

EXHIBIT 7

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ST. PAUL MERCURY
INSURANCE COMPANY

9 UNITED STATES DISTRICT COURT
10 NORTHERN DISTRICT OF CALIFORNIA -- SAN JOSE DIVISION

11 NETSCAPE COMMUNICATIONS)
CORPORATION, a Delaware corporation;)
12 and AMERICA ONLINE, INC., a Delaware)
corporation;)

13 Plaintiffs,

14 v.

15 FEDERAL INSURANCE COMPANY, an)
Indiana corporation; ST. PAUL MERCURY)
16 INSURANCE COMPANY, a Minnesota)
corporation; EXECUTIVE RISK)
17 SPECIALTY INSURANCE COMPANY; a)
Connecticut corporation, and DOES 1)
18 through 50,)

19 Defendants

CASE NO C-06-00198 JW (PVT)

**DEFENDANT ST. PAUL MERCURY
INSURANCE COMPANY'S
SUPPLEMENTAL RESPONSE TO
PLAINTIFF AMERICA ONLINE INC'S
FIRST SET OF REQUESTS FOR
ADMISSION**

Complaint Filed: 12/12/05
Amended Complaint Filed: 2/24/06

21 PROPOUNDING PARTY: Plaintiff AMERICA ONLINE INC.

22 RESPONDING PARTY: Defendant ST. PAUL MERCURY INSURANCE COMPANY

23 SET NO.: ONE [1]

24 Defendant ST. PAUL MERCURY INSURANCE COMPANY ("ST. PAUL")
25 submits the following supplemental objections and responses to Plaintiff AMERICA
26 ONLINE INC.'S ("AOL") Requests for Admissions, Set One In particular, ST. PAUL
27 supplements its response to Request for Admission No. 4.

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SUPPLEMENTAL RESPONSE TO REQUESTS FOR ADMISSION

REQUEST FOR ADMISSION NO. 4:

Admit that the SMARTDOWNLOAD CLAIM does not involve "3rd party advertising."

SUPPLEMENTAL RESPONSE TO REQUEST FOR ADMISSION NO. 4:


Based upon the information provided to St Paul at the time the class action suits and AG Investigation involving the SmartDownload product were tendered to St. Paul the response was: ADMIT

St. Paul objects to the consideration of or admission of any information that was not provided to St. Paul at the time the class action suits and AG Investigation involving the SmartDownload product were tendered to St. Paul. Such information is irrelevant and contrary to Virginia and California law. Fed. Rule of Evid. 401, 402. See, e g., *Resource Bankshares Corp v. St. Paul Mercury Ins. Co.*, 407 F 3d 631, 636 (4th Cir. 2005) (applying Va Law); *America Online, Inc. v. St. Paul Mercury Ins. Co* 347 F 3d 89, 93 (4th Cir. 2003); *Waller v. Truck Ins. Exchg.*, 44 Cal.Rptr.2d 370, 378 (Cal 1995); *Safeco Ins. Co. v. Parks*, 19 Cal Rptr 3d 17, 24-25, 27 (Cal App. 2004); *Haggerty v. Federal Ins. Co.*, 32 Fed.Appx 845, 848 (9th Cir 2002). St. Paul further objects to the term "involve" as vague and ambiguous such that Request for Admission No. 4 cannot be meaningfully answered.

Subject to these objections, St. Paul further responds as follows. Based upon the new information plaintiffs provided during discovery in this coverage lawsuit and in the arguments now being advanced in support of their motion for partial summary judgment, the response to the request is: DENY.

Dated: February 9, 2007

GORDON & REES LLP

By: 
Sara M. Thorpe
Attorneys for Defendant
ST. PAUL MERCURY
INSURANCE COMPANY

VERIFICATION

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I, Aaron Latto, declare:

1. I am 2nd Vice President, Business Insurance Claim, employed by Travelers Indemnity Company and authorized to make this Verification on behalf of St. Paul Mercury Insurance Company, defendant in this lawsuit ("St. Paul").

2. I have read St. Paul's SUPPLEMENTAL RESPONSE TO PLAINTIFF AMERICA ONLINE, INC ' S FIRST SET OF REQUESTS FOR ADMISSION and know the contents thereof. To the extent I have personal knowledge of the matters set forth therein, the same are true and correct. To the extent said matters are a composite of information from a number of individuals or documents or I do not have personal knowledge thereof, I am informed and believe that the information set forth therein for which I lack personal knowledge is true and correct.

I declare under penalty of perjury of the laws of the State of California that the foregoing is true and correct.

Executed this 9th day of February, 2007, in St. Paul, Minnesota



AARON LATTO

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PROOF OF SERVICE

Netscape Communications Corp., v Federal Ins. Co., et al. Case No. C 06 00198 JW

I am a resident of the State of California, over the age of eighteen years, and not a party to the within action. My business address is Embarcadero Center West, 275 Battery Street, Suite 2000, San Francisco, CA 94111. On the date noted below, I served the within document(s):

Defendant St. Paul Mercury Insurance Company's Supplemental Response To Plaintiff America Online Inc's First Set Of Requests For Admission

- by transmitting via facsimile the document(s) listed above to the fax number(s) set forth below on this date before 5:00 p m
- by placing a true copy of the document(s) listed above in a sealed envelope with postage thereon fully prepaid or provided for, at a station designated for collection and processing of envelopes and packages for mailing with the United States Post Office, addressed as set forth below
- by placing a true copy of the document(s) listed above in a sealed envelope with postage thereon fully prepaid or provided for, at a station designated for collection and processing of envelopes and packages for mailing by overnight delivery by FedEx, addressed as set forth below
- by transmitting via the internet the document(s) listed above to the email address(es) set forth below.

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I am readily familiar with the firm's practice of collection and processing correspondence for mailing. Under that practice it would be deposited with the U S. Postal Service and Fed Ex on that same day with postage thereon fully prepaid in the ordinary course of business. I am aware that on motion of the party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after the date of deposit for mailing in affidavit.

I declare under penalty of perjury under the laws of the State of California that the above is true and correct. Executed on February 9, 2007, at San Francisco, California.


 Pam Cody

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