and all claims, as broadly defined in the 2002 Settlement Agreement, relating to the settled policies and the released claims.

7. Since the filing of the bankruptcy case, the parties have been engaged in good faith settlement discussions relating to the 2002 Settlement Agreement. On information and belief, the parties appear to be close to resolving their differences, if any, relating to the 2002 Settlement Agreement and will endeavor to file a motion with the bankruptcy court approving any further settlement on this matter. As a result of the parties’ settlement discussions and in an effort to focus on the same, Columbia files this brief reservation of rights with respect to the Fourth Amended Plan.

8. The Fourth Amended Plan provides for a broad release and injunction for the benefit of the Insureds with respect to certain TCE Claims. The release language currently in the plan may, among other things, affect the Insureds’ indemnification obligations to Columbia. Columbia, therefore, reserves all of its rights to file a more substantive written objection or raise objections

orally at the Confirmation Hearing to portions of the Fourth Amended Plan, including the granting of a Section 105(a) injunction to non-debtor, third party entities, in the event the parties are unable to resolve their disputes relating to the 2002 Settlement Agreement and the Fourth Amended Plan.

CONCLUSION

9. Columbia expressly reserves any and all rights to supplement this Reservation at or prior to the hearing on the Fourth Amended Plan.

WHEREFORE, Columbia respectfully requests that this Court deem this Reservation an objection to the Fourth Amended Plan, allowing Columbia to supplement if and as necessary prior to the Confirmation Hearing, grant such other and further relief as is just and appropriate under the circumstances.

Dated: July 21, 2004

Respectfully Submitted,

COLUMBIA CASUALTY COMPANY

By: /s/ Kevin Gross, Esquire
One of its Attorneys

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CERTIFICATE OF SERVICE

I, Mohsin N. Khambati, certify that a true and correct copy of the attached limited objection and reservation of rights has been served via FedEx on July 21, 2004 on all parties to the service list that will not receive the document electronically. A copy of the service list will be supplemented at a later date.

/s/ Mohsin N. Khambati