

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                   potentially 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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