

1 to Mid Continent receiving Mr. Kallaher's December
2 8, 2011 letter, whether Mid Continent made any
3 follow-up request upon Stevenson Design and
4 Development for a special interrogatory verdict
5 form?

6 A I don't have any knowledge.

7 THE REPORTER: I'm sorry.

8 A I was going to say other than Mid Continent
9 hired counsel.

10 Q Did -- to your knowledge did Mid Continent
11 ever advise Stevenson Design and Development that
12 Mid Continent's interest and Stevenson Design and
13 Development's interest may be adverse?

14 A No. No. I have no knowledge.

15 Q To your knowledge did Mid Continent ever
16 advise Stevenson Design and Development that there
17 might be a divergence of interest between Mid
18 Continent and Stevenson Design and Development?

19 A I have no knowledge of that.

20 MR. WHELAN: No further questions.

21 EXAMINATION

22 MR. CATIZONE

23 Q When Mr. Kallaher -- Mr. Whelan asked you
24 whether Mid Continent ever advised Stevenson about
25 any possible divergence of interest between Mid

1 Continent and Stevenson, do you recall writing
2 your April 2011 reservation of rights letter that
3 was marked into evidence as Exhibit No. 6?

4 A It's my letter, but I don't specifically
5 recall the moment I wrote it.

6 Q But this is your letter, right?

7 A Yes.

8 Q And did you advise Stevenson Design of the
9 potentiality of there being no coverage for some
10 or all of the damages -- did you advise Stevenson
11 Design that there might not be any coverage for
12 any or all of the damages in this letter?

13 A That's a reservation of rights letter,
14 which does mean there's a possibility that
15 coverage may not apply as by (inaudible).

16 THE REPORTER: I'm sorry.

17 A By some determination by the Court.

18 Q So would you consider this document a -- as
19 a -- informing the insured of a divergence of
20 interest between the insured and Mid Continent?

21 MR. WHELAN: Object to the form.

22 A I just informed them of potentially there's
23 coverage that may not or may apply. I don't know
24 the other part of the question, the understanding
25 of. It does state that he may want to seek

1 counsel.

2 MR. CATIZONE: Thank you.

3 MR. KALLAHER: Do you want to ask the
4 question -- okay.

5 MR. CATIZONE: All right. I have no
6 further questions. Thank you.

7 (Discussion off the video record).

8 THE REPORTER: Would you like to read
9 or waive?

10 MR. CATIZONE: She'll read.

11 THE REPORTER: Would you like me to
12 type this up or would you like to hold?

13 MR. WHELAN: Yeah. Go ahead.

14 (Discussion off the record)

15 MR. CATIZONE: E tran and hard copy,
16 please.

17 THE REPORTER: Mr. Kallaher, did you
18 want a copy?

19 MR. KALLAHER: No, thank you.

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