UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF VERMONT

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ELLEN STIMSON,              )
             Plaintiff,     )
                            )
      v.                    )     Civil Action
                            )     No. 2:23-CV-00581-wks
STATE FARM FIRE AND         )
CASUALTY COMPANY,           )
             Defendant.     )
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DEPOSITION OF
GINO J. RADOVIC

Taken on behalf of the Plaintiff on Monday, February 23, 2026, at the offices of Bauer Gravel Farnham, LLP, 401 Water Tower Circle, Colchester, Vermont, commencing at 9:54 a.m.

APPEARANCES:

ON BEHALF OF THE PLAINTIFF:
THOMAS C. NUOVO, ESQUIRE
Bauer Gravel Farnham, LLP
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Colchester, Vermont 05446
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ON BEHALF OF THE DEFENDANT:
MICHAEL E. SATTI, ESQUIRE
Michael E. Satti, Attorney At Law, LLC
125 Eugene O'Neill Drive, Ste. 140
New London, Connecticut 06320
860.460.2767 | michael@satti-lawfirm.com

ALSO PRESENT (VIA VIDEOCONFERENCE):
ELLEN STIMSON; ELIZABETH HILLMON, ESQ.

Court Reporter: Darlene L. Falls, CRR, RMR

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E X H I B I T S

*(Exhibit No. 25 mistakenly numbered twice.)

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S T I P U L A T I O N S

IT IS HEREBY STIPULATED AND AGREED by and between Counsel for the respective parties that this deposition is being taken in accordance with the Federal Rules of Civil Procedure; that all objections as to Notice of this deposition are hereby waived; that all objections except as to form are reserved until the time of trial; and that the witness has reserved the right to read and sign the deposition transcript.

MONDAY, FEBRUARY 23, 2026

9:54 A.M.

GINO J. RADOVIC,

having first been duly sworn, was examined and testified as follows:

MR. SATTI: We would like to read and sign, and we can do that on an expedited basis once we get the transcript to accommodate what we need to do, Tom.

MR. NUOVO: Okay.

EXAMINATION

BY MR. NUOVO:

Q. So, just for the record, go ahead and state your name.

A. Gino Radovic.

Q. Okay. And where do you currently work?

A. State Farm Insurance.

Q. Okay. And have you ever been deposed before?

A. A long time ago.

Q. A long time ago, okay. So I'll just take a moment and go over some of the basic ground rules. I'm sure your attorney has gone over some others with you, but basically everything has to be oral. She can only take down written words, so nods of the head which we might use or um-hums and stuff like that she needs to have an actual answer. So I usually say, you know, anything in the dictionary.

The other thing is, you know, I'll try not to talk over you. Vice versa, you just wait until I finish my question, and I'll try to wait until you finish your answer, because she has a difficult time taking down both of us at the same time.

The other thing is that if you don't understand a question, go ahead and ask me to repeat it; or if you don't understand it and I need to rephrase it, let me know, because otherwise, I'm going to assume that if I asked you a question and you answered it, you understood the question I asked.

Are there any questions about what I've instructed so far?

A. No.

Q. Okay. And did you understand them all?

A. Yes.

Q. Okay, perfect so far. All right. So tell me where you currently reside.

A. Ballston Spa, New York.

Q. Okay. And how long have you lived there?

A. Five -- five months.

Q. Okay. And where did you live before --

A. Six months, sorry.
Q. Six months. Where did you live before that?
A. Gansevoort.
Q. So you sold the home in Gansevoort and moved down to Ballston Spa?
A. Correct.
Q. Okay. And how long have you worked for State Farm?
A. 33 years.
Q. 33 years. So when did you start working for them?
A. July of 1992.
Q. Okay. And what did you do before working for State Farm?
A. A student.
Q. A student. And where -- did you go to college?
A. Yes.
Q. Okay. And where did you go to college?
A. New York Institute of Technology.
Q. Okay. And what year did you graduate?
A. January '91.
Q. Okay. And then this was basically your first real job, I would take it?
A. Essentially, yes.

Q. Okay. Did you have any other jobs before that?
A. Yeah, I worked through college and high school.
Q. Okay. And any involving construction or anything else like that?
A. No.
Q. Okay. Do you have any construction experience?
A. Yes.
Q. Okay. What kind of construction experience do you have?
A. Homeownership projects from one end of the spectrum to the other, but nothing -- nothing formal.
Q. Okay. So repair the toilet, you know how to do that, or something like that type of thing?
A. Yes.
Q. Okay. And do you have any formal training in construction techniques or anything else like that?
A. Formal, no.
Q. And do you have any training in what codes are in Vermont?
A. Training?
Q. Yeah.
A. No.

Q. Okay. And what kind of licenses do you hold?
A. Insurance licenses for a number of states in the northeast and others.
Q. Okay. And do you hold any certifications of any sort?
A. I am a CPCU designate --
Q. And what --
A. -- and an AIC designation.
Q. Okay. And just, so for the record, could you state what those are?
A. Associate in Claims is AIC.
Q. Yup.
A. CPCU, Chartered Professional Underwriters -- Chartered Professionals -- yeah, I'm not -- something Underwriter. I forget what the acronym stands for.
Q. That's fine. And when did you get each of those designations?
A. Oh, boy, it's been a number of years. I don't remember the actual year.
Q. And do you have to do anything to maintain those?
A. Yes.
Q. What do you do have to do?
A. You have to maintain a certain number of

hours in coursework.

Q. Okay. Any other certifications or training that you have?

A. Just years earlier from doing Special Investigative Unit work.

Q. What do you mean, Special Investigative Unit work?

A. Investigating insurance fraud.

Q. Okay. So why don't we start here then. You started working for State Farm in 1992; is that correct?

A. Yes.

Q. So why don't you just give me a brief overview of what positions you've held and go from there.

A. Sure. The first three years generally working oil claims, first party coverages.

Q. Yup.

A. Started, one of the first members of a team that handled New York City thefts.

Q. Okay.

A. And then the following ten years, I spent in SIU, investigating insurance fraud --

Q. Okay.

A. -- in the Metro New York area.

Q. Okay.

A. So I would say nine of those ten years I was a claim rep and one in management, approximately one year I was in management at that time. And then we moved up to the Ballston Spa/Saratoga area, and I spent the last twenty years working in homeowners as a manager.

Q. Okay. So in your role, you've always been working as a manager in the claim -- in the homeowners area?

A. Yes.

Q. Okay. And what does your job entail then?

A. I oversee a team of adjusters that handle homeowner claims in the -- at this, right now, in all of New York state. Well, in Upstate New York, I'm sorry.

Q. Okay. And does that include Vermont as well?

A. Not at the moment.

Q. Okay. When did you stop doing things in Vermont?

A. I would have to -- probably -- probably a couple years now. There's been some readjustments with territories throughout. You know, the last twenty years there's always been come modifications based on staffing and such, so.

Q. Okay. When -- and maybe I asked it, but when did you stop overseeing Vermont?
A. It's probably been a couple years now.
Q. Okay. But in 2022, when this fire occurred, you were managing this claim?
A. Correct.
Q. Okay. And are you still the supervisor on this claim?
MR. SATTI: Objection to the form of the answer.
Q. You can answer. He's just objecting to the form.
MR. SATTI: Which is what I said.
MR. NUOVO: Yeah, I know. But he's looking at you to --
A. I'm sorry.
Q. Yeah, yeah.
A. Yes.
Q. Okay. So, just so you understand, he can object to the form of my questions that I ask.
A. Um-hum.
Q. And -- and then you can answer them. It's just to preserve things later on.
A. Okay.
Q. Obviously, he can obviously instruct you, if

necessary, not to answer questions, but that will be a different situation.

So I'm sorry, I misheard the answer. Can you answer that last question for me, again?

A. Can you repeat the question?

Q. Yeah.

MR. NUOVO: Thanks, Darlene.

THE REPORTER: "Q. And are you still the supervisor on this claim?"

A. Yes.

Q. Okay. And do you supervise any other claims in Vermont?

A. At the moment, no.

Q. Okay. Why are you the supervisor on this claim still?

A. Because it's still part of our inventory.

Q. For the New York --

A. No. We handle any claims from beginning to end, and this is the remaining claim in Vermont that we're still handling.

Q. Okay. So who's the supervisor of Vermont now?

A. That's a good question. I'm not sure.

Q. Okay. And so Gary technically now works under this new supervisor for Vermont as opposed to

you --
A. No, he works under me.
Q. -- or does he still work under you?
Does he do Vermont claims now still?
A. No.
Q. So Gary no longer does Vermont claims either?
A. No.
Q. Gotcha. That would be a "yes," he no longer does Vermont claims?
A. Yes, he no longer does Vermont claims.
Q. Okay.
MR. SATTI: Except for this one.
A. Except for this one.
Q. All right. So he's still assigned to this claim as well?
A. Yes.
Q. Are there any other adjusters assigned to this claim?
A. No.
Q. Who else is responsible for this claim?
A. Myself, Gary, and our counsel.
Q. Okay. Is there anybody supervising the claim over you?
A. No.

Q. Okay. So you don't have to check in with anybody else to work on this claim?

A. It's being handled by our counsel.

Q. Okay. What did you do to prepare for today?

A. Refamiliarize myself with the claim file.

Q. And what kind of things did you review?

A. File notes.

Q. Okay.

A. Some documents.

Q. All right. Did you get a copy of -- I'm going to show you what's been marked as Exhibit No. 3. I show you what's been marked as Exhibit No. 3.

A. Um-hum.

Q. You probably wouldn't have seen the first page that's on there, but have you seen this document before?

A. I don't believe so.

Q. Okay. You understand that you've been designated as the individual to -- individual representative for State Farm to give information about this claim and other issues that are requested in this Notice of Deposition?

A. Yes.

Q. But you've never seen or read this deposition notice?

A. I don't recall.
Q. Okay. What other documents did you look at before coming here?
MR. SATTI: Just don't discuss any documents you discussed with me in the training room.
Q. Well, you can tell me what documents you reviewed. I don't want to know what you discussed with him.
MR. SATTI: I just want to make sure he didn't inadvertently do that.
MR. NUOVO: Yup.
A. Just letters in the claim file.
Q. Just letters?
A. (Indicating)
Q. What letters did you review?
A. Communications that we provided to the policyholder and her representative.
Q. Okay. What letters do you recall that you reviewed?
A. Settlement letters, partial denial letters for what was not covered, copies of the estimates that were exchanged.
Q. Okay. Do you know whether you ever sent her a copy of the -- of the estimate that was done of the

property originally by Mr. Orr?
A. I'm sorry, repeat that question?
Q. So you understand that after the house, the damage to the house, you --
A. Yes.
Q. -- you hired Mr. Orr to go through and do an estimate of what it cost to fix?
A. Yes.
Q. Okay. And did you ever send a copy of that to Ms. Stimson?
A. That estimate was provided to State Farm, and we took that estimate and made adjustments based on what we felt was needed to be changed, and the final copy did go to Ms. Stimson's --
Q. And do you have --
-- representative.
Q. Did you ever send a copy to Ms. Stimson?
A. No. We were working through her public adjuster.
Q. Okay. So do you have documentation that you actually sent it to him?
A. A copy of the State Farm estimate to her public adjuster?
Q. Yes.
A. I would imagine the file reflects that.

Q. So are you aware that your attorney sent to me, as part of the discovery here, a pdf that's about 10,000 -- a little over 10,000 pages long?

MR. SATTI: You can't answer that, because that would require him to -- the answer would require him to disclose a communication that he's had with us.

Q. Well, do you know whether or not you produced a claims file that's over 10,000 pages long?

A. As part of the discovery?

Q. Yes.

A. I don't know how many pages it was.

Q. Have you seen an electronic file of the claims file?

A. Yes.

Q. Okay.

A. I'm not familiar with how many pages are in it.

Q. Okay. And are you familiar -- so you don't know what documents were actually given to us?

A. As -- no, our counsel handles that.

Q. Okay. So did you provide him -- well, did you provide for us today documents regarding the responsibilities and obligations that you have to the customers?

A. Again, counsel provided you with those documents.

Q. Well, okay, so you're here as the representative.

A. Right.

Q. Okay? And there's a schedule of documents that was supposed to be produced. You personally have not come here with any documents; is that correct?

A. Correct.

Q. Okay.

MR. SATTI: They were produced to you by counsel.

MR. NUOVO: Excuse me, I can ask --

MR. SATTI: He's not required to be here with documents. Did you subpoena him to bring documents?

MR. NUOVO: I noticed him in the deposition --

MR. SATTI: Did you subpoena him --

MR. NUOVO: He is a party, and so you can either stop asking -- interrupting --

MR. SATTI: I'm not -- I'm only making the record clear.

MR. NUOVO: You are. You are interrupting. You are allowed to object, and that's it. I get to ask him my questions. If --

MR. SATTI: I'm making the record clear.

MR. NUOVO: No.

MR. SATTI: You can proceed.

MR. NUOVO: You understand he was noticed for the deposition.

MR. SATTI: You can proceed.

MR. NUOVO: And he is the person you designated to be here. These documents were supposed to be provided to us.

MR. SATTI: You asked whether he physically produced 10,000 pages of --

MR. NUOVO: I can ask the question, and your only response here can be as an objection to my question, and that's it.

Q. BY MR. NUOVO: So, my question to you is: Did you see this list and make sure that all these documents --

MR. SATTI: He doesn't know what you're referring to.

MR. NUOVO: Excuse me, I am --

MR. SATTI: You're looking at a notebook.

MR. NUOVO: -- I am looking at Exhibit 3, which he has.

MR. SATTI: Identify for the record

what page you're identifying now.

MR. NUOVO: You know what, I have no problem calling Judge Sessions and -- and going through.

MR. SATTI: You can --

MR. NUOVO: If you're going to continue this line of interruption --

MR. SATTI: You can do whatever you want to do.

MR. NUOVO: No, excuse me -- yeah, we will.

MR. SATTI: It's your time.

MR. NUOVO: No, it's not.

MR. SATTI: You've got seven hours.

MR. NUOVO: And I've got seven hours without your interruptions, okay? So if you continue to interrupt, I'm going to delete those -- that time from this document -- from this deposition, and we'll just continue.

MR. SATTI: I want there to be a clear record.

MR. NUOVO: You'll have your chance to ask whatever questions you want.

Q. BY MR. NUOVO: You're looking at Exhibit 3?

A. Yes.

Q. Okay. So you see on page 3, there's a Schedule of Documents that you're to provide?

A. Yes.

Q. Do you know whether or not you provided these documents?

A. Counsel for State Farm provided these documents.

Q. Okay. Are you sure that State Farm counsel provided these documents?

MR. SATTI: Don't answer that question.

MR. NUOVO: Okay, you're instructing him not to answer?

MR. SATTI: I'm instructing him --

MR. NUOVO: Good.

MR. SATTI: -- that he would have to tell you based upon information he received from counsel as to whether we've done that. If you want me to --

MR. NUOVO: So hang on, hang on.

MR. SATTI: I haven't finished --

MR. NUOVO: No, no, no, no.

MR. SATTI: -- I haven't finished yet.

MR. NUOVO: Okay. I'm going to stop the timing here, just one second.

MR. SATTI: Do whatever you want.

MR. NUOVO: Yup.

MR. SATTI: You asked him for a question that requires him to give a communication he's had with me and Attorney Hillmon. He's not going to do that.

MR. NUOVO: That is not correct.

MR. SATTI: I'm done.

MR. NUOVO: No, he is required to tell me any documents that were sent to me, okay? If he knows -- facts are not things that are objections. The fact that you sent me documents, if you copied him on that and told him you were sending me those documents, that is a fact. That is not something you get an objection.

MR. SATTI: You're not entitled to ask him about documents that we copied him on --

MR. NUOVO: I am.

MR. SATTI: -- that we sent to you.

MR. NUOVO: You -- I am absolutely able to ask him about documents.

MR. SATTI: So the record is clear, we do not copy a 30(b)(6) representative, nor did we copy this witness before you today, on any communications with opposing counsel, which would be your firm.

MR. NUOVO: Okay.

Q. BY MR. NUOVO: So you don't know what documents were sent to me?

A. No.

Q. Perfect. So you don't know whether or not all the documents and duties and responsibilities and obligations to customers that were in place in 2022 were sent to me?

A. Can -- excuse me?

Q. Sure. Look at number 2 on page number 3. The second statement there says, "Documents regarding Deponent's duties, responsibilities and/or obligations to customers, including 2022." Do you see that?

A. I do.

Q. Okay. Do you know whether all those documents were sent to me?

A. I was not copied on any of that communication.

Q. Okay. The next one says, "Documents regarding Deponent's manuals or instructions to employees of employee duties, responsibilities and/or obligations owed to customers." Do you know whether those documents were sent to me?

A. Again, our counsel handled those matters, and I was not copied on those.

Q. So you don't know what documents were sent to me?

A. I was not copied on those documents.

Q. Okay. So documents regarding manuals -- I'm sorry, the complete customer file, including all documents related to Stimson, you don't know whether those were sent to me?

A. I was not part of those communications.

Q. Okay. Was there anyone at State Farm who was part of those communications who prepared and gathered the documents at State Farm?

MR. SATTI: To the extent it requires communications with counsel --

MR. NUOVO: I'm not asking him that. Will you let me finish --

MR. SATTI: I heard it --

MR. NUOVO: -- let me finish the question.

MR. SATTI: You had finished.

MR. NUOVO: I did not finish the question.

MR. SATTI: I apologize. Go ahead and finish.

Q. MR. NUOVO: Okay. My question to you was: Do you know who at State Farm gathered the documents

together that were going to be sent to us?
A. I don't personally know who they are.
Q. Okay. It was not you?
A. No.
Q. Okay. Are you familiar with all the documents related to employees -- an employee's duties and responsibilities and/or obligations owed to customers?
A. Yes.
Q. Okay. And so how are they kept; what are the documents?
A. How are the documents kept?
Q. Yup. What kind of documents does State Farm have in relaying its obligations to its employees?
A. There's a Commitment to Our Policyholders.
Q. Okay. What else?
A. Operation Guides.
Q. Okay. And are there -- what are the Operation Guides?
A. They're basically guidelines on our claim handling.
Q. Okay. And are those generally public that the customers can get copies of?
A. They're internal.
Q. They're internal, okay. So you don't publish

them anywhere?
A. Not that I'm aware of.
Q. Do you know which obligation -- Operation Guides would relate to this claim?
A. Probably a number of different ones.
Q. Okay. Can you recite them?
A. No.
Q. Okay. Do they have numbers? How are they organized?
A. They're organized by number.
Q. Okay. And are the numbers organized into categories for fire claims?
A. Yes.
Q. And are they --
A. Some of them.
Q. Some of them? And they're addressed to each of the policies?
A. Some of them are.
Q. Okay. Are there different ones for different types of policies?
A. Correct.
Q. Okay. And are there -- what type of policy is this?
A. It's a homeowners policy.
Q. Okay. And what kind of homeowners policy?

A. A homeowners policy.

Q. Okay. Well, isn't there a different homeowners policy in each state?

A. Every state has its own homeowners policy. This is a Vermont homeowners policy.

Q. And aren't there different levels or different types of homeowners policies even in the state of Vermont that you issue?

A. I'm not sure what you're asking.

Q. Well, I mean, is there only one homeowners policy that you issue in Vermont?

A. For a homeowners? Yes. There's rental -- rental dwelling policies; there are condo policies, and there's homeowners policies.

Q. There are different -- okay. So then the declaration page -- so there's only one homeowners policy, so let's take it -- a second here.

So I show you what's been marked as Exhibit No. 1. Do you recognize that?

A. I do.

Q. Okay. What is that?

A. It's a homeowners policy.

Q. Okay. And it's a homeowners policy for who?

A. Vermont.

Q. Okay. And would this be the policy -- is this a true and accurate copy of the policy that was issued to Ms. Stimson?

A. I don't see the Declarations page here, so I'm not sure.

Q. Okay. I will get you that.

Showing you what's been marked as Exhibit No. 2. So I just want you to describe for me what Exhibit No. 2 is.

A. It's a payment notice to the policyholder.

Q. Okay.

A. It's a Declarations page. A list of endorsements.

Q. Okay. And is that a true and accurate copy of the Declarations related to Ms. Stimson's insurance policy?

A. Yes.

Q. Okay. So now, can you tell me whether or not the -- Exhibit No. 1 is a true and accurate copy of the homeowners policy issued to Ms. Stimson?

A. Yes.

Q. Okay. So have you -- are you familiar with this policy?

A. Yes.

Q. Are you familiar with Vermont laws regarding insurance policies?

A. Yes.
Q. Okay. And have you taken any courses studying the Vermont laws regarding insurance policies?
A. Just what's required for my insurance licensing.
Q. Okay. And how long have you been licensed as an adjuster in Vermont?
A. It's over ten years. I'm not sure exactly how many.
Q. Okay. Let's take a look at Exhibit No. 2, which is the Declarations.
A. Um-hum.
Q. So going to the third page is where the Declarations start; is that correct?
A. Yes.
Q. Okay. So it indicates here that this is a -- what type of policy is this? Are there different types of policies that can be issued in Vermont? Or, I see it has a designation of "HW"; what does that stand for?
A. Where are you looking?
Q. Right at the top.
A. Where specifically?
Q. Well, all right, let's do it this way, because -- you understand that the policy number at

issue is HW-2145, right?

A. The policy number is B -- it's 45-BF-A594-4.

Q. Correct. But the policy that was issued under Vermont is identified as HW-2145; is that correct?

A. That is correct.

Q. Okay. And are there other numbers that are ever issued in Vermont, or what does the "2145" indicate?

A. That's the Vermont homeowner policy.

Q. Okay. And what are the numbers on there, and what does the "HW" stand for?

A. I'm not sure what the numbers signify, but that's representative, that's the numbers and letter designation given for the Vermont homeowners policy.

Q. Okay. And are there any other designation numbers other than this one issued in Vermont?

A. As it relates to this claim?

Q. As to any claim.

A. I can't speak to what other potential policies may or may not be.

Q. For homeowners? Okay.

A. It depends on the risk.

Q. And is there a category of policies under the

2100 designation?

A. Categories?

Q. Yeah.

A. Such as?

Q. So, in other words, when you designate a policy, does the HW-2100 have a specific meaning to you in any way?

A. Meaning to me?

Q. Um-hum.

A. It's a standard homeowners policy for Vermont.

Q. Okay. But are there -- okay. I'll step back from there.

So under this policy, we have -- we're going back to page 4, which has the Declarations on it.

A. Which exhibit?

Q. We're on page -- Exhibit 2. Do you see that -- do you see Exhibit 2 on page 4?

A. Yes.

Q. So she had 875 in Dwelling coverage; is that correct?

A. That's correct.

Q. Okay. And she had 87,500 for Other Structures; is that correct?

A. That is correct.

Q. Now, she had Personal Property of 656,250; is that correct?
A. That's correct.
Q. And how was that amount determined?
A. Which amount?
Q. The 656,250.
A. I believe it's a percentage of the Coverage A Dwelling amount.
Q. Okay. Well, how was the Coverage A Dwelling amount determined?
A. It's done at the agent's office and through underwriting.
Q. Okay.
A. Based on conversations with the policyholder at the time of application.
Q. Did you do an inspection of the house prior to issuing the policy?
A. No.
Q. Okay.
A. Not that I'm aware of.
Q. Then how is loss of use, the determination of that, calculated?
A. Again, I believe that's a component of the Coverage A Dwelling amount.
Q. Okay. Now, fungus is not involved in this

case, is it, correct, or mold?
A. No.
Q. Okay. And there's no issue here of arson?
A. No.
Q. Okay. Now, there's a designation there for Debris Removal; is that correct?
A. Correct.
Q. And how much is the Debris Removal?
A. As it states, an "additional 5 percent available."
Q. Okay.
A. Or "$1,000 per tree debris."
Q. Now, is that -- it says "additional 5 percent available"; what does that mean?
A. That means there's an additional 5 percent available for debris removal if the Coverage A amount on the dwelling is exhausted.
Q. Okay. And are there any additions placed on this policy, in terms of did she take out any options that increased the dwelling coverage?
A. Yes.
Q. Okay. And what was that?
A. Option ID Increased Dwelling.
Q. Okay. So does the Option ID Increased Dwelling also increase the amount of the -- that's

available for debris removal?

A. The Option ID Dwelling -- the Option ID Increased Dwelling is added to the policy limit first; and once those limits are exhausted, the additional 5 percent can be applied, if needed.

Q. Right. And an additional 5 percent is applied to the total now, including the Option ID coverage as well?

A. It's applied to the policy limit, and can also be applied to the Option ID amount --

Q. Okay.

A. -- if it's incurred.

Q. Gotcha. And she has Option ID Increased Dwelling up to $175,000?

A. She does.

Q. Okay. Now, she has also Trees, Shrubs and Landscaping; is that correct?

A. That is correct.

Q. And that, also, is subject to 5 percent of Coverage A; is that correct?

A. Correct.

Q. Okay. What does landscaping include?

A. What does landscaping include? Generally, regrading, grass, hardscapes, things of that nature.

Q. So sidewalks or other --

A. Sidewalks, no.
Q. No? What other hardscapes are included?
A. Could be figurines, things of that nature.
Q. Okay. Would it include -- it doesn't include walkways or anything else like that?
A. It depends on how the walkways are constructed, if they're attached to the dwelling, if they're out in the middle of the yard. It depends on the facts and the way they were installed on the home.
Q. Okay. And she also has Option JF; what's that?
A. Jewelry and Furs.
Q. Okay. And does that amount -- is that amount in addition to the property, personal property?
A. It's within the limit.
Q. "It's within the limit"; what do you mean?
A. It's within the limit of personal property. It's not in -- it's not in addition to.
Q. Okay. So if she had a -- just out of curiosity, if she had a diamond ring that was stolen and it was worth $5,000, she would only recover 2,500 total for that; is that your statement?
A. Jewelry and Furs is $1500 each per article.
Q. Okay. So the amount she could recover for

that ring is 1,500?

A. Yes.

Q. Even though she has 656,250 in personal property coverage?

A. There's a limit for those items, yes.

MR. SATTI: Can we just take a break? I would like the -- I want the link to be sent for the remote deposition to my associate who's in Connecticut.

(Momentary pause.)

MR. NUOVO: Go back on the record. She signed the answers to interrogatories; is that correct?

MR. SATTI: She didn't -- she prepared them with the assistance of our client.

MR. NUOVO: But she is the signatory on those answers to interrogatories?

MR. SATTI: She's a lawyer who's a matter -- who has a record appearance. Does not have a record appearance, because she's not admitted in Federal Court yet.

MR. NUOVO: She is sworn on the answers to interrogatories; there's no other signature on those interrogatories other than hers; is that a fair statement?

MR. SATTI: That's -- that's up to you.

MR. NUOVO: No, I'm asking you. Is that --

MR. SATTI: I'm not answering questions under oath.

MR. NUOVO: Well, you're asking that she be a participant.

MR. SATTI: Yes, I am.

MR. NUOVO: Right. And --

MR. SATTI: She's a lawyer.

MR. NUOVO: And she is also a witness.

Mr. SATTI: Are you denying her the link?

MR. NUOVO: Well, I need --

MR. SATTI: Hold on a second.

MR. NUOVO: -- I need you to answer the question first.

MR. SATTI: Well, I don't -- I'm not here to answer questions, and you know that.

MR. NUOVO: Well, then you --

MR. SATTI: You've been doing this long enough.

MR. NUOVO: No, you're here to answer questions about whether or not --

MR. SATTI: Hold on. We were told this was an in-person deposition. It's now obviously not in-person for some people, and I would like my associate, who's not-- who's in Connecticut under a blizzard watch, to be able to watch the deposition. That's it. Are you denying her the link?

MR. NUOVO: And my question to you is --

MR. SATTI: Are you denying her the link?

MR. NUOVO: You have to answer my question now, okay? Will you listen? She has signed the answers to interrogatories. She is a witness.

MR. SATTI: So what?

MR. NUOVO: So you have sequestered other people who --

MR. SATTI: I'm not sequestering anybody.

MR. NUOVO: You did ask that -- that --

MR. SATTI: Her husband is not a party to the action. He never has been. You tried that, and you lost. He's not a party to the action. I provided you an accommodation to let him sit in during your client's deposition as a professional courtesy.

MR. NUOVO: I understand.

MR. SATTI: This is not a courtesy I'm asking for.

MR. NUOVO: I understand.

MR. SATTI: She's a lawyer that is employed by my firm. She represents this party. She's entitled to the link. Are you denying her the link?

MR. NUOVO: And my question to you is: Have you --

MR. SATTI: Are you denying --

MR. NUOVO: -- have you made her a witness? And you have not answered.

MR. SATTI: No, I have not made her a witness.

MR. NUOVO: Has she signed the answers to interrogatories?

MR. SATTI: And you're out of time if she was a witness.

MR. NUOVO: No, I'm not. I --

MR. SATTI: It's very simple: Are you going to deny her the link; yes or no?

MR. NUOVO: No, my first question to you is: Have you designated her as a witness because you had her sign the answers --

MR. SATTI: We never designated my associate as a witness.

MR. NUOVO: -- to interrogatories? You

interrupted me, and that's making it difficult for her, so wait for me to finish before you interrupt; you understand?

MR. SATTI: Let me know when you're done.

MR. NUOVO: Okay. So my question to you is, if you had her sign the answers to interrogatories, have you made her a witness?

MR. SATTI: No.

MR. NUOVO: Okay. So you have not properly answered the answers to interrogatories, have you, because you have not had them signed by a designated --

MR. SATTI: She's not able to --

MR. NUOVO: -- you have not had them signed by a party to this case; is that true?

MR. SATTI: You asked me if I'm making her a witness, and the answer is she's an attorney representing a client, so she cannot be a witness and an attorney. You know that ethically that's not possible.

MR. NUOVO: That's your problem, because you didn't have her -- you had her sign the answers to interrogatories.

MR. SATTI: You have Mr. Radovic here --

MR. NUOVO: You need to wait for me to

finish so she can take down the thing. Stop interrupting, okay? So my question to you is, you only had her sign the answers to interrogatories, and that's a fair statement; is that correct?

MR. SATTI: I haven't looked at them, so I don't know who signed them. Well, while we're doing all this, are you denying her access to the link?

MR. NUOVO: I'm not going to deny her access to the link --

MR. SATTI: Okay. Why don't we get on with the --

MR. NUOVO: -- but I certainly -- will you stop interrupting, okay? I am not going to deny her access to the link, but I am going to raise the issue with the Court.

MR. SATTI: We'll take a break until -- since there's no question pending, we'll take a break until she has access to the link.

MR. NUOVO: No, I'll send her the link. If you can give me her email, I'll have my client -- I'll give it to my paralegal.

MR. SATTI: That's it right there.

(Brief pause.)

MR. NUOVO: And we will continue with the deposition.

A. BY THE WITNESS: Can you repeat the question on the Jewelry and Furs?

Q. Sure. My question to you was, on the Jewelry and Furs, was trying to determine whether it first came under -- if it was an additional amount under the policy or if it was a limit under the policy.

A. Unless it's theft, it's an additional amount on top of the policy limit for Coverage B.

Q. Unless it's theft; what do you mean? Explain that to me.

A. If it's a theft loss, it's not an additional amount under the Coverage B policy limit.

Q. Okay.

A. But because in this particular case it's a fire loss, it's the policy limit plus -- plus the aggregate limit shown on Jewelry and Furs.

Q. So, for example, if she had a fur, and it was worth $5,000, even if it was damaged in this fire, the maximum she could get is 1,500?

A. On top of the policy limit.

Q. Oh, on top. Okay, so it is an additional?

A. It's in addition.

Q. Okay, thank you. That's all I wanted to make sure.

A. I just wanted to clarify that.

Q. No, I appreciate that.

And then we have the Ordinance/Law, and that says 10 percent of -- for 87,500; is that correct?

A. Yes.

Q. Okay. Let's take a look now at the policy, and that's Exhibit No. 1. So how is this policy structured? Why don't you just describe for me how it's laid out and how homeowners are supposed to understand it. In other words, how is it set up?

A. I'm --

Q. You don't --

A. It's a pretty open-ended question. What specifically are you asking?

Q. Well, you can see -- that's fine.

A. I mean, there's a Table of Contents --

Q. Yup?

A. -- that outlines how the policy is structured.

Q. Okay. So the first part of the policy is Definitions or the Agreement?

A. Agreement and Definitions.

Q. Okay. And then it talks about Deductibles?

A. Correct.

Q. And then it talks about Section I, and it has indications for different sections?

A. Um-hum.

Q. And then it has Loss Settlement -- Property Coverages, and then it says Section I - Losses Insured. Then it has Section I - Losses Not Insured and then Section I - Loss Settlement. So I want to go through each one of those as to what each of these sections is trying to detail out.

A. Sure.

Q. Okay? So under the first Section I - Property Coverages, what is that section supposed to be doing?

A. Page 5. Just to make sure we're on the same page.

Q. Sure.

A. Okay. So it outlines the property coverages for, in this case, Coverage A - Dwelling, and then it continues on to Personal Property Coverage B.

Q. Okay.

A. It talks about Coverage A. It talks about the Dwelling. It talks about Other Structures. And then it discusses Property that's Not Covered.

Q. Okay. And then in the liability section Property Not Covered, is there anything in this case that comes under any of the Property Not Covered?

A. You said the "liability section," we're not in the liability section.
Q. Sorry, I'm saying -- we're under the Property Coverages, Property Not Covered.
A. Property Not covered, okay.
Q. Yup.
A. What's your question?
Q. So my question is: From this section --
A. Um-hum.
Q. -- Property Not Covered, is there anything listed here for which Ms. Stimson has made a claim which is not covered?
A. I could read what the policy language says.
Q. Yeah. And I'm asking you --
A. Okay.
Q. -- based on your experience --
A. Well, it says, "We do not cover: land, including the land necessary to support any Coverage A property. We also do not cover: any costs required to replace, rebuild, stabilize, or otherwise restore the land; or, the costs of repair techniques designed to compensate for or prevent land instability to any property, whether or not insured under Coverage A."
Q. So my question to you is: Is there any claim that Ms. Stimson has been making that you believe is

not covered under this policy under the Property Coverages section under number 2 on page 6?

A. Can you clarify for me what you're stating Ms. Stimson is claiming?

Q. Well, you're the claims adjuster, right?

A. Yes.

Q. So you know what claims she's been making, I assume, right?

MR. SATTI: Objection to the form. You can answer it.

Q. Do you -- you understand --

A. I understand the estimate that she has submitted and the documentation she has submitted as part of the claim.

Q. Okay. So my question to you is: Is there any claims that you're aware of in your handling of this file that she's made that are not covered, property not covered under this section?

A. Her public adjuster provided us an estimate and submitted a claim; and under that section -- under their -- the documentation he supplied on her behalf, there was no indication of there being a need to stabilize or repair or replace land.

Q. Okay.

A. That I'm aware of.

Q. All right. Now, this section also says that, under (n) on page 7, under that same section, it says, Outdoor landscaping -- "Outdoor hardscape property used for aesthetic purposes except as provided in Section I - Additional Coverages, Trees, Shrubs and Landscaping"?
A. I'm sorry, you're on page 7 now?
Q. Yup.
A. Page 7 doesn't refer --
Q. Sure.
A. -- to --
Q. 2(n) under the policy.
A. Where specifically are you?
Q. So --
A. What page in the policy?
Q. Sure. Go to page 6.
A. Page 6 talks about Special Limits of Liability, correct?
Q. Right. Page 6 --
A. Um-hum.
Q. -- is -- under Section I - Property Coverages, correct?
A. Page 6 is on the Special Limits of Liability.
Q. Yes. But it's all under Section I - Property Coverages; do you see that?

A. Page 6 is under Coverage B - Personal Property, Property Covered.

Q. All right. Let's start again. On page 5?

A. Correct.

Q. Section I --

A. Correct.

Q. -- is Property Coverages?

A. And -- and Personal Property.

Q. Yeah, the Section I is entitled Property Coverages?

A. Correct.

Q. Okay, perfect. Then we have, under that, Coverage A and Coverage B?

A. Correct.

Q. Okay. Under Coverage A, it deals with the Dwelling; is that correct?

A. Yes.

Q. And it talks about there, on that page, it talks about Property Not Covered; do you see that, number 3?

A. Yes.

Q. Okay. And there, it says that it does -- 3(b) says that it does not cover "trees, shrubs, live or artificial plants, lawns, artificial grass, except as provided in"?

A. "Section I - Additional Coverages."
Q. Right. And she provides -- she has additional coverage; is that correct?
MR. SATTI: Object to the form. You may answer it.
A. I'm --
Q. Do you understand that?
A. She -- this is all part of the standard policy.
Q. I understand.
A. So it's all part of her coverages.
Q. I understand. But it says not covered unless she has Additional Coverages, under Trees, Shrubs and Landscaping?
A. It says, We do not -- it says, "We also do not cover: trees, shrubs, live or artificial plants, lawns or artificial grass, except as provided in Section I - Additional Coverages, Trees, Shrubs and Landscaping."
Q. Thank you. And she has additional coverage?
A. It's a standard policy, yes.
Q. Okay. All right, that is my question. So then under Coverage B, we have Personal Property; we have Property Covered?
A. Um-hum.

Q. And then on page 6, (2) you have a section that says Property Not Covered?
A. Correct.
Q. And then that continues to (n) on page 7?
A. Yes.
Q. And it says, "Outdoor hardscape property used for aesthetic purposes except as provided in"?
A. "Section I - Additional Coverages."
Q. Okay.
(Attorney Elizabeth Hillmon now also present remotely for the deposition.)
Q. Okay. So, and again, she has Additional Coverages, Trees, Shrubs and Landscaping?
A. As outlined in the policy.
Q. Okay. So there are two -- the Additional Coverages, Trees, Shrubs and Landscaping covers things, property not covered in Coverage A, and it covers things in Coverage B; is that correct?
A. Correct.
Q. Thank you. Okay. Now, Coverage C is Loss of Use?
A. Yes.
Q. Okay. What is Loss of Use?
A. "The reasonable and necessary" expenses incurred -- "cost incurred by an insured to maintain

their normal standard of living for up to 24 months. Our payment is limited to incurred costs for the shortest of: the time required to repair or replace the premises; the time required for your household to settle elsewhere; or, 24 months."

Q. Okay. So, my -- did you do -- she rented a piece of property for about $7,000 a month?

A. She rented two pieces of property, so yes. I'm not sure which one was which, yeah.

Q. Okay. The one she was living in after January, the one she lived in most, was January of 2023, that was about $7,000 a month?

A. Okay.

Q. I'm asking you; do you know that?

A. I don't have it memorialized, but it sounds about right.

Q. Okay. Did you ever do a market analysis of whether that was a fair and reasonable rent?

A. Yes.

Q. Okay. And was it?

A. Yes.

Q. Okay. So her request for a place at $7,000 is actually lower than your estimate for what it might cost for her to rent property in this area?

A. It was reasonable.

Q. Okay. So she was not unreasonable then in asking for something that cost that much to rent?

A. Correct.

Q. Okay. Now, on page 8, we're still under Section I - Property Coverages; is that correct?

A. Correct.

Q. Okay. Now, I see that we have Coverage A; we have Coverage B; we have coverage C?

A. Um-hum.

Q. And now we have another one, Section I, which says Additional Coverages?

A. Correct.

Q. Okay. So are these Additional Coverages covered under A, B or C?

A. Well, it could be A or B.

Q. Where does it say that the limits of A or B limit the coverages in Section I - Additional Coverages?

A. Where does it say -- you'd have to go into each specific area that you are -- under Additional Coverages, you have to go to each separate area, 1 through 15, in order to answer that question.

Q. So is it your statement that the sections 1 through 15 under the Section I - Additional Coverages comes under the sections either A, B or C?

A. Yes.
Q. Where does it say that?
A. Well, again, you'd have to look at what area under the Additional Coverages you're specifically inquiring about.
Q. Okay. Let's take a look at Debris Removal.
A. Um-hum.
Q. Okay? And that is number 1 there.
A. Um-hum. Yes, sorry.
Q. That's okay. You're doing good so far. So it says that they'll pay -- "We will pay the reasonable expenses you incur in the removal of debris of covered property damaged by a loss insured"?
A. Yes.
Q. "This expense is included in the limit applied to the damaged property. The following coverages and limits also apply."
A. Right.
Q. Okay. So she has -- so your statement is that debris removal comes under Coverage A?
A. Or B.
Q. Or B, okay. And how is it determined whether or not the debris removal is coming under Coverage A or B?
A. If it's Coverage A, it has to be part of the

dwelling or dwelling extension.
Q. Yup.
A. Coverage B, it has to be personal property.
Q. Okay. So if personal property is removed from the premises, that would come under Coverage B, Debris Removal?
A. Yes.
Q. And how do you determine that when you're clearing out something like -- how did you determine that, in Ms. Stimson's case, how much of the debris removal was related to Coverage A and how much of the debris removal was covered under Coverage B?
A. I believe there was a vendor involved that took care of removing a lot of contents out of that property to either restore, repair, or dispose of.
Q. And my -- I guess my question to you is: Did you designate how much of this was supposed to come under Coverage A and how many of that cost was supposed to come under Coverage B?
A. Well, the building portion all came under Coverage A. That's all --
Q. Granted.
A. Either the mitigation company that did the demolition or the asbestos removal that was done all falls under Coverage A.

Q. Okay. And I guess my question to you is: How did you determine, if you only got one bill -- did you only get one bill, or did you get multiple bills for debris removal?

A. I don't recall.

Q. Okay. So how did you determine how much of the debris removal was supposed to go under Coverage A and how much of the debris removal was supposed to come under Coverage B?

A. The Coverage A is pretty clearly outlined as to what that debris removal is for.

Q. Yes. It's for removal of things in the dwelling, but you also told me that for --

A. I didn't say that.

Q. Okay. Then what is it?

A. What's your question?

Q. Well, my question is: She has debris removal; and if I remember correctly, your answer was that it is both under Coverage A and Coverage B?

A. It could be.

Q. It could be, right. So my question to you is: How -- there was debris removal in this case?

A. Um-hum.

Q. Is that a yes?

A. Yes.

Q. Okay. And the debris removal would have to be categorized as either coming under Coverage A --
A. Right.
Q. -- or Coverage B?
A. Right.
Q. So my question to you here is: Did you designate any of the debris removal under Coverage A or Coverage B?
A. The debris removal designated under Coverage A was written based on the Xactimate software.
(Reporter clarification.)
THE WITNESS: Xactimate, X-a-c-t-i-m-a-t-e.
Q. And what is Xactimate?
A. It's an estimating software that's used industry-wide.
Q. Okay. And do you know how the software works? Do you know how the software works?
A. I'm not quite sure what you mean.
Q. Well, do you know what the underlying principles are, how it comes up with its numbers or anything else like that?
A. It takes into account the market rates for labor and materials in a given area based on zip code, and that's what you -- is used to formulate an

estimate.

Q. And have you ever checked, or do you know how -- where those numbers come from for creating the Excamate {phonetic} --

A. Xactimate.

Q. -- Xactimate?

A. Xactimate.

Q. Okay. From them?

A. I have no oversight over Xactimate.

Q. So you don't know -- I mean, other than the fact that you rely upon it, you have no personal opinion whether those numbers are accurate or not?

MR. SATTI: Objection to the form.

A. Personal?

Q. Yes.

A. I don't have a personal opinion on that.

Q. Okay. And you're not able to say, as we sit here today, whether or not the numbers that come out of Xactimate --

A. Xactimate, X-a-c-t-i-m-a-t-e.

Q. Yup. -- are accurate for the area where Ms. Stimson lives or not?

MR. SATTI: Objection to the form. You may answer it. You may answer it.

A. Again, repeat that question?

Q. Sure.

MR. NUOVO: Could you read it back for me?

(The reporter read back.)

A. I can't speak for Xactimate.

Q. Okay. So, and that -- and that's a fine answer. I just want to know whether or not you have expertise in that area of how those numbers are put into Xactimate or not?

A. How they're put in, no.

Q. Okay. Now, so do you know whether or not any of the debris removal costs were assigned to Coverage B?

A. There were estimates submitted on behalf of Mrs. Stimson -- Ms. Stimson, and those figures were used to evaluate the debris removal for Coverage B.

Q. Okay.

A. Xactimate was used to determine, at least in part, the cost of the debris removal for the building portion.

Q. Okay. Did you deny any of the costs that they had for the debris removal?

A. For Coverage A or Coverage B?

Q. Either.

A. I don't recall.

Q. Okay.
A. All of that was appraised under Coverage A.
Q. Okay. So I guess my question is: All debris removal, as far as you -- and I'm just trying to --
A. Um-hum.
Q. -- nail this down, because your answer right now is not clear to me. Was all the debris removal coverage under Coverage A; was there anything charged under Coverage B?
A. For debris removal?
Q. Yeah.
A. I -- if I recall correctly, there was some. I don't recall the specifics.
Q. Okay. But as you sit here today, you're not 100 percent sure?
A. No.
Q. Okay. Is there some document you could look at that would give you the answer to that?
A. Probably.
Q. What?
A. I'd have to look through the claim file and what was submitted on behalf of Mrs. Stimson.
Q. But as you sit here today, you aren't prepared to answer that question?
MR. SATTI: Objection to the form.

A. No.

Q. Thank you. Do you know whether any of the debris removal came under the Trees, Shrubs and Landscaping section?

A. She did not have any damage to trees, shrubs or landscaping, because it was an internal building fire.

Q. Okay. And did she have any damage to outdoor hardscape property?

A. No claim was ever made on her behalf from her public adjuster with regards to any damages outside the building footprint.

Q. Now, going to page 11, and just to be clear, we're still under the Section I - Property -- make sure I get the word right -- Property Coverages; is that correct?

A. We're under Section I - Additional Coverages.

Q. Yup. But on page 11, we're still under --

A. Section I - Property Coverages, correct.

Q. Thank you. Okay. And there's an Inflation Coverage, but that's really not applicable here, because the fire occurred right after the policy was issued; is that a fair statement?

A. That is most likely accurate, yeah.

Q. All right. Now, we go to page 12. What is -- what is that section?

A. It's the Section I - Losses Insured section.

Q. How is that different than the -- just from your understanding as an insurance adjuster, how is that different from Section I - Property -- I want to get the words right -- Property Coverages?

A. Section I - Losses Insured language provides detail on what losses are covered.

Q. So then there's Coverage A here, Dwelling; is that correct?

A. Correct.

Q. Okay. And is there any claim here, have you ever made an assertion that Coverage A does not apply to this situation?

A. No.

Q. Okay. So no dispute that Coverage A and Coverage B apply to the loss that she suffered?

A. Correct.

Q. So then we go to page 14 -- yes, that's right -- and we have Section I - Losses Not Insured?

A. Correct.

Q. Okay. So what is this section doing now?

A. This section explains the causes of loss or the types of loss that are not covered under the policy.

Q. Okay. So are there any claims that you're aware that Ms. Stimson has made that are subject to any of the provisions in this section?

A. Yes.

Q. Okay. Go ahead.

A. Ms. Stimson had issues with the foundation bowing on an exterior wall to the right -- to one side of the structure from wear and tear and deterioration that was unrelated to the fire.

Q. So you're saying (g)?

A. Yeah, I believe these were all outlined in a partial denial letter to Ms. Stimson and also probably -- I believe reference also (k).

Q. Um-hum. Now, let me ask you this: If damage to a porch or wall was caused by water from putting out the fire and the fire, would that be covered?

A. If a wall from -- damage from water?

Q. From putting out the fire.

A. If it could be -- well, I guess it depends if it can be confirmed that water caused additional damage.

Q. Were you aware that Ms. Stimson had -- and now we're talking about the front porch which is where

this bowing denial comes from; is that correct?
A. No, that's not correct.
Q. Which porch is it?
A. It's looking at the front porch, that left side elevation.
Q. So let's do this, let's think about the house as you're coming up to it, up the driveway.
A. The porch in front of you.
Q. Okay. So that's the porch we're talking about, just to be clear?
A. That's the one you're talking about?
Q. Right.
A. Okay.
Q. I want to make sure we're talking about the same porch.
A. Um-hum.
Q. Are you aware or did you ever ask that she had that porch completely redone a year before the fire?
A. The -- no, because the porch was never an area that was affected by the fire. It was never brought up by her representative. It was never in his repair estimate. And there was no reason to believe that that area had anything to do with the fire.
Q. Okay. You saw the builder's estimations that

she had to fix that part of the porch?

A. I -- I saw the builders working on the porch. As to whether or not she had to have that work done is not something I can answer.

Q. So did you do any inquiry as to whether or not that work was necessary?

A. I believe we asked the public adjuster about the porch.

Q. And did you -- but it was in the estimate from her builder; is that correct?

A. Can you show me?

Q. I'm just asking you.

A. I did not see it in that estimate.

Q. Okay.

A. Or it was not easy to ascertain what part of that estimate was associated to the porch in the manner it was written.

Q. So how did you determine to deny -- are you denying coverage for that bowing portion?

MR. SATTI: Objection to the form. You can answer.

A. The porch wasn't bowing. The side elevation was bowing.

Q. What do you mean by that?

A. The left side of that -- facing the porch, to the left, that left elevation of the house is the house that had the bowing wall.

Q. And is that in the foundation or the wall itself?

A. The wall itself.

Q. Okay. So --

A. And potentially the foundation.

Q. So if the foundation was damaged in the fire or needed to be fixed in order to fix the house, would that be covered?

A. If it's damage from the fire, yes.

Q. And if it needed to be fixed in order to fix the house, would that be covered?

A. If it's damage from the fire, yes.

Q. Well, okay, listen to my question carefully.

A. Um-hum.

Q. Okay? If the house above cannot be fixed without fixing the foundation, is the repair to the foundation necessary?

MR. SATTI: Objection to the form. You can answer it.

A. It's speculative.

Q. Okay. If I have siding on my house, and only a small portion of that siding is damaged in the fire, and I can't find an exact match, is the insurance company required to replace all the siding on the house or only that portion with something that doesn't match?

MR. SATTI: Objection to the form. You can answer it if you can. You can answer it if you can.

A. I mean, are we doing 'what if' scenarios?

Q. Absolutely.

A. Okay.

Q. I'm asking you what the policy covers.

A. The policy covers a reasonably uniform appearance. So it may potentially recover the replacement of that elevation or the whole house.

Q. And if you have to fix the foundation in order to repair portions of the house after a fire, aren't you similarly required to fix the foundation so the house can be then fixed?

A. Potentially.

Q. Okay. And did you ever make any inquiry in this case whether or not those portions of the foundation had to be fixed in order to finalize the construction of the house?

A. We hired an engineer to do an evaluation on that structure.

Q. Okay.

A. And utilized that engineer's expert opinion as to what the proper scope of repair was to that dwelling.

Q. Okay. And what did that engineer say?

A. I believe you have a copy of that report.

Q. Okay. Well, what did he say?

A. He gave us an outline of how to support the upper structure to do the repairs necessary to put that house to pre-loss condition.

Q. Okay. Now, what kind of policy is this; is this a -- how do you determine how much to pay for repairs in this case?

A. We wrote a building estimate based on Xactimate and utilized the engineer's expert opinion on the proper scope needed to restore the structural integrity of that home, and we put back all the finishes that had to be removed in order to address the damages caused by the fire.

Q. Okay. So that is in the form of a denial then; is that correct?

A. What is?

Q. The section on bowing, you essentially denied her request to have that fixed?

A. It's unrelated to the fire, yes.

Q. Okay. So, and just to be clear, that was a denial?

A. A partial denial for that.

Q. Okay. Was there anything else that was specifically denied?

A. I think she had some car parts that were specifically excluded. The front porch, which was unrelated to the fire. And there might have been one -- oh, I believe we also denied her voiding her lease agreement from the initial stay, but I'd have to -- you'd have to be more specific in what denials you're looking for.

Q. Well, you're the claims adjuster on this case, a senior supervising claims adjuster, so I'm trying to find out --

A. I'm not the adjuster. I'm the manager of the claim.

Q. Right. But you reviewed all the issues that were denied in this case?

A. Yes, I did.

Q. Okay. So that's why I'm asking you to tell me what was denied.

A. Um-hum.

Q. Do you understand that?

A. I do.

Q. Okay. So why were the tire parts -- car parts denied?

A. They're specifically excluded.
Q. Okay. And where is that specifically excluded?
A. I believe it's in the denial letter, that we included that denial. It also references the proper policy language, but if you give me a minute --
Q. Sure.
A. -- we can probably go through this.
You will find that under page 6, Coverage B - Personal Property, Property Not Covered, number (2).
Q. Um-hum.
A. Number (2)(c) and -- actually (2) -- (2)(d): "any electronic equipment, devices or accessories" -- one second --
(Reporter clarification.)
A. Yeah, I'm sorry, number (2), Property Not Covered, (c), "We do not cover: any engine-propelled or motor-propelled vehicle or machine, including parts, designed for movement on land, except as provided in Special Limits of Liability, item k."
Q. Okay. So what page is --
A. Special Limits --
Q. -- Special Limits, item k; what page is that on?
A. Special Limits? Special Limits on item K is

on the same page. It's the section above that, under Special Limits of Liability. (k) talks about "$1,000 on commercially manufactured two, three, or four wheeled personal conveyances powered only by or assisted by an unmodified motor or engine with a manufacturer's power rating of no more than 1 horsepower and capable of a top speed of no more than 20 miles per hour. This does not include such conveyances that are: Number (1), designed for assisting persons with disabilities; (2), not designed for travel on public roads; and (3), not subject to motor vehicle registration."

Q. Okay. Now, would that mean that the tires in question would be subject to the auto policy?

A. Could be, yeah.

Q. Did you issue Ms. Stimson an auto policy?

A. Did I?

Q. Yeah. Or did State Farm?

A. I don't -- I'm not aware.

Q. So let's go to page 18 of the policy. What is Section I - Loss Settlement?

A. It kind of outlines how the loss settlement is issued on the claim.

Q. Okay.

A. Or on the policy, should I say.

Q. And are there different provisions under the policy for what is covered and what is not?
A. What's covered and what is not is under the Section I - Losses Insured, Losses Not Insured.
Q. And I see that there's Coverage A - Dwelling A1, and then there's a coverage Dwelling A2?
A. Um-hum.
Q. What's the difference between those two?
A. I think the policy kind of outlines that. Ms. Stimson's policy I believe -- let me just double-check here -- I just want to make sure I see it on here. She's got an A1 - Replacement Cost policy.
Q. Okay. And what's the difference between an A1 and an A2?
A. As it states, there are some differences with regards to the settlement on the construction side of -- on the building side of the policy.
Q. Well, what are those differences?
A. Well, A2 is, "We will pay the cost to repair or replace with common construction and for the same use on the premises shown."
Q. Okay. And then what does A1 cover?
A. Essentially full replacement cost.
Q. Okay. And doesn't it actually say, "When the repair or replacement is actually completed, we will

pay the covered additional amount you actually and necessarily spend to repair or replace the damages"; is that the language?

A. Yes.

Q. Does it say anywhere in there that you're going to use a computer software program to determine that amount?

A. No.

Q. Okay. And did you ever get a builder in the area to come out and give you an estimate as to what it would actually cost to do the work that she wanted to have done or to look at the Blanc & Bailey estimates?

MR. SATTI: Objection to the form. You may answer it.

A. Did we ever hire it? I don't -- it doesn't say here that we --

Q. Well, I understand.

A. -- are obligated to, no.

Q. No, you did not?

A. No.

Q. So the only estimate you had done was done by someone who put the information into a computer program?

A. And her public adjuster's estimate.

Q. What?

A. And her public adjuster's estimate.
Q. I'm asking you whether or not you did.
MR. SATTI: He answered the question.
MR. NUOVO: No, not completely.
Q. Your estimate came from -- did you ever talk to Blanc & Bailey?
A. Yes, we did.
Q. When?
A. I'd have to look at the actual dates, but my adjuster had a conversation with the contractor in trying to come to a resolution on the differences that we had in our estimates.
Q. Okay. Is there any documentation of that in the file?
A. I believe there's a file note in there from Gary reaching out.
Q. What date would that file note be?
A. I don't have it memorialized.
Q. All right. I'm not aware of it, and it's 10,000 pages, so I'm not going to say that I didn't miss it.
A. Yeah, that's fine.
Q. But I did not see any documentation.
A. I know -- I know we had communication with the contractor.

Q. You'd agree with me that everything that's done on the case has to be documented in the file?
A. Yes.
Q. Okay. And if it's not in the file, and it's not documented there, then it didn't happen?
MR. SATTI: Objection to the form. What's the question?
MR. NUOVO: I'm asking that. That is the question.
MR. SATTI: About what?
MR. NUOVO: Excuse me --
MR. SATTI: You have to be particular.
MR. NUOVO: -- you can -- all you can do is say "objection to the form."
MR. SATTI: And I did.
MR. NUOVO: Okay, and that's it.
Q. BY MR. NUOVO: Okay. You agree with me that if it's not in the file, it didn't happen?
A. I wouldn't necessarily agree to that.
Q. Okay. But it's supposed to be? Any conversation with the builder should have been in the file?
A. It should be documented.
Q. Okay.
A. In one format or another.

Q. Okay. And do you know whether or not a conversation with the builder in this case was documented?
A. It is my recollection that it was.
Q. Okay. And what is your recollection about that interaction with the builder?
A. I did not interact with the builder. My adjuster interacted with the builder.
Q. Okay. So did you review what his interaction was with the builder?
A. Gary reached out to our contractor to try to understand where our differences were in our estimate and theirs, which is something we commonly do on the majority of our claims.
Q. Did you share a copy of your estimate with Blanc & Bailey?
A. I don't recall, but as part of the reconciliation process, we exchange numbers and ideas and concepts of what we're trying to communicate about in order to reconcile the differences in the estimates.
Q. So it's your statement here, under oath, that there are documented in the file communications between your office and Blanc & Bailey?
A. That's my recollection.

Q. Okay. And if they weren't in the file, would you agree with me that you may be mistaken?
A. Perhaps.
Q. Okay. Because such a conversation would be pretty important and important to document?
A. Um-hum.
Q. Is that a yes?
A. Yes.
Q. Okay. Now, what is your understanding of what "you actually and necessarily spend to repair" means?
A. Based on the settlement amount, what you actually and necessarily spend to replace.
Q. Okay. And if Blanc & Bailey says all the items in his estimate were actual and necessary, would you have a reason to disagree with him?
A. I would.
Q. Okay. And do you know whether or not any expert has stated that?
MR. SATTI: Objection to the form. You may answer it.
A. Expert, no.
Q. Okay.
A. Actually, I would say yeah.
Q. Who?

A. It went to appraisal, and the appraisal made a decision on -- on what was reasonable and necessary.

Q. Who did you pick for the appraiser?

A. A firm.

Q. Okay. And do you know that the appraiser's name was Patrick Young?

A. Yes.

Q. And is Patrick Young licensed in any profession in Vermont?

A. I believe so.

Q. Okay. I'll double-check, but I did check this morning, and I did not see that he is licensed in Vermont under any designation.

MR. SATTI: So he's here to testify. You can ask him the next question.

MR. NUOVO: Okay.

Q. Okay. So you don't know one way or another?

A. No.

Q. Okay. Do you know whether it's a requirement that the appraiser that you select be licensed in Vermont?

A. I'm not sure.

Q. Okay. Do you know whether or not it's important for that appraiser to know what the costs are for doing work in Vermont?

A. Of course.

Q. Okay. Do you know whether or not your appraiser had any construction experience?

A. No.

Q. Okay. Do you know whether or not he has any education in doing code?

A. No.

Q. Do you know whether or not he made the estimate repair or whether or not you sent him a copy of your estimation from Mr. Young and -- which you edited for him to use as part of the appraisal process?

MR. SATTI: Who are we talking about? The question's unclear.

MR. NUOVO: Okay. I'll rephrase it.

Q. You know that Mr. Orr did an original evaluation?

A. He did the preliminary estimate, yes.

Q. Yes. And then you -- you and/or your office, State Farm, then went through that and made adjustments?

A. Correct.

Q. Okay. And are you aware that that adjusted policy -- provision was given to Mr. Orr? Sorry, Mr. Young?

A. No, that -- the estimate that was given as part of the appraisal process was State Farm's estimate.

Q. Okay. So the one that Mr. Young -- Mr. Orr started but was then changed through the process that State Farm has, that was the estimate that was given to him?

A. Correct.

Q. Okay. And the person who made those changes was either you or Mr. Pelletier?

A. Mr. Pelletier.

Q. Okay. You didn't make any of those changes or adjustments?

A. No.

Q. Did you review them?

A. Of course.

Q. Okay. And you approved them?

A. Yes.

Q. Okay. What construction experience does Mr. Pelletier have?

A. Just an adjuster handling these type of claims for over twenty years.

Q. Okay. And do you know whether or not the computer software that you use is able to -- let me withdraw that question.

MR. SATTI: Can we take a bathroom break?
MR. NUOVO: Sure.
(Off the record at 11:20 a.m.)
(The record was resumed at 11:27 a.m.)
Q. BY MR. NUOVO: So we're back on the record, and we're still looking at Exhibit No. 1. Okay, and we're on page 18.
A. Um-hum.
Q. Is that -- okay. So the second paragraph number (2) under Coverage A - Dwelling, A2, that's not applicable to this policy; is that correct?
A. That is correct.
Q. Okay. So under section B, Coverage B - Personal Property, on page 19 --
A. Um-hum.
Q. -- there's a B1 and a B2; is that correct?
A. That's correct.
Q. And which provision applies to Ms. Stimson's policy?
A. I believe it's B2. No, she's got B1.
Q. Okay. What's the difference between B1 and B2?
A. She's entitled to replacement cost benefits. B2 is a Depreciated Loss Settlement.
Q. Okay. So you were not sure when I asked you

which it was, B1 or B2, and you had to double-check the policy. It makes a big difference in evaluating the claim whether it's under B1 or B2, doesn't it?

A. It does.

Q. Okay. So under B1, you're going to pay the cost to repair or replace property; is that correct?

A. Yes. "Until repair or replacement is completed, we will pay the actual cash value."

Q. Gotcha. But there's an exception, though, for antiques; isn't that correct?

A. Yes.

Q. And under the B1 policy, (1)(b), it says, "We will pay market value at the time of loss for: antiques," and then there's a -- three categories there listing of what it is?

A. Yes.

Q. Okay. So under those items there listed in -- under (b), she would get the full replacement cost regardless of whether or not she replaced it or not?

A. For what?

Q. For any items that comes under that section (b).

A. Provided, yes, that they are truly antiques, fine arts, and -- and paintings and statuary and similar articles.

Q. Well, the wording there is very important, isn't it, under section (b), of what they will pay the market value for at the time of loss?

A. Right.

Q. Okay. It talks about "antiques, fine arts, paintings, statuary, and similar articles which by their inherent nature cannot be replaced by new articles"; is that correct?

A. Correct.

Q. So if there was a rug which was an antique or one of a kind, that would be something that would come under this section of antiques; is that correct?

A. Yes. Yes.

Q. Okay. And then, similarly, "articles whose age or history contribute substantially to their value including, but not limited to, memorabilia, souvenirs, and collectors items," etc., that also would be paid at the replacement cost value without going to A, B, C?

A. Market value, yes.

Q. Yes. And so, for example, a signed book would come under that category?

A. Correct.

Q. Okay. Or an antique book?

A. Correct.

Q. Okay. And then other items, such as "property not useful for its intended purpose"; is that correct?

A. Yes.

Q. Okay. Now, under Coverage A, you understood that Ms. Stimson had the old-style radiators?

A. Okay, yeah.

Q. Were you aware of that?

A. I don't recall the house specifically, no.

Q. Okay. Well, she ended up having -- putting in a different heating system because the cost of replacing the radiators was going to be much higher than -- than downgrading to a forced hot air system, which she has now. Are you aware of that?

A. We paid for what she had.

Q. I understand. Well, didn't you dispute the new furnace that she had installed?

A. Dispute it?

Q. Yeah.

A. I don't recall disputing it.

Q. Okay. So you agree that that's something that should have been fully covered, was the new heating system?

A. I don't agree to that. Why would it need to be?

Q. Replaced? Well, the whole heating system in the house had to be replaced; you understand --
A. Right. We paid to repair or replace what was damaged, yeah.
Q. Okay. And things like cabinets, if there's one cabinet that's destroyed in the kitchen and you can't get an exact match of that cabinet, would you agree with me that then all the cabinets have to be replaced so they're matching in the kitchen?
A. Not necessarily. We can have them custom -- custom fabricated to match sometimes.
Q. Sometimes. But if you can't, then you have to go with replacing all the cabinets so that they match?
A. Generally.
Q. Okay. And they're supposed to be at the same quality of the cabinets that are already there?
A. Yeah.
Q. Okay. Especially in this case, since she has the A1 policy?
A. We would write it the same either way.
Q. Well, common --
A. They're evaluated the same.
Q. Okay.
A. What's paid is based on what the policy

allows for.

Q. Right. So we don't need to look at what B2 says, because that's not applicable to her policy?

A. Correct.

Q. Okay. Now, then we go to page 20, and this is the Section I - Conditions?

A. Um-hum.

Q. Is that a "yes"?

A. Yes.

Q. Sorry. Just --

A. Sorry.

Q. -- just for the record.

A. Um-hum. Yes.

Q. While you were on break, did you have any discussions about this deposition with Attorney Satti?

A. No.

Q. Okay. Now, Section I - Conditions, what does that section cover, and what does it deal with?

A. It basically outlines obligations on both parties.

Q. Okay. What do you see as your obligations under the Section I - Conditions?

A. My obligation?

Q. Obligation of state farm.

A. Obligation of State Farm. That's a pretty

general question. What specifically are you --
Q. Well, after there's a loss, what do you -- what are State Farm's immediate duties in dealing with the loss?
A. That's not what is outlined here.
Q. Okay. So what is outlined here? That's what I'm trying to find out, what you --
A. The policyholder's obligations and duties.
Q. Okay. So Section I - Conditions only deals with what her duties are under the loss?
A. Not necessarily.
Q. Okay. What else --
A. Appraisal language talks -- speaks to both.
Q. Okay. So it does have duties that you're required to take care of as well?
A. Correct.
Q. Okay. Now, are there any duties in here that you feel that Ms. Stimson did not abide by?
A. No.
Q. Okay. What assistance did you give her or explain to her that she could have from you in determining what her property loss, personal -- sorry, let me make sure I make this clear -- what her personal property losses and making claim for that?
A. I'm not clear what your question is.

Q. Okay. Sure. So under this -- under Section I - Conditions, (2) it says Your Duties After Loss, and one of the things that it says there is: "prepare an inventory of damaged or stolen personal property"?
A. Um-hum.
Q. Okay. That is a "yes"? Sorry.
A. Yes. Yup.
Q. And what assistance or instruction did you give her in helping to -- for her to prepare that damage or inventory?
A. All those conversations were directed towards her public adjuster representing her.
Q. Sure. But what steps did you personally take -- or not you, but what steps did State Farm take to go in and inventory her property or damage? Did they?
A. Her public adjuster did that.
Q. All right. I understand.
A. Which is very common.
Q. Yup. And my question is: Did State Farm take any action? Did you go through and look at all the -- and do an inventory as well?
A. No, because her public adjuster took on that role, and we were working directly with them.
Q. I understand that. And so I guess the answer

to my question then is no, no one from State Farm went and did an actual inventory in the house as well?

A. No. They had a vendor that was in -- brought in to remove a lot of those contents and inventory a lot of items and her public adjuster. We didn't see a -- a need to do that.

Q. Perfect, okay. And so you took the information and statements directly from Ms. Stimson's public adjuster that he provided, and I believe he gave you an Excel or more than one Excel spreadsheet as to those property damages?

A. Yes.

Q. Okay. And what did you do with that Excel spreadsheet?

A. We have a team that processes it, puts it into a software where we can process that for the policyholder.

Q. And the name of that software?

A. XactContents.

Q. Okay. And do you have any idea how XactContents creates its values and lists?

A. Well, the value is based on the value provided by the policyholder and submitted as part of their inventory.

Q. And -- go ahead.

A. And we apply the age of the items that's based on what the policyholder provides as well.

Q. And how is it determined like actual cash value?

A. There is a -- there's a depreciation schedule that Xactimate has.

Q. Okay. And is there anywhere in the policy that it indicates how that depreciation schedule is applied?

A. In Xactimate? No.

Q. No. In the policy, how you're going to apply the depreciation schedule?

A. No.

Q. Okay. And so a light bulb, for example, is there a depreciation value on a light bulb?

A. There is.

Q. Okay. If a light bulb was destroyed, how can it be -- that there would be a depreciation value on it?

A. Well, everything has a life expectancy, and that's what it's based on.

Q. But I can't go out and buy a used light bulb; there's no market for a used light bulb?

A. Correct.

Q. So is it appropriate in making your

evaluation of a light bulb to be valued at a depreciated value, or is it -- shouldn't it be valued at a replacement value?

MR. SATTI: Objection to the form. You may answer it.

A. Everything has a depreciation on it.

Q. Do you know what Vermont law says on -- regarding depreciation on things like light bulbs?

A. Specifically to light bulbs?

Q. No.

A. No.

Q. Let's say TVs.

A. No.

Q. Okay. Isn't that an important issue when you're deciding on how to value these items of whether or not they should be replacement value or whether they should be a depreciated value?

A. Are you suggesting nothing in Vermont can be depreciated on contents?

Q. No, I'm not suggesting that. I'm suggesting that there is case law determining whether -- what things should be valued at replacement cost as opposed to depreciated cost. There are certain items that, for example, if you have a pair of underwear destroyed, are you going to value that at what it would cost to replace, or are you going to value it at a depreciated value because it's been used for two years?

A. We would -- we would value it at what it's depreciated at; and if the policyholder replaces it, they get the replacement cost benefits of it.

Q. But isn't actual cash value supposed to be what you could buy -- what that item is worth on the open market?

A. No. That's what the -- that's what that item's valued at today.

Q. Exactly. But the way you come up with a value of what that item is valued at today is what you could buy it used for on the market, correct?

A. Not necessarily.

Q. So do you know what actual cash value means?

A. It's -- as of -- do you want to read through it in the policy here together?

Q. Sure.

A. Let's do that.

Q. Tell me where you're reading from.

A. Page 19.

Q. Okay. Hang on, let me get there. Okay, what --

A. Coverage B - Personal Property.

Q. Yup.

A. Number (1).

Q. Yup.

A. B1 - Replacement Cost Loss Settlement.

Q. Yup.

A. Number (1): "until repair or replacement is completed, we pay only the actual cash value of the damaged property."

Q. Right. So where does it define what actual -- my question to you before was actual cash value.

MR. SATTI: What is the question?

Q. My question is: Where does it define actual cash value?

A. Are you referring to Coverage A or Coverage B?

Q. Right now we're talking about Coverage B.

A. It's not defined.

Q. Okay, thank you. So if it's not defined, then would you agree with me that Vermont law in determining actual cash value would be the appropriate avenue for determining what actual cash value is?

MR. SATTI: Objection to the form. Don't answer that. You're not here as an expert on Vermont law. Don't answer it.

MR. NUOVO: I'm asking him -- okay, you're instructing him not to answer my question?

MR. SATTI: On a question about what the law in Vermont provides, yes, I am instructing him not to answer that.

Q. BY MR. NUOVO: Are you required to know what Vermont law is?

A. Yes.

Q. Okay. So can you answer questions about what Vermont law says about actual cash value?

THE WITNESS: Mike?

Q. No, don't look to him. He's not objecting, so you've got to answer the question.

A. What was the question?

MR. NUOVO: Could you read the question back to me?

(The reporter read back.)

MR. SATTI: The same objection. He can answer it to the extent he's able to.

A. As it pertains to this policy, I could answer that. Otherwise, I'm not an attorney.

Q. Okay. So what -- do you know what Vermont law says or case law says in determining how actual cash value is --

A. Not off the top of my head.

Q. Do you think that's important to know when you're adjusting a claim in Vermont?

A. Yes.

Q. Okay. Do you know whether Gary knows? Mr. Pelletier?

A. Yes.

Q. Does he know what Vermont law cites?

A. Again -- well, strike that. I can't speak for Gary.

Q. Okay. Have you ever checked to make sure that Gary is checking Vermont law or otherwise to determine how actual cash value is determined under Vermont law?

A. We've applied it according to the terms and the conditions of the policy.

Q. Okay. But you agree with me that the terms and the conditions of the policy have to be applied as required under Vermont law?

A. Yes.

Q. Okay. This policy is subject to Vermont law?

A. Yes.

Q. Okay. And you also understand that any policy issued, if there's any confusion, that the -- in the policy, that the benefit goes to the insured as opposed to state farm?

MR. SATTI: Objection to the form. You may answer.

A. That's -- that's a general question. You're asking me to --

Q. Yeah.

A. -- make a blanket comment.

Q. Well, do you know that Vermont law states that if there's an ambiguity in the policy, and it can be read two ways, that you have to read it to benefit the insured?

MR. SATTI: The same objection. You can answer it.

A. Define what the ambiguity is. You're asking for a specific -- you're asking me a specific answer on an ambiguous question.

Q. I don't think it's an ambiguous question. If there's an ambiguity -- the law is pretty clear on this, so I'm confused as to why you don't understand it. So I'll ask it again.

If there's a provision in a policy that is ambiguous or can be read in two different ways, that you have to interpret the policy in favor of the insured? Do you agree with that statement; yes or no?

MR. SATTI: Objection to the form. He can answer it if he's able to.

A. I'm not able to answer that.

Q. Okay, that's perfect. Thank you.

Now, does actual cash value actually apply to Coverage A?

A. Yes.

MR. SATTI: Just keep your voice up a little bit.

THE WITNESS: Sorry.

A. Yes.

Q. Okay. Now, you understand that State Farm -- well, let me back up. If I have a contractor who's able to do the repairs, it's State Farm's policy that they will pay the contractor to do the work and consider that to be satisfaction of actually having the work or repair done?

MR. SATTI: Objection to the form. You can answer it.

A. What was the first part of that? "If you have"?

Q. So I've got a contractor.

A. Um-hum.

Q. My house is damaged, $100,000, okay? The contractor says it's going to cost me $100,000 to fix this parcel. State Farm's policy is that we will approve the $100,000 before the actual work is done to give to that contractor to do the work?

A. No.

Q. So --

A. Where is -- what's that $100,000 based on? Is that just a contractor's own --

Q. No, no, everybody agrees, it's going to cost $100,000 to fix the house. There's no dispute, okay?

A. Okay.

Q. And the contractor says, look, here's -- it's going to cost 100,000. You do a review, and you say yup, 100,000 looks good.

A. Um-hum.

Q. So that person doesn't have to pay -- the homeowner doesn't have to pay that contractor $100,000, have the actual work done, before State Farm will approve the $100,000 to go to the contractor, correct?

A. If the terms in the documentation is acceptable to us --

Q. Right.

A. -- we may consider that.

Q. Okay. It's actually one of the -- well, I'll get back to that.

Now, let's go to page 21. Section 4 deals with Appraisal?

A. Yes.

Q. Now, you agree with me that the provision for appraisal in Vermont is different than the provisions for appraisals necessarily in other states?
MR. SATTI: Objection to the form.
A. They vary --
Q. Okay.
A. -- from state to state.
Q. Right. And the appraisal process you have to go by in this case is the language that's in this policy here?
A. Um-hum.
Q. Is that a correct statement?
A. Yes.
Q. Yes, okay. So under the Appraisal language, it says: "If you and we fail to agree on the amount of loss, that amount of loss will be set by appraisal if you and we agree to appraisal"; is that correct?
A. Correct.
Q. Okay. Now, in this case, State Farm sent out a -- well, why don't we do this, tell me what's your understanding of how the appraisal process in Vermont is supposed to work.
A. Well, we had made attempts with her contractor to come to a resolution on the differences in our estimate.

Q. So it's your statement under oath that someone from your office contacted Matt Blanc to discuss the differences between your value of what it would cost to repair --

A. Yes.

Q. -- as to his?

A. That's my understanding. And in that process, the contractor -- I believe you said it was LeBlanc?

Q. LeBlanc. No, yeah, LeBlanc -- Blanc & Bailey.

A. Blanc & Bailey.

Q. Yeah.

A. Responded with an additional estimate that was $140,000 more than where we started.

Q. And you understand that when that estimate came out, he had actually gone -- some of the stuff had been removed, and they noticed other items that needed to be fixed as a result of the fire?

MR. SATTI: Objection to the form. You may answer it.

A. What specifically was removed?

Q. Well, the property had been cleaned up. There had been -- the water had been pumped out. They were now getting in there. They had to tear out the walls in order to see certain things. So his estimate was now -- that he changed his estimate based on the fact of what he actually saw on the ground.

A. Okay.

Q. Were you made aware of that?

A. Was I made aware of the fact that his $140,000 estimate -- his increase in $140,000 did not clarify any specifics as to why that number went up.

Q. So wouldn't you have known that, though, if you talked to him?

A. Again, Gary Pelletier is my claim representative.

Q. Okay.

A. And he was working through his public adjuster -- her public adjuster as well.

Q. But you're supposed to specifically have a conversation, wouldn't you agree, with the contractor?

MR. SATTI: Objection to the form.

A. Again, I did not have that conversation.

Q. Okay. But you would agree with me that you're specifically supposed to -- before you go to appraisal, that you're specifically supposed to have a conversation with the contractor to see if you can work out an agreement as to the -- what is required under the policy and what you will pay for?

A. My understanding is Gary had that conversation.

Q. Okay. And if he had that conversation, it's required to be documented in the file -- in the claims file?

A. It should be in the file.

Q. Okay. And if it's not, you would agree with me that that conversation did not take place?

MR. SATTI: Objection to the form.

A. I would not agree to that.

Q. But it's State Farm policy to make sure that conversations like that --

A. It should be in there.

Q. Okay. So what other things are supposed to happen before you go to appraisal? What is your understanding of what's the whole process; how does it go forward?

A. Well, it says: You -- "If you and we fail to agree on the amount of loss" -- which we did. Our figure was X, and their figure was Y and then Z. "-- the amount of loss will be set by" ... if you and I -- if we agree to appraisal.

So we reached out, and we sent an appraisal letter to Ms. Stimson's representative, and her representative agreed to appraisal.

Q. Okay. So in your letter, you actually demanded an appraisal?

A. It's an appraisal demand letter, yes.

Q. Okay. But the policy doesn't allow you to demand an appraisal, does it?

MR. SATTI: Objection to the form. You may answer it.

A. It's an appraisal demand letter.

Q. Okay. But in this policy -- some states you can demand an appraisal, correct? Do you know that?

MR. SATTI: Objection to the form.

A. Again, every -- every state's different.

Q. Okay. In Vermont, under this policy, you're not -- one party by itself cannot demand an appraisal; is that correct?

MR. SATTI: Objection to the form.

A. We requested appraisal through her public adjuster. He agreed.

Q. That's not my question. My question is: Under this policy, a party, a single party, neither the insured nor the State Farm, can demand that the other party participate in appraisal; is that a fair statement?

MR. SATTI: Objection to -- objection to the form. You can answer it.

A. Can you repeat the question?
Q. Sure.
MR. NUOVO: Can you read the question back, Darlene?
(The reporter read back.)
THE WITNESS: I'm sorry, can you repeat that?
THE REPORTER: "Q. My question is: Under this policy, a party, a single party, neither the insured nor the State Farm, can demand that the other party participate in appraisal; is that a fair statement?"
A. Again, it's -- it's a form letter that was sent out, and that's the manner it was written in.
Q. I understand. But that still doesn't answer my question, which is whether or not one party has the right under this policy to demand that the other party participate in appraisal?
A. I can't answer that.
Q. Well, doesn't it say "you and we" agree to appraisal?
A. Yes.
Q. And it's connected by "and" as opposed to "or"?
A. Well, we did agree to appraisal.

Q. Not my question, okay? My question states that it -- the policy specifically says that both parties must agree to the appraisal in order for it to go forward?

A. Correct. And they did.

Q. Okay. But not -- one party cannot demand that the other party participate in appraisal?

MR. SATTI: The same objection to the form. You can answer it again.

A. I guess as you're reading it, no.

Q. Okay. So just to be clear, State Farm, under the policy, singularly could not demand that the other party participate in appraisal; both parties had to agree?

A. Which they did.

Q. I -- that's not my question. Answer the question.

MR. SATTI: He did.

MR. NUOVO: No, he didn't.

MR. SATTI: You can ask him a follow-up. He answered it. You may not like his answer, but he answered it.

MR. NUOVO: No, it's not -- because I didn't ask him about the --

MR. SATTI: It's about the third time you asked him the same question, but keep going.

MR. NUOVO: Go ahead, you can read that question back for us.

THE REPORTER: "Q. So just to be clear, State Farm, under the policy, singularly could not demand that the other party participate in appraisal; both parties had to agree?"

Q. BY MR. NUOVO: It's a yes or no question.

A. It was a request for appraisal --

Q. It's a yes or no --

A. -- using the word demand.

Q. It's a yes or no question.

MR. SATTI: No, he doesn't have to say that. He can answer it any way he wants.

A. That's my answer.

Q. Okay, fine. We'll take that up later.

Now, what's the timing for the appraisal process? How's that supposed to work?

A. We submit our estimate and our -- we outline specific areas of disagreement. Named our appraiser. The -- the other party has to identify an appraiser within 20 days of written agreement to appraisal, and they submit their proofs. They provide their appraiser their proofs. And the two appraisers interact with each other to come to an understanding or an agreement as to the value of the repairs.

Q. And how much time do they have to come up with that agreement?

A. We don't have oversight over the appraisal process or the appraiser. It's between their two schedules and the timeline that it takes for him to go through that process.

Q. So it says in the policy, under section (c), it says, "If the two appraisers fail to agree upon the amount of the loss within 30 days," and then there's a provision in there, "unless the period of time is extended by mutual agreement, they will select a competent, disinterested umpire and will submit their differences to the umpire." Do you see that?

A. I see that.

Q. Okay. Do you know whether or not there is a document that says that there was a mutual agreement to extend the 30 days?

A. I'm not aware of a document that says that there was no mutual agreement.

Q. Okay. But this says that there -- don't you think you should have something from the insured saying that we mutually agree to extend the time?

MR. SATTI: Objection to the form. He may answer it.

A. I believe that question refers between the two appraisers.

Q. No, it says if -- "unless the period of time is extended by mutual agreement." Do you know whether or not there was ever a mutual agreement as to extending the time?

A. Between the two appraisers?

Q. Between anybody.

A. Well, this, to me, references the appraisers having a mutual agreement needing more time.

Q. And do you know whether or not there is any documentation as to them agreeing to extend the time?

A. We don't have -- I don't have oversight on the appraiser. Therefore, I don't know.

Q. Okay. Do you know whether or not you communicated to your appraiser the provision that they had to come to an agreement within 30 days?

MR. SATTI: Objection to the form. You can answer it.

A. Specifically I don't direct them on how to do the appraisal process.

Q. Well, aren't they supposed to follow the appraisal process that's in the policy?

A. I would trust that they would follow the requirements of an appraiser.

Q. Do you know whether or not they were given a -- your appraiser was given a copy of this policy so he would know the requirements for the appraisal process?

A. As him being the appraiser, I anticipate that he understands the timelines involved to fulfill his obligations.

Q. Well, appraisers are supposed to be people who are not retained by State Farm on other projects or have any connection to this project; they're supposed to be independent? Is that a fair statement?

MR. SATTI: Objection to the form.

A. Yes.

Q. I'll rephrase it, because there was an objection. Appraisers are supposed to be independent?

A. Yes.

Q. Okay. So how is an appraiser who's selected by State Farm supposed to know the requirements of the appraisal if they aren't given a copy of the insurance policy showing what their requirements are?

A. I can't speak to why an appraiser is supposed to know -- I mean, they have their own licensing that they're required to adhere to certain timelines and obligations as part of their duties.

Q. Well, aren't they required to also follow the timelines and requirements that are in the policy?

A. Correct.

Q. Okay, thank you. Now, it says -- do you know whether or not there was a signed agreement that detailed what was supposed to go to appraisal?

A. A signed agreement between who?

Q. Between State Farm and Ms. Stimson.

A. We provided our appraiser with an appraisal -- copies of the -- copies of the estimates and an assignment letter.

Q. Okay. So, you admit that you sent them a copy of your -- how you appraised the property?

A. Correct.

Q. So the appraiser didn't do -- you don't know whether or not that appraiser did an independent estimate of what these costs were on his own?

MR. SATTI: Objection to the form. You may answer it.

A. I believe the two parties came together to complete an agreed-upon estimate.

Q. Right. But why are you sending a copy of your estimate to the appraiser if the appraiser's just supposed to be doing an independent analysis of what it would cost to reconstruct this policy -- this property within the terms of the policy?

A. Because that's the value of the repairs that we believe the value to be, and they take into account Ms. Stimson's appraisal -- appraiser, who I would imagine brought his estimate into the conversation as to what their opinion is as to repairs -- the repair costs are.

Q. Let's take a look at Exhibit No. 6. What is Exhibit No. 6?

A. It's a letter to Ms. Stimson.

Q. Okay. And who wrote this letter?

MR. NUOVO: Which letter did I give you? Did I give you --

MR. SATTI: May 11, 2023.

MR. NUOVO: Okay. I just wanted to make sure we were looking at the same exhibit.

A. Gary Pelletier.

Q. Okay. So this letter is State Farm's request for appraisal; is that your understanding?

A. Correct. It's not a demand.

Q. Look at page 3 of the letter.

A. Okay.

Q. So read back for me the first full paragraph on that.

A. "State Farm hereby"? "... demands an appraisal and has selected Patrick Young of Fort Orange

Claim Service ... as a qualified, disinterested appraiser."

Q. Continue on to the next paragraph.

A. "Also, pursuant to said terms of the policy" --

(Reporter clarification.)

MR. SATTI: You can read it. You just have to go a little slower in reading the document.

THE WITNESS: Sure.

A. "Also, pursuant to said terms of the policy, you are required to select a qualified, disinterested appraiser and are required to notify us of such a selection within twenty (20) days of receipt of this letter."

Q. Okay. So it does demand an appraisal?

MR. SATTI: Objection to the form. You can answer it.

A. That's the way it's written.

Q. Okay. And it also uses the word that she's "required" to select a qualified, disinterested appraiser as well, doesn't it?

A. Pursuant to the terms of the policy.

Q. No, it doesn't -- I'm asking what it says in the letter.

A. It says, "Also, pursuant to said terms of policy, you are required to select a qualified, disinterested appraiser."

Q. But she was not required to do that, nor was she -- did you have the right to demand that she appraise; you had the right to request that she agree to appraisal?

MR. SATTI: Objection to the form.

A. To which her public adjuster agreed to the appraisal and the requirement to select a qualified, disinterested appraiser as per the policy.

Q. Did he agree as of May 11th?

A. I'm sorry?

Q. Well, this letter is written May 11th.

A. Um-hum.

Q. There's no agreement prior to May 11th with anyone on Ms. Stimson's side when you tell them that you're demanding an appraisal?

A. Well, this letter is to notify them that we're requesting appraisal.

Q. Does it use the word "request," or does it say "demand"?

A. In this particular section of the letter, it says demand.

Q. Okay. And you'd agree with me that the policy does not allow you to demand an appraisal?

MR. SATTI: Objection to the form.

A. That is not the way the policy states.

Q. Doesn't it --

A. It's a typo.

Q. What's a typo?

A. The demand.

Q. Okay.

A. It should say request.

Q. Now, let's go back one page beforehand. We're going to go to page 2. The first full paragraph says, "Additionally, appraisal is limited to damages sustained from this loss"?

A. Um-hum.

Q. Correct?

A. Correct.

Q. Okay. And then it goes, "therefore, not included in appraisal"; do you understand that?

A. Yes.

Q. What does that mean?

A. Not part of the appraisal or the unrelated damages to the structure.

Q. Okay. So anything listed in this first paragraph here did not go to the appraisers?

MR. SATTI: Objection to the form. You

may answer it.

A. Non -- correct.

Q. Okay. So your determination as to what was, you know, the non -- you claim non-fire damages to the roof repair, that was not included in this appraisal?

A. Correct. It's not related to the loss.

Q. Well, that's your opinion it's not related to the loss?

A. Correct.

Q. Okay.

A. It also wasn't in the public adjuster's estimate anywhere.

Q. But you understand that there's a dispute between Ms. Stimson and Mr. Blanc has indicated that that is related?

MR. SATTI: Objection to the form.

A. It was never brought to our attention.

Q. Well, then why are you saying that -- why, if it was never brought to your attention, why is it even in this letter?

A. Because we had a conversation with the public adjuster about that portion of the claim.

Q. Okay. So it was claimed?

MR. SATTI: What was claimed?

Q. The roof repair was claimed by Ms. Stimson?

A. It was never in his estimate.

Q. Okay. But your letter here is saying that that -- any costs related to roof repair is not going to be decided by the appraiser?

MR. SATTI: Objection to the form. You may answer it.

A. Correct. Because it was not related to the fire.

Q. Okay.

A. There was no fire damage anywhere near the roof.

Q. Okay. "Excavation and foundation repair to the bowed out section of the rear elevation," that was -- we talked about that, and you're saying that's completely excluded?

A. Yes.

Q. And that's not covered under the appraisal process?

A. Correct. Because it's not related to the loss.

Q. Right. But that's your opinion that it's not related to the loss; Ms. Stimson disputes you on that. Is that correct?

MR. SATTI: Objection to the form. Objection to the form. You can answer it.

Q. Ms. Stimson -- you can answer it.
MR. SATTI: Objection to the form.
A. What was the question?
MR. SATTI: If you know what she disputes.
A. I don't know -- she -- that's never -- what's -- what specifically is your question?
Q. Well, my question here is that it says in this letter --
A. Yeah.
Q. -- that "excavation and foundation repair to the bowed out section of the rear elevation" --
A. Right.
Q. -- is excluded from appraisal?
A. Correct. Because it's not covered.
Q. Because it's been denied?
A. Correct.
Q. Okay. And you're only going to deny it if they made a claim for it; you're not going to go out denying things where no claim is made for that item, correct?
A. We identified areas of the structure that were compromised prior to the loss, and we wanted to be clear that those areas were not covered.
Q. So it's in this letter because you want to

make -- because she's made a claim for it, and you're denying it?

MR. SATTI: Objection do the form. You can answer it.

A. Yes.

Q. Okay. So "exterior porch repair," you deny it; she was claiming it?

MR. SATTI: Objection to the form.

A. Yes.

Q. And that was not part of the appraisal?

A. No.

Q. Okay. "Demolition of the interior that is being handled by a separate contractor," that was denied; is that correct?

A. No.

Q. It says right here, right after "interior porch repair," "demolition of interior that is being handled by a separate contractor."

A. Demolition of interior -- I don't recall what that was referencing.

Q. Okay. But that's not part of the appraisal, is it?

A. No.

Q. Okay. And it's something -- a claim that she made that you denied?

MR. SATTI: Objection to the form. You may answer it.

Q. Correct?

A. I'm not sure if we denied it or whether it was paid separately.

Q. Okay. "Additional framing to remodel" -- okay, so we're clear, if it was paid separately, it's still not part of the appraisal process?

A. Correct.

Q. Okay. "Additional framing to remodel kitchen area"?

A. Correct.

Q. That was not covered?

A. No, betterments -- if she's making improvements on the property, they're not covered.

Q. Well, you understand that she removed what was the kitchen because -- in order to reduce the cost of the overall construction?

MR. SATTI: Objection to the form.

A. I don't know that.

Q. You know that there was -- the kitchen was on the uphill side of her property? You don't -- didn't know that?

A. We -- we wrote -- we wrote an estimate based on what she had. What she was choosing to do differently beyond what was related to the fire is not part of the equation.

Q. Well, if I decide to -- that it's going to cost too much to repair the old kitchen and that section has to be torn down because it's destroyed, can't I just use that -- and now it's going to cost cheaper to put in a kitchen where I used to have a living room, isn't that covered?

A. The loss is covered.

Q. Yeah.

A. We owe for what she had. What she chooses to do with that -- and that's an opinion as to whether or not it's cheaper or not -- I can't -- I can't answer for that.

Q. Okay. But that was not covered in the appraisal?

MR. SATTI: Objection to the form.

A. Upgrades and changes? No, it --

Q. No, "additional framing to" --

MR. SATTI: Let him finish his answer, please.

Q. -- "remodel kitchen area."

A. No, we would --

MR. SATTI: You can finish your answer. Don't let him interrupt you again.

A. Making modifications to the floor plan are not covered.

Q. Okay.

A. We owe her for what she had.

Q. So you're saying that a person -- if it's cheaper to tear out a wall, because they had to tear it down to the studs, instead of replacing the wall, that you won't pay for that?

A. We already paid for it. What she's doing -- what she's choosing to do differently is on her. That's up to her. We're not party to that. We're only interested in what was damage from the fire. We put back the way it was built prior to the fire. Now, if she elects to make some changes and it happens to be less, then we don't have a problem with that. If she's looking for us to pay for the upgraded costs, then yes, those are not covered.

Q. Okay. So if a change actually reduces the cost, you would agree with me that that would be covered?

MR. SATTI: Objection to the form of the question.

A. That's an improper question. We don't cover changes. We pay for what was damaged.

Q. I understand that.

A. If her costs happen to be less because she chooses to make some modifications to save money, we have paid what we owed, so there's -- we wouldn't be interested in recovering back the decrease in cost. I'm not -- I'm not following your question.

Q. Yeah, obviously. But we don't need to argue -- go any further.

"Framing to non-covered bowed out rear elevation framing," that was not part of the appraisal process; is that correct?

A. Correct.

Q. Okay. "Tile flooring and shower tile that was not existing in the fire"?

MR. SATTI: "Not existing in the fire"?

MR. NUOVO: Yup, that's what it says.

A. Not existing -- tile floor -- tile flooring and shower that was not existing. Yeah, I believe she didn't have it or it wasn't damaged in the fire.

Q. Okay. And so that would not have been part of the appraisal; is that correct?

A. Correct.

Q. Okay. Now, here we have "upgrade from the existing heating system"?

A. Correct.

Q. Do you know what that relates to?

A. Correct. We paid for the heating system repairs or the replacement that she had.

Q. Right.

A. And if she was looking to make improvements on the efficiency or quality of the heating system, then those are not covered.

Q. So if it would have cost her $20,000 to put in the type -- repair and replace the heating system that she had?

A. Um-hum.

Q. But it only cost her $15,000 to put in the forced hot air, would you agree with me that the 15,000 would be covered?

A. 20,000 was covered, so yes.

Q. Okay. But only -- she only used 15,000?

A. We don't care.

Q. Right. So that whole thing would have been covered if it was less than doing the work to replace everything as it had been exactly?

A. It's covered up to what we paid for.

Q. Okay. So you would agree with me that the quote/unquote "upgrade from existing heating system" was something that was in dispute, and that was not part of the appraisal?

A. Well, no, because she has -- State Farm's estimate, okay, for the HVAC system in that house was 15,839.67. You just indicated that it cost $15,000.

Q. No, I did not indicate. I said an example. I gave you an example.

A. All right. So State Farm's estimate was 15,969.63 for the heating system in that house. Her public adjuster's estimate was 18,956.41. Blanc & Bailey, 98,000. That's why, in part --

Q. I think you read it wrong, but that's okay.

A. Oh, I'm sorry, 106,000, thank you, 250. So yes, we had some concerns with an upgraded heating system for $106,000 that Blanc & Bailey was charging Ms. Stimson.

Q. Okay. And do you know what that $106,000 included?

A. No. Because the detail of Blanc & Bailey's estimate was limited to a spreadsheet.

Q. Okay. And -- all right, good. "Spray foam insulation and a request to break out of appliances in estimate" that were covered under -- let's break this out. "Spray foam insulation"?

A. Um-hum.

Q. Why is that -- that was not part of the coverage?

A. That's not what she had in the house.

Q. Okay. So if I had -- you know, an old house might have horsehair and other items in the insulation, correct? You're aware of some houses that have that kind of --

A. Yes, I guess.

Q. Okay. And that insulation is damaged due to smoke. And you understand in this house that all the insulation was damaged by smoke; it was torn down to the studs?

A. Yeah, we paid for that all.

MR. SATTI: Objection to the form.

Q. Right.

A. Um-hum.

Q. So you have to reinsulate that using what is common practice -- using standard in the industry at this time, correct? You're not going to go back and try to get horsehair and put it back the way it was?

A. No, but batt insulation is industry available and standard.

Q. Okay. But spray foam insulation is also part of industry standard?

A. I mean, it's an available product out there.

Q. Okay. And it's recommended?

A. By who?

Q. Builders.
A. So is batt insulation.
Q. Okay.
A. And -- and wool.
Q. Okay.
A. There's different forms of insulation, but we paid for what she had.
Q. Right. But my point is that that is not part of the appraisal?
A. Yes, it is.
Q. Well, you just put it up here, The "appraisal is limited to damages sustained from this loss, therefore, not included in appraisal is the appraising of any non-related fire damages." And then that is listed in here --
A. Right.
Q. -- "spray form insulation."
A. No, it says, "upgrade from existing heating system, spray foam insulation," okay? Upgrade to spray foam insulation.
Q. No, it does not say that.
A. Yes, it does.
Q. It says, "upgrade to existing heating system" comma?
A. Comma, "spray foam insulation" --

Q. "And"?

A. -- and, right, an upgrade to both of those.

MR. SATTI: For the record, would you just indicate what page you're reading from?

THE WITNESS: I'm reading from page 2 of the letter that Mr. Nuovo was just referencing.

Q. So your opinion is that the upgrade applies to both "existing heating system" and "spray foam insulation"?

A. Correct.

Q. Okay. All right. Not that way I read English, but okay.

And your reason for denying the personal property -- the appliances is because that's supposed to come under personal property; is that correct?

A. We weren't denying personal property, we were just allocating it to the correct coverage.

Q. Right. So it wouldn't come under appraisal -- this appraisal, because it was under -- should have been under personal property as opposed to --

A. Correct.

Q. -- the appraisal?

So then you list Specific Areas of Dispute; do you see that?

A. Yes.

Q. Okay. Now, this is the -- do you know of any document that was signed by anyone, either on Ms. Stimson's side and State Farm's side, which said these are the issues that we are going to decide in appraisal?

A. No. According to the Appraisal language, it states that "The party requesting appraisal" -- which is us -- "must provide the other party with written, itemized documentation of a specific dispute as to the amount of the loss, identifying separately each item being disputed," which is the basis for why this was outlined.

Q. Exactly. So only the issues listed on this list were able to be decided at appraisal?

A. No.

Q. Any -- anything not on this list --

A. There's not inaccurate.

Q. Why?

A. These are the items that we disputed.

Q. Yes.

A. The other items were not in dispute, but they were also included in the appraisal.

Q. How can items that are not in dispute be included in appraisal if they're not listed on here?

A. Because we were trying to establish the total cost of repairs, including disputed and non-disputed items that make up the total cost of repairs.

Q. But you understand that only the items listed -- these are the only items listed in your letter?

A. Yes. The other items we're not disputing. We're in agreement.

Q. So they wouldn't go to appraisal if they're not in dispute?

MR. SATTI: Objection to the form. You can answer it.

A. We agreed to those items; therefore, yes, we're not disputing those. These were the items and the areas we were disputing that made the appraisal -- that formed -- that formed the basis for the appraisal.

Q. Right. So only the items listed on this sheet, Specific Areas of Dispute, are the only things that the appraisers were supposed to consider?

A. These are the items that we outlined as areas that we disagreed with that they were to focus on.

Q. Yes. And that's it?

MR. SATTI: Objection to the form. You can answer it.

Q. They weren't --

MR. SATTI: You can answer it however many times he asks you.

A. I'm -- I'm not aware of what Ms. Stimson's appraiser presented to their appraisal -- appraiser.

Q. Doesn't the policy say that there has to be a written agreement between you if there's -- of what is going to be covered in the appraisal?

MR. SATTI: Objection to the form. You can answer that.

A. Her public adjuster replied that they agreed to appraisal.

Q. Correct.

A. Assuming they're agreeing to the terms that we outlined here that we disagree upon.

Q. And he did not provide you with a list of anything else that they wanted covered under the appraisal?

A. They did not provide us with a list of anything else they disputed.

Q. My question to you, again, is: They did not provide you with a list of anything else that was supposed to be covered under appraisal?

A. They wouldn't have -- they would provide that to the appraiser, not to State Farm.

Q. Okay. But the agreement states that you have to lay out beforehand, before it goes to appraisal, what is going to be appraised?

A. We did.

Q. Right. You did.

A. Right.

Q. And these are only items then that should have been considered by the appraisers?

MR. SATTI: Objection to the form. You can answer it.

A. These are the items that we disagreed with in establishing the value of the repairs.

Q. Understood.

A. So they took into account -- if you read the appraisal award that was signed by both parties, it indicates what specifically they were evaluating.

Q. Does that -- that appraisal award just has a -- it's almost 12:30. We'll come back. This is a good place to stop, okay?

MR. NUOVO: So it's 12:30. So we're going to take a break for a half hour.

THE WITNESS: Okay.

MR. NUOVO: And we can meet back here.

(Off the record at 12:29 p.m.)

(Back on the record at 1:21 p.m.)

Q. BY MR. NUOVO: Did you talk about the deposition at all during lunch?
A. No.
Q. Okay. The content of the case or anything else like that?
A. No. Just the comfort level of the chairs.
Q. So we were just looking at -- talking about Appraisal.
A. Yes.
Q. And we had gone through Exhibit No. 6.
A. Yes.
Q. And then I -- go to page 3 of that document, if you will.
A. Okay.
Q. And there you list -- basically that's a cut-and-paste I assume from the policy; is that correct?
A. Of the Appraisal section?
Q. That says "Conditions" --
A. Policy language?
Q. Yes.
A. It should be, yes.
Q. So let's go back to the policy. We'll go back to Exhibit No. 1. And I believe we were on page 21, if I'm guessing correctly. Yes, page 21. Now, at

the bottom of 4(b) on page 21?
A. Um-hum.
Q. Are you looking to compare to see whether the two are identical from the letter and the policy?
A. Is that what you're asking me to do?
Q. No, I did not. That's what it looks like you're doing, though. I'm asking you about -- I'm going back to Exhibit 1, the policy.
A. Exhibit 1, the policy, okay.
Q. Yup. And we're on page 21.
A. Yup.
Q. And at the bottom there, 4(b)?
A. Yeah.
Q. That last sentence says, "The written report of agreement will set the amount of the loss of each item in dispute and will be binding upon you and us." Do you see that? It's the last paragraph in --
A. Yeah, I think that's the appraisal report.
Q. Yes, we're talking about that.
A. Yeah.
Q. And the appraisal report here -- or the appraisal decision --
A. Um-hum.
Q. -- only lists a single solitary amount; is that correct?

A. Without looking at it, I'm assuming that's correct.

Q. Okay. Do you recall whether or not it just said this is the amount of the award?

A. Yeah. Generally, there's an agreement that's signed on both parties, and there's an amount that's included.

Q. Okay. And did that list an amount for each of the items in the letter? Was the letter gone through, and each of the items taken out of the letter and listed, or was it just a total one-line award?

A. Which letter are you referring to?

Q. So your letter, which was Exhibit 6 --

A. Yeah. Exhibit 6.

Q. Is that right? I please it's 6, isn't it?

A. Okay.

Q. Yup. Has a list on page 2.

A. Yup.

Q. The final report from the appraisers did not itemize each one of these items, did it?

A. I don't know that they're required to.

Q. Well, I'm just --

A. No. I'm not aware. Off -- without looking at it. Do you have a copy?

Q. Sure. I'll look for it later.

A. Okay.
Q. I have a copy somewhere, but I don't think I made a copy of it for some reason in -- part of what I'm looking at, but I don't need it right now.
Now, look at section (h) on page 22 under Appraisal.
A. Page 22, yes. (h), "Appraisal is only available" --
Q. Yeah.
A. Okay, yes, I'm looking at that.
Q. Okay. So just read that to yourself for a second.
A. Um-hum. Correct.
Q. Okay. So the appraisal is only -- it says that the "Appraisal is only available to determine the amount of the loss of each item in dispute"; is that correct?
A. Yes.
Q. Okay. And then the next sentence says, "The appraisers and the umpire have no authority to decide," and then it goes through several things that they cannot decide?
A. Correct.
Q. Okay. They can't decide "any other questions of fact"?

A. Which they were not requested to do.
Q. Well, we can dispute that. They can't decide "questions of law"?
A. Which they were not requested to do.
Q. Well, wouldn't determining whether or not something is covered by code be a question of law?
MR. SATTI: Objection as to the form.
A. No.
Q. You don't think so? Isn't code a law requirement?
A. Whether -- yes. But whether it's covered is not a question of the law. It's a question of what the policy states.
Q. Well, code has to be covered under the policy, in this policy?
A. If it's related to the loss, yes.
Q. Okay. So any code upgrades needed to be -- and she has additional coverage for code specifically?
A. She does.
Q. Okay. So would you agree with me that determining a cost for code would be a question of law that they shouldn't decide?
A. Subject to the terms of the policy.
Q. Okay. Well, that doesn't answer the

question. Is code a question of law -- deciding whether or not code applies a question of law?
A. A question of law? It's -- a code -- whatever code is on the books as a law is what it is.
Q. Right.
A. Whether it's applied -- how -- and then we apply it to the policy per the policy terms and conditions.
Q. Do you know whether or not your appraiser knew what the codes were for where Ms. Stimson lives?
A. Knew what the -- like every code on every book?
Q. Yeah. Well, knew what the codes were for this situation.
A. Well, we are aware of what the codes generally are in these type of losses, and it's up to the insured to produce something from the town building department when they're getting permits as to what they're requiring to be enforced per the terms of the policy. Just because a code is on the books doesn't mean it's going to be enforced by a code officer.
Q. Right. But a lot of towns don't even have a code officer and -- but that doesn't mean that a builder can install wiring that's not up to code?

A. Of course not.

Q. Okay. So "other contractual issues," they don't decide those, right?

A. No.

Q. Okay. And of course, this is not a class-wide case, so it's not applicable? Number (5) is not applicable?

A. Right.

Q. So you understand the difference between appraisal and arbitration, correct?

A. Yes.

Q. Okay. What is your understanding of the difference?

A. Well, appraisal is -- well, appraisal's when there's a dispute as -- well, let me back that out. Well, my understanding of arbitration has been when there's been a dispute between two carriers, for instance, and we go to appraisal.

Q. You mean to arbitration?

A. To -- excuse me, to arbitration.

Q. Okay. And at that arbitration, kind of like at trial, you decide all the issues between the two of you, and then you're done; is that correct?

A. When you say "all the issues," it's basically what issues were presented by both parties.

Q. Right. But an arbitration is meant to resolve the entire dispute between two parties?

A. Again, you're asking for me to speak to a generality as to what all the disputes may be, and I can't speculate.

Q. All right. An appraisal is a limited process, and it doesn't preclude a party from suing the insurance company; do you agree with that?

A. I agree.

Q. Okay. And the issues that aren't part of the appraisal would still be -- need to be litigated; so a party can still sue State Farm and dispute all the denials that you have because they weren't covered by appraisal?

MR. SATTI: Objection to the form. You may answer it.

A. I'm not an attorney.

Q. Okay. So you don't have an opinion one way or another about that?

A. I'm not an attorney.

Q. Okay. Well, do you know what your policy requires?

A. With respect to what?

Q. Well, with respect to a person being able to sue State Farm for issues that were not covered in the appraisal.

A. Just as long as the terms and conditions of the policy have been met.

Q. Okay. So you don't dispute here that Ellen Stimson had the right to sue State Farm for issues related to her disputes over Coverage B?

A. No, not at all.

Q. Okay. And you don't dispute that Ellen Stimson has a right to dispute anything under Coverage A that was not included in the appraisal process?

MR. SATTI: Objection to the form. You may answer it.

A. She has a right to whatever she wants to pursue. We met our obligations under the policy.

Q. Okay. So do you have an opinion that -- whether or not the appraisal is valid once Ms. Stimson filed lawsuit; did that end the appraisal process?

MR. SATTI: Objection to the form.

Q. Do you have an opinion one way or another?

A. I'm not an attorney.

Q. Okay. So under the policy, you don't have a position one way or another whether or not the policy, once a person files suit, whether that ends the appraisal process if it has not been concluded prior to

following suit?
MR. SATTI: Objection to the form.
A. Well, let's take a look what the policy says.
Q. Okay.
A. It only states that "A party may not agree to appraisal after that party brings suit or action against the other party relating to the amount of loss."
Q. Okay. So what is your opinion, if you have one, as to whether or not filing suit before the appraisal is done ends the appraisal process?
MR. SATTI: Objection to the form. You may answer it.
A. That's not what the policy states.
Q. No, I'm asking you what your opinion is.
MR. SATTI: He just is answering your question. Let him answer.
A. I apply -- my opinion is I apply the policy as it's written, and what you're stating is not in the policy.
Q. Okay. So you don't know whether -- you don't have an opinion one way or another or you don't see anything in the policy that deals with that one way or another?

MR. SATTI: Objection to the form. You may answer it.

A. Again, I can only go by what the policy states.

Q. Okay. And you understand that Ms. Stimson filed suit prior to the appraisal being completed?

A. Yes.

Q. Okay. So she filed suit before there had been a determined -- a determination in the appraisal process?

A. Yes.

Q. And she was permitted to do that pursuant to the policy?

MR. SATTI: Objection to the form. You may answer it.

A. We did not object to her filing suit, no.

Q. Okay. Well -- okay. And is there anything in Section I -- is she in compliance with all the terms in Section I? Do you know of any -- well, let me rephrase that question. Are you aware of any terms in Section I - Conditions that she's not in compliance with?

A. No, I'm not.

Q. Okay. Do you know the reason why State Farm would not give her an extension to the statute of limitations?

A. We apply the terms and conditions to the policy.

Q. Okay. Who made the decision not to extend the statute of limitations?

A. I reviewed it with my manager, and the decision was at that level.

Q. Okay. Who is your manager?

A. Rachel Slovut.

Q. Okay. And has she been involved in this case from the beginning?

A. Yes.

Q. Now, on page 33, there is a description of Optional Policy Provisions. I'll wait until you get there.

A. Yes.

Q. Okay. And this is where it describes the other potential policies -- provisions that they could take out?

A. Um-hum. Yes.

Q. Okay. And we know that she took out Option ID?

A. Yes.

Q. And so am I correct in looking at page 34 that the terms of what Option ID covers is listed

there?
A. Yes.
Q. Okay. And under Option ID, it says, under (1,) it says, "If the amount you actually and necessarily spend to repair or replace" ... a "dwelling exceeds the limit in the Declarations for Coverage A, we will pay the additional amounts not to exceed the Option ID limit shown in the Declarations." Is that what it says?
A. That's what it says.
Q. Okay. Does it state anywhere in there that the Option ID is limited to actual claims value, ACV?
A. No.
Q. Okay. And then on page 36, there's Option OL. And does that -- there's a description of what the Option OL covers listed here on page 36?
A. Yes.
Q. Okay. Are there any other limitations or other place in the policy that describes any limitations to Option OL?
A. No.
Q. I show you what's been marked as Exhibit No. 4. Actually, and I'm also going to show you what's been marked as Exhibit No. 25.
MR. SATTI: Thank you.

A. Both you want us to look at?
Q. Yeah, start with Exhibit No. 25. It relates to Exhibit -- 4 relates to Exhibit No. 25. These are Defendant's Responses -- Exhibit No. 25 is listed as Defendant's Responses to Plaintiff's First Set of Interrogatories and Requests to Produce. Do you see that?
A. Yes.
Q. Okay. Have you ever seen this document before?
A. I don't recall. Let me take a longer look.
Q. No, no worries.
A. What's the date of this? When was this prepared?
Q. I believe it was prepared on -- on or about January 26th of 2026.
A. I don't believe I saw that, no.
Q. You don't think you've seen this?
A. No.
Q. Okay. Go to page 35 of 36.
A. Okay.
Q. Well, I'll represent -- having looked through this document, is there anywhere that anybody other than Elizabeth Hillmon has signed this document that you are aware of?

A. Is there anywhere? Say it again?
Q. Yup. Has anybody other than Elizabeth Hillmon, to your knowledge, ever signed this document?
A. No.
Q. Okay. And do you know if anybody at State Farm ever personally reviewed this document?
A. I don't.
Q. Okay. Has anybody else in your office been involved in the litigation other than you?
A. Our attorneys in home office.
Q. Attorneys in home office, okay.
Now, let's go to Exhibit No. 4, and I'm going to represent to you that Exhibit No. 4 was provided to me as part of the answers to those requests to admit. I mean, sorry, let me restate -- rephrase that. Those requests to -- for interrogatories and requests for production, okay?
A. Um-hum.
Q. And you can see at the bottom, they have designations that were on the documents provided to us by State Farm. Sorry, my foot there.
A. It's my bad.
Q. No, it's both.
Okay. Do you know what the -- what are operational guides?

A. They're guidelines for claim handling for the claim reps.

Q. Okay. And how are these accessed?

A. Electronically.

Q. Okay. So you can sit at your computer and pull them up?

A. Yes.

Q. And I note that there's a number on it, 70-95 on the first one, on the first page?

A. Yes.

Q. What does that refer to?

A. I don't know.

Q. Okay. Does that mean there are 95 operational guides under section 70?

A. I have never inquired in that manner.

Q. Okay. Do these come with an index? How do you find the policy if you want to review it?

A. Well, it's not a policy, it's a guideline.

Q. Sorry. Okay, thank you for that correction. So how do you access these -- how do you find an operational guide if you want to review it?

A. Well, there's a link to the operational guides.

Q. Okay.

A. And there's an outline -- I guess an outline or an index.

Q. Okay.

A. And you look through and identify which areas of the Operation Guide references what you're looking for.

Q. Okay. And so I can see here the general classification is P&C Claims, Policies and Procedures. What does "P&C" stand for?

A. Property & Casualty.

Q. Okay. And is that what we're dealing with in this case?

A. Yes.

Q. Okay. And then, so here it says Selection of Fire Investigators. So does this -- this operational guide deal just with the selection of a fire investigator?

A. Well, where are you referring to? Oh, Selection of Fire -- yes.

Q. Yup, okay. So if you turn to -- and they have a Bates stamp. If you turn and you look down at the bottom, they have Bates stamps. I'm going to use the ones "STIE"; you see them, way at the bottom?

A. "STIE" with a bunch of --

Q. Numbers -- zeros and then a 1. So I'm just going to use those numbers to refer to things so we can be both --

A. Sorry, I just want to make sure; you mean this down here?

Q. Yes.

A. Okay.

Q. So that way, when I refer to a page, you'll know which page I'm referring to, okay?

A. Okay. So these are your --

Q. No, no, those were -- that's how it was produced by State Farm.

A. Okay.

Q. So if you go to the sixth page?

A. Okay.

Q. I note that there's almost an identical policy to this one, to the first one on page 1?

A. Um-hum.

Q. It has the same number, has the same subject, but it has a different date.

A. Okay.

Q. Which one of these policies would have been -- would the first one here, the 08-25-2021, been the one that was in effect for Ms. Stimson's fire?

A. I would -- what was the date of loss on Ms. Stimson's fire?

Q. It was October 15th, 2022.

A. October 15, 2022. So yes, the first one would be applicable.
Q. Okay. Do you know how often these policies are updated?
A. It depends.
Q. Okay. When you are able to access them, are you able to access them -- do they have each of the different years in there, so you can access the one that might be applicable to the time frame involved?
A. Well, generally we're working on claims realtime.
Q. Okay.
A. So the one that's -- we bring up is what's applicable.
Q. Okay. But if you needed to go back and it had changed since you were working on a policy, you could go back and look?
A. I would have to inquire about that. It's never come up for me.
Q. Okay. You never needed to, okay.
So when you pull up however this is indexed, if you clicked on 70-95, it would bring up for you the most recent policy?
A. Right now, yes.
Q. Yeah, okay. There might be a way to pull up

the old one, but you're not sure?
A. I'm not sure.
Q. You didn't pick these policies and produce them for discovery, did you?
A. Personally, no.
Q. Okay. Do you know who did from your office?
A. Counsel is handling the matter, so it would have to be counsel.
Q. Okay. All I need -- if you don't know, just say you don't know.
A. I don't know. It was not me.
Q. All right, that's fine. So turn to page 12, if you will.
A. Okay.
Q. All right. So on page 12, what's the policy -- what's the operational guide covering here?
A. Coverage Question Procedures.
Q. And it's numbered 74-20?
A. Correct.
Q. Okay. And you don't specifically know what the number 74 refers to or --
A. No.
Q. -- the number dash 20?
A. No.
Q. Okay. So you don't know if there's a number

74-1 through 19?
A. No.
Q. Okay. Now, it says Coverage -- going through this, what is this -- have you ever read this policy before? This provision?
A. Yes.
Q. Okay. What is this -- what is this operational guide referring to and instructing you?
A. It's referring to when a question of coverage on the claim in totality is involved.
Q. Okay. And who's the claim specialist in this? Is that you or Gary?
A. That was Gary.
Q. Okay. And it says, "A claim specialist aware of a coverage question must be careful to avoid forfeiting the insured's and the Company's rights by speaking or acting improperly"; do you see that?
A. Yes.
Q. What does that mean?
A. It means what it says.
Q. Okay. So how -- does that mean that the claim specialist needs to be careful to make sure that a claimant doesn't lose any rights they might have under the policy?
MR. SATTI: Objection to the form.

A. What -- it means -- what part are you reading? You're on 12?

Q. Sure, sure. I'm on page 1 -- or page 12 but page 1 of that policy provision.

A. Okay. What part?

Q. Operational guide.

A. What part are you on?

Q. Under Coverage Questions Procedures - Overview. And it says -- in the second paragraph in that section, it says, "A claim specialist aware of coverage questions must be careful to avoid forfeiting the insured's and the Company's rights by speaking or acting improperly."

A. Okay.

Q. Do you agree with that?

A. Yeah.

Q. Okay. And what does that mean to you?

A. That we need to be mindful to make sure that we're protecting the rights of State Farm and the insured.

Q. Okay. All right. And it talks about that "The rights of the insured and the rights of the Company may be influenced by the doctrines of the waiver and estoppel." Do you know what that --

A. I'm sorry, where are you reading?

Q. The very next sentence.

A. Oh, the last, okay. I'm sorry, what was your question?

Q. Sure. Do you know what that means?

A. Yes.

Q. What does it mean?

A. Well, if we don't raise certain questions of coverage, we can waive the right to a defense on that and be estopped from raising it in the future.

Q. So, now, go to page -- well, let's do this, let's go to page -- and I want to make sure that I cover every operational guide, just to make sure I mention which ones are in here.

A. Sure.

Q. So you can flip each to the page, but I think the next one starts at 17.

A. Okay.

Q. I want you to flip through the policy and make sure I'm not missing one in this document.

A. Yes, okay.

Q. Okay. And I see this one is numbered 74-21, and this is on page 17.

A. Correct.

Q. Okay. And this one says Claims Practices, and the subject is Statements?

A. Correct.
Q. Okay. I don't have any questions about that one. So let's move on to the next one. I just want to make sure, the next one I see is at page 21; do you see any other one prior to that?
A. No.
Q. Okay. So that operational guide is number 75-05?
A. Correct.
Q. Okay. And now, I note that previously we were -- the one before said Claim Practices, Fire and Casualty. This one says Claim Practices, Fire. What's the difference?
A. Well, "casualty" generally implies third party.
Q. I gotcha, okay. And fire -- and just being fire is --
A. Is first party.
Q. -- a first party claim?
All right. And this question deals with Personal Property Claim Handling; is that correct?
A. Yes.
Q. Okay. Have you read this policy before?
A. I've referred to it.
Q. Okay. Now, at the -- it's got Purpose, and

the first sentence in the second paragraph says, "If a policy provision or application is more restrictive" --
A. Hold on.
Q. Sorry, yup, I'll wait until you get there.
A. Which page? 21, right?
Q. 21, yup. And under Purpose.
A. Okay.
Q. And in the first sentence of the second paragraph there.
A. Gotcha.
Q. Okay. So it says, "If a policy provision or application is more restrictive than the law of the jurisdiction, then the law of the jurisdiction will apply." Do you see that?
A. Yes.
Q. And what does that mean to you?
A. That means that the law will supersede the policy provision if it's more -- if the policy is more restrictive.
Q. Okay. And do you agree with that?
A. I agree to the way it's written.
Q. Okay. These are -- these Operation Guides are things that you're supposed to follow; is that a fair statement?
A. Yes.

Q. And under the General Information, it says, "It is the intention of State Farm to pay what we owe promptly, courteously and efficiently"; is that correct?

A. That is correct.

Q. Okay. Now, it says, "Further details on first party claim handling guidelines and requirements may be found in OG 75-01, First Party Claims and Guidelines." I don't know if that one's in here. I'll have to look at my list. Let me just check. Well, actually, we'll just write that one down. As we go through, let's see if we find that one in here, okay? That one has not -- you haven't seen 75-01 yet, have you?

A. In this exhibit?

Q. Yes.

A. I have not come across it yet.

Q. Okay. Do you know what is in 75-01?

A. I'd have to refer to it. I don't have it memorized, no.

Q. Okay. But it says, "Further details on first party claim handling guidelines and requirements may be found in OG 75-01, First Party Claims Guidelines and Requirements." My question to you is: Have you ever read the First Party Claims Guidelines and

Requirements?

A. Yes.

Q. Okay. And do you think it would be an important guideline to review in this case?

A. There's a lot of guidelines.

Q. Okay.

A. And -- so.

Q. But wouldn't that be one of the guidelines that would help determine what requirements a claims adjuster needed to follow in dealing with first party claims?

A. Sure.

Q. Okay. Let's see if we come across it.

On page 22, (6) down at the bottom?

A. Um-hum.

Q. Under the section Inventory Submission and Documentation, it talks about "The claim handler may assist the insured with completing the personal property list"; do you see that?

A. It says -- say again?

Q. So (6)(a).

A. Yeah.

Q. Do you see that?

A. Yes.

Q. Did I read that correctly?

A. Oh, under (a)? Yes.
Q. What does that mean to you?
A. It can mean one of a number of things.
Q. Well, what duty does it create for the claims handler in evaluating personal property items?
A. It depends on the circumstances. It says "they may" assist an insured with completing the list.
Q. Okay. Do you think it's a duty of State Farm to help the insured, making sure that they get the most benefit from their policy?
A. Of course.
Q. Okay. Under -- on the next page, on 23, number (8), it says Photographs; do you see that?
A. Yes.
Q. Okay. Not saying it's required, but if you take photographs, you're supposed to have -- maintain them?
A. Correct.
Q. Okay. And when you maintain photographs, do you maintain them in their native format, or do you only save them as pdfs?
A. They're uploaded into the claim file.
Q. Okay. And if they're uploaded into the claim file, are you able to access the native picture of the

format, or do you have to only -- is it only saved in the claims file as a pdf; do you know?

A. It's transferred from an app on the phone to the claim file.

Q. Okay. And you don't know what form it's saved in on there?

A. No. I'm not an IT guy.

Q. Okay. Now, under the Evaluation section, which is just below that, it says Evaluation and Settlement; do you see that?

A. Yes.

Q. Okay. Under (3), it says, "Establish the normal life expectancy of the item(s) involved." Do you see that?

A. Um-hum. Yes.

Q. Okay. And then it says, "Refer to" 75-50 -- "OG 75-50 Betterment, Depreciation, and Actual Cash Value"?

A. Yes.

Q. Do you know -- we'll keep that number in mind, but have you come across that specific one yet?

A. Yeah.

Q. No, in here?

A. No.

Q. Okay. And that was one you would refer to in dealing with that section?

A. As needed.

Q. Yup. And down below, in (5), it talks about Replacement Cost?

A. Yes.

Q. And there's another policy -- sorry, guideline -- OG 75-52, and that deals with "Replacement cost on Personal Property, for guidelines on handling losses involving replacement cost coverage"; do you see that?

A. Yes.

Q. And we haven't come across that one yet, have we?

A. No.

Q. Okay. So keep flipping. I want to make sure we'll get to the next one that might be in here. So the next one I see happens at page 25. Am I missing any?

A. No.

Q. Okay. So the next one at page 25 is numbered 75-06, and that's Documentation of Personal Property Loss. Is that -- am I reading that correctly?

A. Yes.

Q. And that's under the general classification of Fire, which you explained to me is meaning a first

person claim in a fire loss?
A. Yes.
Q. All right. So we can keep flipping, and the next one I see is 75-101. Were there any others between -- that I missed between page --
A. No.
Q. -- the previous policy?
Okay. And this one is Additional Coverages?
A. Section I - Additional Coverages, yes.
Q. And so what does that -- what is this operational guide covering?
A. It refers to the section in the policy that's under Section I - Additional Coverages.
Q. Okay. And she, Ms. Stimson, had some additional coverages here?
A. Yes.
Q. Okay. So, for example, down below, at the bottom of that page, it talks about Debris Removal?
A. Correct.
Q. Okay. And so it's giving operational guidelines on the Debris Removal?
A. Correct.
Q. Now, on the next page, number 30, at the top there it says, "The five percent Debris Removal Additional Coverage applies to Coverage A - Dwelling,

Coverage B - Personal Property, and any other covered property noted in the policy, which provides an additional amount of insurance"; is that correct?

A. Yes.

Q. Okay. So I think we discussed this before, but the Debris Removal provision is actually more than just 10 percent of the $875,000?

A. 5 percent.

Q. 5 percent. Am I correct there? It's 5 percent of any additional policy that she has, like the ID?

A. It's 5 percent -- under Coverage A, it's an additional 5 percent on the policy limit. And if the policy limit and the Option ID limit are exceeded, then it's another 5 percent on the ID amount.

Q. Okay. So, in other words, the total amount that she could get on Coverage A Debris Removal would be if she maxed out the policy and all the removal would be 5 percent under the 875, plus an additional 5 percent under the 175?

MR. SATTI: Objection to the form. You may answer it.

A. Yes.

Q. OKay. So if I just take those numbers here -- I'm looking for a calculator -- but if I take

875 and I add to that 175, which was the additional -- did I get that right? Let's make sure. Those are the two -- am I getting those amounts correct on the ID?

A. I don't know. I'd have to --

Q. Look at the Declaration page?

A. -- go back to your Declarations page there to get this right.

MR. SATTI: Gino, just for the record, just when you're identifying what the numbers are, will you just identify to the exhibit that you're getting that -- those numbers from? So the record is clear.

A. Okay. Exhibit 2, the Declarations page, refers to the Option ID amount as 175.

Q. Right. So I would then -- so the maximum amount that the rubbish removal -- sorry -- would be 875 -- 875 plus 175 times .05; would that be the correct way to do that calculation?

A. It is. If incurred.

Q. Why do I keep getting the wrong amount here? Oh, I see why.

A. It's a million 50 times 5 percent.

Q. So a total amount under the policy was one thousand -- one million 50 thousand under both Coverage

A and the ID?

A. Yes.

Q. Okay. So then I would multiply that by .05, and by my calculation that's 52,500?

A. If those limits are exceeded, and that's incurred.

Q. Correct. We're just talking about maximum that she could possibly get?

A. Yes. Correct.

Q. Okay, thank you. And it's important, when you're discussing this with an insured and in letters, that you include the full amounts that they could potentially get under the policy?

MR. SATTI: Objection to the form. You may answer it.

Q. It's one of the requirements of the claims adjuster to make sure that when they write your insured and tell them what they're entitled to, that you get those numbers correct?

A. Yes.

Q. Okay. So let's go down further to Trees, Shrubs and Landscaping, which is just down below on that page. And it says, "We cover outdoor trees, shrubs, live or artificial plants, or lawns, artificial grass and hardscape property used for aesthetic purposes not permanently affixed to realty on the residence ... for the loss covered by perils described in Additional Coverages, 3." Am I reading that correctly?

A. Yes, you are.

Q. Okay. And if the fire department, when they were pulling their trucks around, destroys the lawns in parts, fixing that lawn would be covered under the policy?

A. Potentially, yeah.

Q. Okay. Under -- and under this provision?

A. Correct.

Q. Okay. Now, there are limits on -- and this is -- just to be clear, this is an addition to what is covered under Coverage A? So, in other words, you get Coverage A, and if you maximize everything else out of Coverage A, this policy -- this provision can also add to it; is that a fair statement?

A. If incurred, correct.

Q. Yup, okay.

A. If damaged and incurred.

Q. Right. And there are examples given on the next page of different scenarios?

A. Correct.

Q. All right. So let's flip until we get to the next one that's in here. So am I reading this correctly, the next one is 75-107?

A. Correct.

MR. SATTI: And what's Bates page number on that?

MR. NUOVO: Sure. 39.

THE WITNESS: 39.

Q. Okay. And this one is Optional policy Provisions. What are Optional Policy Provisions, just so we're on the came page?

A. Not part of the standard policy that's -- that's offered, so there's an additional available if it's chosen.

Q. Okay. And I notice at the top it says Option ID - Increased Dwelling, which we've been talking about today?

A. Yes.

Q. And then it has (A) Option ID - FP 7955 and HW 2100 Series. What is that referring to there?

A. The FP 7955 was the previous standard policy that was replaced by the 2100 Series.

Q. Gotcha. So the 2100 Series is what is in place right now for Ms. Stimson; is that correct?

A. That's correct.

Q. Okay. So anything dealing with FP 7955 has nothing to do with her claim?

A. Correct.

Q. Okay. Now, the purpose of this operational guideline is, it says, "This Operation Guideline provides guidelines for the application of coverage and handling of claims under selected Optional Policy Provisions under the Homeowner Policy forms consistent with Our Commitment to Our Policyholders and the Preface." What does that mean?

A. Basically what it says. It's that these provide guidelines for Optional Policy Provisions under the HO Policy consistent with Our Commitment to Our Policyholders, just like anywhere else in the claim.

Q. Sure. So you have these separate Commitment to Policyholders which State Farm publicizes for its customers; is that a fair statement?

A. Well, it's not separate just for this section. It's the way we apply it throughout all sections.

Q. Right. But I'm saying there is a statement called Our Commitment to Policyholders?

A. That is correct.

Q. Okay. And that's available -- unlike these operational guides, I assume these operational guides aren't available to your typical customer?

A. No.
Q. Okay. You don't allow them to get on your website and say, oh, if you want to look at the operational guides, you can see them?
A. I don't believe they can.
Q. Okay. But you do have the Our Commitment to Our Policyholders, which is something you publish on your website, and any customer can see that?
A. I believe so, yeah.
Q. Okay. And I understand that it also includes a Preface? The Our Commitment also has a Preface on it?
(Reporter clarification.)
MR. SATTI: Preface?
MR. NUOVO: Preface, thank you. However you want to say it.
Q. I don't know how this got in here. This should not be part of the exhibit. Take out --
A. What page is it?
Q. Right after that first page there.
A. Right after that?
Q. Yeah, can I see that?
A. This?
Q. I'm going to take out -- make sure it didn't get into your copy as well. So 39, 40. I just want to

see if that -- because it's in my book, and I want to make sure if didn't get in your book. No.

THE WITNESS: Can I just take a quick run to the bathroom while you're --

MR. NUOVO: That's fine. Somehow a copy of something got in my copy. So we're off the record.

(Off the record at 2:14 p.m.)

(The record was resumed at 2:15 p.m.)

Q. BY MR. NUOVO: Okay. So let's go to page 40.

A. Okay.

Q. And on page 40, at the top there, it has (A), it says. And then it, again, mentions both the FP 7955 and the HW 2100 Series. And the section there referring to the 7955 does not apply to this situation; is that correct?

A. Correct.

Q. Okay. So then we would go down to where it says HW 2100 Series. Is that what applies here?

A. Yes.

Q. Okay. So if we were looking at this operational guide, and we were trying to interpret this policy, we would go to that portion of it where it says Option ID under the HW 2100?

A. Correct.

Q. Okay. And there again, it's just referencing what the Option ID policy is?

A. Yes.

Q. Okay. And what it states in there is that "We will settle losses to damaged building structures covered under Coverage A - Dwelling according to the ... Loss Settlement provision shown in the Declarations." And then it says, "If the amount you actually and necessarily spend to repair or replace damaged building structures exceeds the applicable limit ... in the Declarations, we will pay the additional amounts," of course not to exceed the amount of the Option ID policy?

A. Right.

Q. Okay. And again, nowhere in there does it mention actual cash value, does it?

A. No.

Q. Now, there's another -- keep flipping on until you get to page 43. Again, making sure that I'm not missing another operational guide policy somewhere in-between. But I think this is all still part of the same policy -- guide, sorry.

A. Now, Option ID Coverage is on an incurred basis, so there's no ACV paid under that.

Q. Right. I understand that. That's why --

A. Just to clarify.

Q. Yup. Now, and then it has (B) Option ID on page 43. How is that different than what it's mentioning on what we were just looking at?

A. Page 43 (B).

Q. From what was on page 40.

A. That's just -- these are just examples.

Q. Okay. But down below it has number (1), "When is Option ID Coverage payable?" Do you see that?

A. Yes.

Q. Okay. And it says, "An exception can be made as follows: When repairs are substantially underway and the insured is completing the work themselves"; or, "The insured enters a contract for repairs that is acceptable to us." So do you agree that once an individual engages in a contract that is acceptable to you, they're entitled to get the money for those repairs?

A. If the contract for the repairs is acceptable to us --

Q. Sure.

A. -- as an exception.

Q. So in our example before, somebody gets a contractor who says it's going to cost $100,000 to repair; you look at it and say yeah, that looks good, they can get their 100,000 and move forward?

A. We do make accommodations under those circumstances, yes, with the proper documentation.

Q. Yup. Do you know when the repairs to this property started?

A. Formally, no.

Q. Okay. Okay, so we're going to keep flipping through until we get to page -- I'm just going to keep going. Some of this deals with the old policy, correct?

A. In this section, yes.

Q. Yeah, until we get to page 51; is that --

A. I think that's still part of it.

Q. Is that -- isn't at the top of page 51, Option ID - Building Ordinance or Law, isn't that one applicable?

A. Page 51 I have Option OL.

Q. Yes. So that has to do with ordinance or law?

A. Correct.

Q. Okay. So -- but that, the language here in this section of the operational guides on page 51, that applies to Ms. Stimson's policy; is that a fair statement?

A. Yes.

Q. Okay. And it says, "Application of Option OL applies to building structures at the residence premises under Coverage A, and may involve: property damaged by a Loss Insured; property undamaged but subject to change or demolition because of ordinance or law; or, property which did not exist proper to the loss insured, but is now legally required." Do you see that?
A. I see that.
Q. And do you agree with that?
A. Yes.
Q. And so does that mean that sometimes even if something wasn't damaged but has to be changed because of an ordinance or law, that State Farm is still required to pay for it?
A. If it's enforced of an existing law.
Q. Where does it say that it's enforced?
A. The first paragraph, "Claims are sometimes made for enforcement of an ordinance or law regulating the construction, repair or demolition of a building structure on the residence premises. Enforcement is the existence of a law or ordinance adopted by the agency which regulates the construction or repair of building structures at the residence premises, and is in force at the time of the loss."

Q. Right. So enforcement doesn't mean that somebody from the state or an agency has to say you must do this; rather -- and comes to the property and says here is -- I see what you're doing, but you've got to follow -- do A, B and C. Rather, enforcement is just the existence of a law which requires that when you change something, that it be done?

A. Now, when you say "change something," you're referring to something that is damage from the loss?

Q. Or not, but is being required to be changed -- property undamaged but subject to change or demolition because of ordinance or law. So if I'm replacing wiring in the house, I have to comply with the new code. And if I'm replacing all the electrical -- if I'm replacing wiring in a house, I may even be required to replace wiring that was not damaged, such as I can't connect knob-and-tubing to existing wire; is that correct?

A. That is correct. It --

Q. So --

MR. SATTI: Finish your answer.

A. It also does not extend in your scenario to removing and replacing asbestos tile in the basement that's nowhere near the loss just because it happens to be there and is no longer in code.

Q. But you can't do asbestos removal -- you can't do repairs in an area -- you can't disturb asbestos when you're doing repairs?

MR. SATTI: What's the question?

A. My example is --

MR. SATTI: What's the question?

MR. NUOVO: That is the question.

A. My example is -- is that asbestos is not part of the loss, and just because it's present doesn't mean because you have a claim in the opposite side of the house that you can remove that asbestos just because it's there and it's no longer in code. Code does not extend to that portion of the home.

Q. But you can't disturb -- if you have --

A. Correct.

Q. -- if you have to disturb it, then you have to -- part of the asbestos, then you have to remove it all, or if it's been disturbed?

A. Yeah.

Q. Okay. And in this case, you actually paid for the asbestos removal?

A. That is correct.

Q. Okay. So asbestos removal was not a dispute in this case?

A. No. I'm just using that as an example that just because you have a claim doesn't mean you get the ability to change and upgrade the entire house to code.

Q. No, I understand that. But you can't connect something to something that's uncode; for example, you can't correct new wiring to old knob-and-tubing wiring?

A. Correct.

Q. You've got to remove all the old knob-and-tube wiring if you have to replace the entire box?

A. Correct. Our estimate reflects work done to code.

Q. Right. That's exactly what I'm trying to say there. So even though that knob-and-tube wiring wasn't damaged, you may need to replace it because you're replacing the power system of the house?

A. If it's enforced by authorities.

Q. But enforcement does not mean that somebody has to go there and say to you you have to do it; enforcement means that it's a law on the books and a requirement for builders to be following?

A. It could be.

Q. Well, isn't that what it says here? Doesn't it say, "Enforcement is" --

A. It has to be enforced.

Q. No, it says, "Enforcement is the existence of a law or ordinance adopted by the agency which regulates the construction or repair of building structures at the residence premises, and is in force at the time." It doesn't say anything in there under the definition of enforced that requires an individual to actually tell them that they are enforcing that provision of the law?

A. Well, it has to be adopted by the agency.

Q. Yup, I agree. I understand.

A. And it has to be enforced by that agency.

Q. But it doesn't mean -- it just means it has to be a law on the books?

A. Not necessarily.

Q. All right.

A. Jaywalking is against the law.

Q. And you can be charged with it.

A. If they enforce it.

Q. Okay. So are you telling me that if you embezzle money, and the police don't enforce it, that that's not something that you --

A. That's not what I'm telling you.

Q. Okay. Because it sounds like that's what you're saying here. It's like --

A. There has to be a law on the books.

Q. Yup.

A. And it has to be enforced by -- by an agency that has adopted that law.

Q. Where does it say that it has to be enforced by the agency in that sentence?

A. It says, "Enforcement is the existence of a law or ordinance adopted by the agency which regulates the construction or repair," which is typically the Building Department.

Q. Right. So my point is, is that it just says that they regulate it. It doesn't say that they actually have to, as you're using the word enforcement, go in and say no, you gotta do this. They can, okay? Just like if you jaywalk, that's illegal, I could get a ticket for it. I shouldn't be doing it, because I could get a ticket for it. But just because no one gives me a ticket for it doesn't mean that there isn't a police force out there that could enforce that law?

MR. SATTI: What does that have to do with this case?

A. I don't understand.

MR. NUOVO: Well, he just -- he just used the jaywalking example in saying that's not enforcement.

MR. SATTI: So I understand where -- what you think the policy reads, and he's answering your questions. Is there another question about this? This or any other area?

MR. NUOVO: Yeah, I have plenty of questions.

Q. BY MR. NUOVO: So take a look at the next page, and again, tell me if I'm -- there's no other policies -- page 52.

A. Okay.

Q. It talks about there, under (C), Undamaged portions of a Building Structure. Do you see that section?

A. I see that.

Q. Okay. And it says there, "There are times when the building structure sustains ... extensive damage, areas without damage are impacted by repairs. Option OL coverage may apply to the increased cost if the following conditions are met: 1, caused by the enforcement of a building, zoning or land use ordinance or law," which we already talked about; "the enforcement is directly caused by the same Loss Insured"; and, "the building ordinance or law requirement is in effect on the date of the loss."

So again, there can be -- I guess we've probably already dealt with that. But that's basically saying what we were talking about before; is that correct?

A. Essentially.

Q. Okay. Now, it gives three scenarios. I want to take a look -- I want you to -- no, I'm going to skip that, because we kind of covered that already.

Now, under (D) below, down at the bottom of the page, it says, "Property which did not exist prior to the loss but is now legally required." Do you see that?

A. Yes.

Q. So code could include things that you didn't have to have beforehand, but when you make the repair, you've got to put them in; is that a fair statement?

A. Could be.

Q. So the example they give is a roof damaged by hail on the next page?

MR. SATTI: On 53?

MR. NUOVO: Yup.

MR. SATTI: Thank you.

Q. And it talks about whether or not roof vents, three turtle roof vents, need to be installed. And though the roof vents were not required when the building was built, since the coverage for ordinance or law now requires those roof vents, those roof vents would have to be installed?

A. Right.

Q. Is that a fair statement?

A. Yes.

Q. Okay. So let's keep flipping and make sure we get all the next policies. And the next policy I see is 75-110.

A. Yes.

Q. Okay. And that's Fungus, Mold and Mildew?

A. Correct.

Q. And there are -- as far as I understand, there are no issues in this case having to deal with claims for fungus, mold or mildew?

A. No.

Q. So let's keep flipping then. And the next document I see -- did these get out of order? I just want to make sure -- 61. Yes, they're out of order in my book but not necessarily yours. So the next one is at page 62. Am I correct? Is there another policy between then and 62?

A. No.

Q. Okay. All right. I'm going to put these back in my book. They're out of order.

All right. And policy, the one at page 62, is 75-52?

A. Yes.
Q. And that's Replacement Cost, and that was one of the ones that we discussed earlier was mentioned in one of the other provisions. So before we go to that, let's go all the way to -- you can go all the way to the end of this document now, and I just want you to confirm for me that policy number 75-01 and 75-50 are not included in here?
A. I did not come across them.
Q. Okay, thank you. So let's take a look at Replacement Cost on Personal Property. This is 75-52. So what does this cover?
A. Contents personal -- or personal property replacement cost.
Q. Okay. Now, here it states Replacement Cost Coverage, right down at the bottom; do you see that?
A. Yes.
Q. Now, this has to do with Coverage B, right?
A. Correct.
Q. Okay. It doesn't have anything to do with Coverage A?
A. Correct.
Q. Okay. And it talks about "Replacement cost coverage does not apply to the following items"; do you see that?

A. Replacement -- yes.
Q. Okay. And it says, "We will pay market value at the time of loss for," and then it's going to go through a list; is that correct?
A. Yes.
Q. Okay. And these are identical to some of the items that are in the policy itself?
A. Correct.
Q. Okay. I can't remember if (3) was in the policy or not. Let me just double-check. I guess it's not -- it doesn't appear that this -- you can go to page looks like 19 of the policy.
A. 19? I'm sorry?
Q. That's okay. 19 of the policy, Exhibit 1.
A. Okay.
Q. Okay. So it lists all three of the types of property in that list, is that correct, identical to what it's got in --
A. "Antiques, fine arts, paintings, statuary" --
Q. (3) is a little different, but we'll get to that.
A. It's more or less. It's similar.
Q. Okay. So (3) has "property not useful for its intended purpose"?
A. Are we on Exhibit 1 --

Q. Yup.

A. -- or 4?

Q. Well, they both say the same thing, so we'll go to -- stay with Exhibit 4. And it says, "Examples include: Worn out appliances; (b)" --

A. Yes.

Q. -- "Clothing that needs mending; (c) Scratched records and tapes; (d) Broken tables, chairs, lamps or other broken personal property; (e) Out of style clothing; (f) Attachments for appliances that have been sold or junked; (g) old textbooks and magazines; (h) Used parts taken off motor-propelled vehicles with no intent to reinstall"; and "(i) Personal property stored in attics or basements."

And then it goes on to say, "It is difficult to fit property within these classifications. Investigation and discussion with the insured are needed."

What is that whole section there referring to? What does that mean, "examples include"?

A. Number (3)?

Q. Yeah.

A. Essentially it means old items that, for example, maybe have been stored in the basement, a dishwasher that been replaced, old clothing that hasn't been discarded yet, doesn't really have any value, like -- like it says, broken furniture, those are not payable under replacement cost benefits. They're payable under market value, which in essence is ACV.

Q. Okay. So you're saying -- but under her policy, it says, "We will pay market value" for the loss of "property not useful for its intended purpose"; is that correct?

A. Right. Well, market value is what it's worth in the condition that it's in. So a broken table is worth what a broken table is. We're not paying for more than that.

Q. So you're saying that this is a limitation?

A. Essentially, yes. The market value, for instance, of a broken table is not the value of a brand-new table.

Q. So you're saying that's a limitation as opposed to a --

A. Well, it's not a limitation. It's the market value of what a broken table may be or an appliance that no longer functions. And those items are not able to receive replacement cost benefits because they are as outlined in the policy.

Q. But the policy says, "Property not useful for its intended purpose," and the policy says that those items are covered at market value?

A. Correct. So what's the market value of a broken appliance? That's the value that we put on that item.

Q. Understood.

A. The market value is not the new cost of a broken appliance.

Q. That's how you read that section of the policy?

MR. SATTI: Objection to the form. You can answer it.

Q. That's your understanding of that section of the policy?

A. Correct. For an antique, it is -- market value could be what the replacement cost value is. However, for a scratched -- or clothing that needs mending, a torn shirt is valued at what a torn shirt is valued at.

Q. Okay.

A. For instance, (f) says, "Attachments for appliances that have been sold or junked."

Q. So you're saying those aren't worth anything?

A. Well, they're worth what they're worth. I'm not saying anything.

Q. Okay. But their market value would be what someone would have to pay to buy those attachments new?

A. No. Market value is what you would pay for that item.

Q. Well, isn't that actual cash value?

A. No. That's -- that's what -- that's what market value is, what somebody today would pay for that item.

Q. We can disagree.

A. An antique can't be replaced with a new item, so that value is the market value, and the market value in that case would be the replacement cost value. But for a broken table, the value of a broken table, the market value is what it's worth today.

Q. Okay.

MR. SATTI: Can we take a break?

MR. NUOVO: Well, I'm a little worried about how much time we're going to have, because we're going to have to end at 5:30. So if we take a break, it's got to be five minutes.

MR. SATTI: I'll confine it to five minutes.

MR. NUOVO: Okay. You just want to use the restroom or something?

MR. SATTI: I'm not taking it for any

other reason.

MR. NUOVO: Okay, that's fine.

(Off the record at 2:41 p.m.)

(The record was resumed at 2:46 p.m.)

Q. BY MR. NUOVO: I show you what's been marked as Exhibit No. 14.

A. Are we done with these for now?

Q. For right now.

MR. SATTI: Just put them there. Thank you.

Q. Take a look at Exhibit No. 14, and tell me what that is.

A. It's a Summary of Loss.

Q. Okay. And how is this prepared?

A. Based on payments that are made, and it's also completed by the claim representative.

Q. Okay. And does it have an indication under each item as to what was paid under each item?

A. Correct.

Q. Okay. So I see that there's Coverage A. It says the appraisal structure award was $940,272.83?

A. Yes.

Q. 63. Sorry, my eyes were bad there.

And then there were some emergency board up services. So the total amount paid under Coverage A was $942,352.63?

A. Correct. There was a $67,352.63 amount over the limit.

Q. Yup.

A. Because the policy limit of 875 is over to the right there.

Q. Right. So the $65,272.63 came from the ID coverage?

A. And the emergency board up came from the ID coverage.

Q. Okay. Then we have Option B - Personal Property coverage?

A. Correct.

Q. Okay. And this has the replacement cost of $492,430.63?

A. Correct.

Q. And according to this document, you've paid a total of $329,527.02; is that what this is saying?

A. That's what it's saying.

Q. Okay. And then under Coverage Loss C, it has listed -- these are the costs for her rental property and stuff like that?

A. And additional living expenses, yes.

Q. And then on the next page, it has Optional Policy Provisions?

A. Correct.
Q. And it has Option ID, and it's listing that there as 175, and that's -- then it shows the two items, 65,272 coming from the award?
A. Yes.
Q. And then it's showing $2,080 coming from the emergency board up?
A. That's correct.
Q. So those two things came from Option ID?
A. Yes.
Q. I do not see anything here for any other of the options; am I -- am I correct in seeing that?
A. Which other options are you referring to?
Q. Well, there's nothing here listing option for ordinance, OD.
A. No, there was nothing paid under ordinance and law other than what was appraised in the -- in the building appraisal.
Q. Okay. But you didn't break out anything as to what was being paid for ordinance?
A. No.
Q. Okay. Then down below, this is -- there's a list of all the checks that have been paid?
A. Yes.
Q. Okay. And do you know if the last item

that's been listed there is the appraisal award?
A. That's what it says it is. I -- I would have to say yes.
Q. Okay. So you don't -- you're not aware of any other checks that have been written to Ms. Stimson since the appraisal award?
A. I'd have to look at the file.
Q. Okay. Now, it says that there's -- there's a subtotal at the top of $1,389.93 -- oh, sorry, let me read that again -- 1 thousand 389 dollars 931 dollars and 90 cents?
A. You mean $1,389,931.90.
Q. Okay. And then it says total -- it gives an amount that's Total Payable, which is $1,000 less than that because of the deductible?
A. Correct.
Q. And then it says Less Total Payments Made. Do you see that number there?
A. Yes.
Q. Why is there a number under Net Payments?
A. I'm not sure when or what this was prepared for.
Q. Well, it looks like it was prepared by Gary Pelletier on --
A. 2/13/24. I would imagine there was a

$5,437.86 payment that was potentially due.

Q. Well, it says Total Payable, right?

A. Correct.

Q. Then it says Less Total Payments Made?

A. Correct.

Q. And then it says Net Payment. So doesn't that mean that there's still owed to her $5,437.86?

A. I don't know if that payment was -- well, I don't have the file in front of me, so I don't know if that payment was issued or not.

Q. Okay. But you would agree with me that as of February 13, 2024, Ms. Stimson was still owed $5,437.86, according to this document?

A. According to this, yes.

Q. Okay. And as we sit here today, you're not aware that that payment has ever been made to her?

A. I am not aware one way or another.

Q. Okay, I understand. But you agree with me that it is required to be paid to her under the policy?

A. If it's owed.

Q. Well, that's what I'm asking.

A. I don't know. I don't have the file in front of me. I don't know what triggered the initiation of this document and whether it was approved or not.

Q. Okay. So who would have to approve it?

Isn't Gary signing it that approval?

A. Not for that amount.

Q. What do you mean?

A. We have file authority up to a certain dollar amount, and beyond that it goes to home office for approval.

Q. And that raises -- so, in other words, each provision you go through and you have an authorization to pay up to a certain amount under each of the provisions of the policy?

A. No. Under each of our authority levels as employees.

Q. Oh, as employees. But don't you get that authority level by sending it up to management, and then they approve it?

A. Correct. So this might have been a document that was sent up. I don't know if it was approved or not, or if it came back with any other recommendations or changes.

Q. Okay.

A. So the context of this document I'm not certain of.

Q. Okay. So there's a document in the file somewhere which lists what has been approved; in other words, in your claims file, there are statements in there, and Gary would ask for approval up to a certain level; is that a fair statement?

A. Well, he would ask for approval.

Q. Yup.

A. That approval would go to me.

Q. Yup.

A. Once it's beyond my level, it would go to my boss.

Q. And what's your level?

A. Team manager.

Q. What?

A. My level in what terms?

Q. In terms of what you can authorize.

A. Dollar-wise?

Q. Yes.

A. At that time? 300.

Q. 300,000?

A. Correct.

Q. So any approval of any number over that in this claim would have to be approved by one step above you?

A. And then above her.

Q. And who is above you?

A. Rachel Slovut.

Q. Okay. And what was her authority level?

A. I don't recall at that time.
Q. Okay. But you understand that for this claim, it would have had to go above her level as well?
A. Yes.
Q. Okay. And I've seen in the claims file there are places where, and it's noted, that one person -- that there's a request for the level to be raised; and then in the claims file, it will say yes, we've approved that level, and then those numbers would appear?
A. Yes. They would enter the authority numbers in the file.
Q. Okay. Do you know what date the -- well, when you had the determination from the appraisal, how long do you have after the determination of the appraisal to pay that amount?
A. I think it says that in the appraisal language, I believe. We obviously try to pay for it as quickly as possible. It doesn't specify that, but usually within 15 days.
Q. Do you know whether there's a Vermont statute that requires something different or a Vermont regulation?
A. I'm not familiar, no, at the moment.
Q. Have you ever read Regulation I-79-2, the

Fair Claims Practices issued by the State of Vermont?
A. Have I ever read it?
Q. Yeah.
A. I -- I don't recall. Probably.
Q. And do you know whether or not that document has a requirement of whether or not it should be paid within 10 or 15 days?
MR. SATTI: That document or the regulation?
MR. NUOVO: The regulation.
A. I don't recall.
Q. Okay. Do you know if that -- do you know if there's a time limit for when you have to issue a denial or acceptance?
A. I think it's 15 days.
Q. Okay. And do you know how that has to be documented?
A. In writing.
Q. Okay. To the claimant?
A. Yes.
Q. All right. We'll come back to that for a second later. I want to go to Exhibit 10. Here you go.
MR. SATTI: Thank you.
MR. NUOVO: You're welcome.

Q. Have you ever seen this document before?
A. This would have gone to Gary most likely.
Q. Okay. But have you ever reviewed it?
A. This specific document, no.
Q. Okay. Do you know what this document is?
A. It's a contents inventory.
Q. Okay. And do you know if this was sent to State -- to State Farm?
A. I would imagine it was sent to State Farm as part of the contents claim.
Q. Okay. And now, on this document, there's a -- just by of example, there's a list on the left side of all the item numbers; do you see that?
A. Yes.
Q. Okay. And it's 105 pages. I'm not going to make you read the whole thing. You won't have time.
A. Um-hum.
Q. But if we go to the end, it continues all the way up through 2718 on the last page; do you see that?
A. Yes.
Q. And then it has replacement cost value at 8,000 -- a total replacement cost value of $832,209.95?
A. I see that.
Q. Okay. And then it has an actual cash value listed there of $881,592.10; do you see that?

A. I see that.
Q. Okay. And you'd agree -- you believe that this document was sent to -- and I can find it in the claims file if I need to -- but you would agree with me that this document was sent to State Farm?
A. It was, yeah, most likely sent to State Farm via Gary.
Q. Yup.
A. Yup.
Q. Okay. Let's go to Exhibit 11. I show you what's been marked as Exhibit 11. What is this document?
A. It's a Change Report.
Q. Okay. And what is a Change Report?
A. It's when there are changes submitted during the inventory evaluation process. Usually inventory's updated.
Q. Um-hum.
A. And this basically helps identify what triggered where those changes were and why.
Q. And does this amount to, as well, telling us what the limits are of approved coverage under the policy? Or, sorry, let me -- let me rephrase that. Does this tell you what has been approved by State Farm as to the amounts under Coverage B?

A. No.

Q. So what is the 800 -- $489,072.77 represent?

A. That just represents what the value of the inventory was at the time that this inventory was produced.

Q. Okay. So this doesn't have anything to do with authorization levels?

A. No.

Q. Okay. So State Farm is valuing all the personal property under Coverage B replacement value as being $489,072.77; am I understanding that correctly?

A. I can't tell that from this document.

Q. Okay. What would you need to see to be able to indicate that?

A. The inventory.

Q. Okay. Well, you're in luck, because that's the next exhibit.

A. Okay.

MR. SATTI: So 12?

THE WITNESS: Mine looks thicker than yours.

MR. SATTI: That's a good question.

MR. NUOVO: Yours is thicker because yours is double-sided. His is not.

Q. Okay. So looking at --

MR. NUOVO: I was going to have them all double-sided, but she had already copied them.

Q. So looking at this document here, we've got the same coverage Change Report, correct, with the same number?

A. Yeah.

Q. This is Exhibit No. 12. And then on what would be page 3 of this document, Change Report document, it starts with a list of items?

A. Um-hum.

Q. Am I correct?

A. It starts with -- I don't know, mine starts with number 37, so.

Q. Yup. We're going to get to that. But you can see from this document that there are no pages missing; there's page 1, then there's page 2?

A. Well, I'd have to go through all hundreds to verify that no pages are missing.

Q. I understand, but to page 2 to page 3 there's nothing missing?

A. Okay.

Q. And I'll represent to you that this was page 699 of the claims file that was sent to me.

A. Um-hum.

Q. Now, it does, you're right, it starts with number 37. It doesn't have 38 in there. It doesn't have 40 or 42 or 44. Do you know why those numbers are missing, or are they later on somewhere else?

A. I think they're on pages 6 and 7.

Q. Yup. So are all the -- do you know, in going through this report, whether things were taken out of the report?

A. No. They're just reorganized numerically. And that most likely, if you follow along to like page 7, it's by location in the home, Closet Off Front Entry on page 7. So I suspect that some of these were reorganized based on the rooms that they were in.

Q. Okay.

A. To make it easy to follow as to what was in what room.

Q. And you could prepare this -- where does this report come from?

A. Xact -- XactContents.

Q. Right. And you can reorganize this report in any way you want?

A. I am not -- again, I'm not a claim representative, so manipulating XactContents for ease of organization I'm not familiar with.

Q. You aren't aware that you could reorganize these and have them organized by number?

A. You probably could.

Q. Okay. Now, if we go on, so as you noted, they're organized by number, but you can't tell me, sitting here today, if there are any numbers missing that were on Ms. Stimson's submission and your submission without going through it and spending hours examining each number; is that a fair statement?

A. Yeah, no, generally we take the public adjuster's Excel spreadsheet and import it into our software.

Q. Okay. And do you know whether or not every item from that made it into your spreadsheet?

A. Can I attest to 2,700 items being exactly transferred over? Not by looking at this in two minutes, but --

Q. Sure. But there would be a way to produce this report, the same report, in numerical order so that they could be compared apples -- compared to see whether or not things are missing?

A. Potentially, yes. However, will the numerical order of State Farm's list be exact as the Excel document on here? I'm not sure.

Q. Well, it should have the same items listed on it, and I'm not saying that the values or the quantity -- well, the value should be the same, but what I am saying is that all the items that were on her report should appear in your report; is that a fair statement?

A. It should. Whether item 13 on theirs is item 13 on ours, I can't -- I can't guarantee that.

Q. Well, we could do a spot check. Go to page 14 of your -- of the State Farm document. And then we'll go and we see that there's number 246, we can do the same by going to the previous Exhibit No. 11, and we can look at 246.

A. You mean No. 10?

Q. No, I --

A. My exhibit's No. 10.

Q. Yes, your exhibit number -- no, no. Oh, it's 10? Oh, yes, you're right. I'm sorry. I misspoke. I was looking at my number here.

So Exhibit No. 10. So if we go to 246 on Exhibit 12 and 246 on Exhibit 10.

A. Yeah, it says the same wall hanging.

Q. Yup. So we can see that at least for that item it's exactly identical?

A. Yes.

Q. Okay. Now, I note on yours, it says "Per Invoice"?

A. Correct.

Q. And it doesn't have an amount written there.

A. I believe -- okay, so per invoice means it was paid under something else. It means that wall hanging was included elsewhere.

Q. And where else where would it be included?

A. Well, let's see. It could have been included in one of the restoration invoices, but I'd have to cross-reference all that information.

Q. Could it be that this was put into the Manzi --

A. It's possible, too.

Q. Okay.

A. Again, I -- by looking at it right here, right now ...

Q. Okay. So I note above there's a "Rope Necklace with a 1 inch Sea Turtle." Do you see that, number 241?

A. Yes, I see that.

Q. And if go back to 241 on her document, there's a value listed for it, but again, yours says "Per Invoice"?

A. Right. It could have been it was cleaned, restored, repaired, or paid for under something else.

Q. Okay. But when we get down to the last page of your document, let's go to page 114, which is just one before the last.

A. I'm sorry, which exhibit?

Q. We're on 12.

A. On 12, page 114?

Q. Um-hum.

A. Okay.

Q. So you have there, you can see on that page there's a bunch of stuff that's listed as "Per Invoice"?

A. Yes.

Q. And anything that's listed on "Per Invoice" is not included in this total 489 dollars and 72 cents and 77; would that be a fair assumption?

(Reporter clarification.)

Q. Why don't we just go with the $489,000 number.

A. No, I don't think so.

Q. So you would -- you would agree with me anything that says "Per Invoice" or "Clean"?

A. Yeah, that's not included in that amount.

Q. Number, okay. And we can see, like going back up to page 113, things like "Original Artwork," it says "Per Invoice," an 8 by 10. "Original Artwork 5 by 7," it says "Per Invoice." "Hard Cover Books, per Estimate"?

A. Hard Cover Books, there were some hard cover books that I think were included for restoration or cleaning.

Q. Yup.

A. So those would refer to the fact that that was captured somewhere else.

Q. Okay. But do you know whether or not those monies -- the monies for these items were paid or whether these were items that were included on Manzi's appraisal value?

A. I -- again, I didn't -- wasn't the claim rep handling the file, but I'm -- we paid for a bunch of book cleaning -- hold on a second. No, we did not. Hold on a moment.

Q. Doesn't Exhibit 14 state everything you paid?

A. I'm looking at it. So dry Cleaning and Sal's Restoration was paid. I don't recall what specifically that restoration piece was. We did pay for book storage and pack out. I'd have to look specifically at those paintings.

Q. That's why we're here.

A. Yeah, included in this estimate under Exhibit No. 12, page 115, line 2742 is --

Q. Hang on, let me get to the same page as you. I just pulled that out. So you're talking about

Exhibit No. 12?

A. Exhibit No. 12, page 115.

Q. Yup, hang on. Yup.

A. Line 2742.

Q. Line 27 --

A. Included "Book Cleaning CRDN Estimate."

Q. Yup.

A. $3,696.06 was paid in the inventory as part of the $489,072.77 for the cleaning of those books.

Q. The cleaning -- well, you don't know which books were cleaned. And that says a book cleaning estimate?

A. Correct. From CRDN, which I believe was hired by Ms. Stimson originally.

Q. And you're saying --

A. We also included labor to pack out --

Q. Well, hang on.

A. -- and storage.

Q. And I'm looking -- what date was that page? Just so I can see that on the payments made schedule.

A. It was paid as part of the 489,072.77. It was paid as part of the original contents payment, the ACV contents payment.

Q. So you're saying you paid -- the only payments I see here are some -- I don't see a payment for 3,600 --

A. You're not going to. This was all part of the ACV payment under contents.

Q. Yes, but --

A. It's part of the inventory.

Q. Okay. But you didn't pay her 489 dollars and 72 cents -- $489,000?

A. Well, I've got to see what the ACV amount is.

Q. The only amount you paid her is $329,527; is that correct?

A. Correct. Wait, no. Hold on a second. The -- I'd have to look at the list of all the payments that were issued.

Okay. So ACV contents settlement to the insured was made on 9/15/23, which is the date that this document was produced. Yes. Okay?

Q. So that's -- that document is dated it 9/15, thank you.

A. Correct. And on that same date, we issued payment to the insured for $190,636.55. Of that, we paid the public adjuster, according to her contract with him, of the contents, 21,499.53. And you have to remember, we advanced Ms. Stimson I think over $60,000 in Coverage A advance payments that also was applied to that total that we owed under ACV.

Q. But you understand that this document here was produced on September 15th, 2023; is that correct?

A. I don't know if it was produced on that date. It was finalized that on that date.

Q. Okay.

A. It was a work in progress up to that date. It doesn't -- that document takes more than just a day to complete. But that's the date that that document was printed.

Q. Okay.

MR. SATTI: And for the record, what was that document you were just referring to?

THE WITNESS: That is Exhibit No. 12.

MR. SATTI: Thank you.

Q. I'm going to show you what is marked as Exhibit No. 15. Again, it's thinner because I had it double-sided. Have you ever seen this document before?

A. Yes.

Q. Okay. And do you know what date it was produced?

A. I'd have to look at it. I don't know, let's see, what does it say here? Issue date of report, December 19th, 2023.

Q. Okay. And so this report was issued, and then, of course, it says right underneath that reissued January 4th. You couldn't have had a copy of this report prior to December 19th, 2023?

A. This report prior to -- I don't know if this was a follow-up report, but it seems like this was initially produced on December 19th, 2023.

Q. Okay. And the document you were just looking at is dated as being finalized on 9/15/2023?

A. At that time, based on the information we had, that document was produced on 9/15/2023.

Q. And have you updated that document since you got the appraiser and restoration report from Manzi?

A. The -- at that point the claim was in litigation, and our litigation team was handling the claim.

Q. So --

A. Based on the items in dispute. Including the fact that Ms. Stimson did not include any ages -- or her public adjuster -- did not include any ages on any of the contents. Therefore, it became impossible for us to establish an ACV without that information.

Q. So my question to you, though, is as of -- as of today, you have not paid anything related to Manzi's report for items that are antiques and would come under that provision of the policy which would require a replacement value?

MR. SATTI: Objection to the form. You can answer.

A. The Manzi report was subject to a dispute on what was cleanable, what was repairable, and the cost of those items. Therefore, I don't believe those issues have been resolved since litigation started.

Q. Okay. So you would agree with me then that at a minimum for the items listed in this report that she's entitled to $292,355?

A. Those items are in dispute. Therefore --

Q. What do you mean, they're in dispute?

A. The value of the restoration for these items is in dispute.

Q. Okay. Is the replacement value in dispute?

A. Yes.

Q. Who has reviewed these to dispute them?

A. Counsel.

Q. Okay. So your counsel has not identified any experts to value these, so I'm unaware of anybody who's valued these other than Manzi.

A. Is there a question?

Q. Yeah, are you aware of anybody else who's valued these?

A. Not since it's been in litigation.

Q. Okay. So if that's no other appraiser and no other individual who's placed a value on these, would you agree with me that the $292,355 is owed to Ms. Stimson?

A. No.

Q. Do you agree with me that these items in the Manzi report are not contained in the Change Report?

A. These items are in part listed in the Change Report. I think part of the dispute was there was an overlap with some items that were already paid for previously, and they were also part of this report. So there were a number of areas of dispute with this document that we were trying to resolve that's party to the litigation, my understanding.

MR. SATTI: And just for the record, the document he was just referring to was?

THE WITNESS: Exhibit 15.

MR. SATTI: The Manzi report.

Q. So everything in Exhibit B -- I'm sorry, in Coverage B has nothing to do with the appraisal process, and the appraisal process does not limit anything she can claim under Coverage B; is that correct?

A. Correct.

Q. Okay. So that is, regardless of this -- of

what the Court decides as to the appraisal process, the dispute over the property is still a live controversy?
A. It's my understanding it's still unresolved.
Q. Okay. And subject to litigation to be resolved by a jury?
A. Yes.
Q. Or a court?
Okay. Would you agree with me that as an adjuster, State Farm is required to be fair and carry out the terms of the insurance contract in good faith?
A. Yes.
Q. And would you agree with me that you have a duty to understand the law of the state of Vermont as it applies to State Farm's insurance contract with Ms. Stimson and to make sure Ms. Stimson is able to receive the full benefits of her policy?
A. To the best of our ability.
Q. Okay. And do you agree that you have a duty to investigate claims in a diligent manner and to act promptly to resolve the claim?
A. Yes.
Q. Okay. And do you agree that you have a duty to document all your communications?
A. Yes.

Q. Okay. So can I assume that if there's not a communication that's contained in the claims file that I've been provided, that it did not take place?

A. If there was a mistaken item missing, I don't know, but would I assume that if it took place, it's in the file.

Q. Okay. And if it didn't take place, then it's not in the file?

A. I -- I would -- yeah.

Q. Okay. And you have a duty to be open to additional information in determining a claim; or if a claim is denied, to look at that information in a light favorable to the client under the terms of the policy?

A. Yes.

MR. SATTI: Objection to the form. You may answer it.

Q. You have a duty to promptly resolve all claims with the claimant and to do so promptly?

A. Yes.

Q. Okay. Do you know whether or not there is a single document outlining -- signed by my client or Mr. -- her private adjuster documenting the exact items that are supposed to go to appraisal?

A. I'm sorry?

Q. Do you know whether there is a signed document signed by our client, or Sabel Adjusters on their behalf, and State Farm detailing exactly what's supposed to go before the appraisal?

MR. SATTI: For which coverage?

MR. NUOVO: There's only one issue that went to appraisal.

MR. SATTI: Then you know what it is.

MR. NUOVO: So does he.

A. Did they provide a document?

Q. Yeah. Is there a document signed by both State Farm and either Sabel Adjusters or Ms. Stimson detailing the exact items that are supposed to be considered under the appraisal?

A. I can't speak to what Sabel Adjusters provided their appraiser --

Q. No, you're not listening to my question. One document --

MR. SATTI: You can answer it any way you are truthfully answering it, and don't have him do that again.

MR. NUOVO: Objection -- you don't get to make speaking objections.

MR. SATTI: He's been listening to this for a lot of hours, and he's going to answer the questions truthfully.

MR. NUOVO: No speaking objections.
MR. SATTI: I'm not speaking.
MR. NUOVO: Yes, you are.
MR. SATTI: I'm reminding him.
MR. NUOVO: Yeah, that's a speaking objection.
MR. SATTI: Which he's been doing for over five and a half hours.
MR. NUOVO: Okay. And it got settled.
Q. MR. NUOVO: So my question to you, again.
A. Um-hum.
Q. Okay? Are you aware of any document signed by a representative of State Farm and a representative of Ms. Stimson, either herself or someone from Sabel Adjusters, which details exactly which items are going to go to the appraisal?
A. We provided that document to Sabel Adjusters, and they replied in agreement with going to appraisal.
Q. Okay. So --
A. That --
Q. So your statement here is that the letter that you sent and all those things in the boxes, those are the only items that the appraisers were entitled to appraise; is that a fair statement?

MR. SATTI: Objection to the form. You can answer it.

A. Those were the areas that we disagreed on.

Q. Okay. And the appraser should not have decided any other issues?

MR. SATTI: The appraisers or the umpire?

MR. NUOVO: The appraisers.

MR. SATTI: The appraisers didn't determine value.

MR. NUOVO: Okay, stop your objecting. Yes, they did.

MR. SATTI: No, they didn't.

MR. NUOVO: Stop your --

MR. SATTI: You know the documents. They're a part of our motion.

MR. NUOVO: You don't get to make a speaking objection.

MR. SATTI: I'm not. I'm not speaking.

MR. NUOVO: Yes, you are. You are making a speaking objection.

MR. SATTI: You don't have to raise your voice to me. It's too late to do that.

MR. NUOVO: I will raise my voice to you if you keep making speaking objections.

MR. SATTI: Just be professional. You

don't need to raise your voice.

MR. NUOVO: You're the one not being professional right now.

MR. SATTI: We both have been doing this for a long time.

MR. NUOVO: Okay.

MR. SATTI: And by the way, raising your voice doesn't help anybody in the room either.

MR. NUOVO: I didn't really raise it that loud, and we can get an attestation to that.

MR. SATTI: But you raised it.

Q. BY MR. NUOVO: I'm going to show you what's been marked as Exhibit No. 24. Can you tell me what that document is?

A. Claims Practices Operation Guide.

Q. Do you know why this document -- and this has to do with appraisals; is that correct?

A. It does.

Q. Okay. And it was dated 04/15/2022. Do you know whether or not there's a supplemental one between 04/15/2022 and October 15th -- sorry, let me rephrase that -- between April 15th, 2020 and October 15th, 2022?

A. No, I'm not aware if there is one or not.

Q. Okay. Do you know why this document was not provided to me by State Farm?

MR. SATTI: Objection to the form. You can answer it.

A. No.

Q. Okay. Was it in any of the operational guides that were provided to me?

A. Earlier?

Q. Yeah.

A. I don't believe so.

Q. Okay. We specifically looked at all those, and I made sure that as we were going through them that you noted each one, but the Operation Guide for the subject of Appraisal was not included in that, correct?

A. I don't know, I didn't prepare the documents.

Q. No, no, what we saw today.

A. Right.

Q. It was not in there?

A. I did not see that.

Q. Okay. Take a moment to look at this. Does this document, to the best of your knowledge, outline the appraisal process and the operational guide?

A. It speaks for itself.

Q. Okay. Looking at it, do you believe this is a true and accurate copy of the Operation Guide 75-09?

A. It appears to be.
Q. Okay. And this document details what you're supposed to do for appraisals; is that correct?
A. Yes.
Q. Okay. So down at the bottom, it gives you the Appraisal Principles?
A. Which page are we on?
Q. On number 1. The first page of this document.
A. Okay.
Q. Okay. Now, it says, the last line there -- oh, sorry, it says Appraisal Principles, and it gives you the principles for which appraisals should be done?
A. Um-hum. Yes.
Q. Now, under this direction -- well, let's go backs to the purpose. Under the Purpose, it says, "If a policy provision" -- the second paragraph -- "or application is more restrictive than the law of the jurisdiction, then the law of jurisdiction will apply." Do you see that?
A. I do.
Q. Okay. And you agree with that?
A. Yes.
Q. Okay. And so if there's a difference between

what the principles are in this appraisal practice that are more restrictive than the policy, then the policy provisions apply; is that correct?

A. Say that again?

Q. Sure. If there's a contradiction between the operational guide and the actual wording in the policy, the policy provision applies?

A. Correct.

Q. Okay. So, for example, here it says, at the very bottom of the page, "Therefore, appraisal should not be used" -- hang on, I misread, what I didn't want to read.

Okay. So I'll rephrase that question. So it says in the Appraisal Principles, it says, the last sentence under section II of the first paragraph, it says, "The appraser does not decide coverage or policy interpretations, rather only evaluates the loss"?

A. Where are you now, again?

Q. Yup, sure.

A. Where are you now? What page?

Q. It says -- on the first page of this document.

A. Yup.

Q. Down at the bottom of the --

A. The Appraisal --

Q. -- first -- first paragraph under part II, the last sentence of that first paragraph, it says, "The appraser does not decide coverage or policy interpretations, rather only evaluates the amount of loss"?

A. Correct.

Q. Okay. So they did not decide any issue that was denied?

A. No. It's a covered loss.

Q. Right, I understand. And as part of this lawsuit, we dispute those denials; you understand that?

A. No, the lawsuit -- it's a covered loss. There are certain claims being made within the covered loss that may not be covered, and those were outlined and explained, but that was not part of the appraisal process.

Q. Right. So my point to you is that we dispute some of your denials, and those issues were not covered by the appraisals, and therefore, those disputes are still live controversies between you and Ms. Stimson?

A. That's your opinion.

Q. Well, is it yours?

A. No.

Q. So you think that the appraisal got rid of the -- covered also the denials?

A. Which denials are you referring to?

Q. Well, in your letter, there were -- in the letter dated May 11th, there was a whole section of denials that we went under -- covered.

A. Right.

Q. And then there was another section in a table outlining the disputes that you wanted resolved in the appraisal.

A. Correct.

Q. So the denials were not resolved in the appraisal?

MR. SATTI: Objection to the form. You can answer it again.

A. Well, it depends on how you look at it. I mean, as far as ordinance and law, Ms. Stimson's contractor included ordinance and law in his estimate, so that estimate was subject to the appraisal, which included his ordinance in law for areas such as insulation.

Q. Did you -- did you -- is there anything in that appraisal that has them deciding ordinance or law?

A. No.

MR. SATTI: Objection to the form.

A. But insulation was part of the appraisal.

Q. I understand insulation was, but does the appraisal -- are the appraisers allowed to decide ordinance issues?

A. No.

Q. Thank you.

A. But they are allowed to decide value.

Q. Okay.

MR. SATTI: Of what?

THE WITNESS: Damages claimed.

MR. NUOVO: Okay, you don't get to ask questions.

Q. All right. So, for example, the "Appraisal should not be used to resolve questions such as: What caused the loss?" Is that a fair statement?

A. Yes.

Q. "Do policy exclusions apply?" Correct?

A. Correct.

Q. Is that a fair statement?

A. Yes.

Q. They're also not allowed to decide: Accidental direct physical loss? "Has accidental direct physical loss occurred?"

MR. SATTI: Objection to the form. You can answer it.

Q. Is that a fair statement?

A. It doesn't apply to this loss, but yes.

Q. Okay. And "Have policy conditions been met?" They aren't allowed to decide that?

A. Correct.

Q. And "What is the scope or extent of the loss?" Is that a fair statement?

A. Yes.

MR. SATTI: Fair statement of what?

A. That's what it says.

MR. NUOVO: Okay. If he doesn't understand my question, he can ask me to rephrase it, but you are not allowed to interrupt. Your sole basis for objecting is to instruct him as to -- to make an objection to form, or you can instruct him not to answer if it involves a privilege.

Q. All right. So the appraisal process is not a policy requirement; the appraisal process does not have to go through?

MR. SATTI: Objection to the form.

Q. So let me rephrase it. There is not a requirement in the policy that parties go through the appraisal process?

A. It's a -- well, it can be requested.

Q. It can be requested, but it is not a requirement?

MR. SATTI: Objection to the form.

A. No.

Q. Okay. And the appraisal process does not preclude litigation, does it?

A. No.

MR. SATTI: Objection to the form.

Q. Okay. So read number III under section -- Roman numeral 3, Appraisal Guidelines, (C)(3). Just read it to yourself a second.

A. You want me to read (A), (B) and (C)?

Q. Yup. And you see under (C), there's a section (3). Just read that to yourself for a second. Tell me when you're ready.

A. Okay.

Q. Okay. Now, it talks about filing suit in that section. What does that section mean to you? Could you explain it to me?

A. Which section are you referring to?

Q. Remember, we talked about (C)(3), which I just had you read.

A. (C)(3)?

Q. Yup.

A. Right. It says, "Either party is prohibited from demanding appraisal after that party brings suit" --

Q. Right.
A. -- "or action against the other party."
Q. Okay. So is it your opinion that filing suit has an effect on the appraisal?
MR. SATTI: Objection to the form.
A. No.
Q. Okay. So if go down on the next page, which is listed at the bottom as Page 3 of 8, under section III again, Appraisal Demand, under (2), it says, "The demand must specify the areas of disagreement," which we can agree -- you agree with me that your letter of May 12th did; is that correct?
A. Yes.
Q. Okay. "The demand should fully explain the obligations of the insured, the appraisers the umpire, and the time limits within which the action must be taken." Do you see that?
A. Yeah.
Q. Okay. Now, "Appraisal demands should be clear and in writing." And your agreement to me is that it did, embedded in the paragraph in your May 12th letter; is that a fair statement?
A. Yes.
Q. Okay. And "The appraser should be instructed to document activities and findings." Do we have

copies of anything from the appraser showing that he documented the activities?

A. A specific --

Q. Yeah.

A. -- instruction to do so?

Q. Yeah.

A. I'm not sure. There should be an appraisal assignment letter.

Q. Yup. We'll get to that in a second. So Timelines, do you see that, (D)?

A. Yes.

Q. Okay. It says that the "Appraisal may be demanded as soon as substantial disagreement occurs," or -- "and other avenues of agreement have been explored," okay? You stated here that they -- you made the demand, and then they agreed. But the next section says, "Review policy materials with the jurisdiction to verify timelines." Do you know whether anybody reviewed the jurisdiction in Vermont to verify the time deadlines?

A. Well, it specifically states, "There should be a strict adherence to time limits for selection of appraisers (20 days) and umpire (15 days) unless the time is extended by mutual agreement."

Q. Right. And do you have a mutual agreement anywhere in writing showing that the deadlines were extended?

MR. SATTI: Objection to the form. You may answer it.

A. With the other appraser?

Q. Do you have any document showing that anybody agreed to the timelines being extended?

A. My understanding is that document is between the two appraisers that were selected.

Q. Okay. That doesn't -- does it say anywhere here that the timelines -- who "mutual agreement" has to be?

A. It doesn't state that the insurance company's timeline has to be -- responsible and in charge of that timeline either.

Q. So your statement, the timeline doesn't really matter here to the parties; so in other words, Ms. Stimson --

A. It certainly matters. My appraser -- State Farm's appraser and Ms. Stimson's appraisers and their communication and their contact and scheduling is between the two parties that we both have hired.

Q. Okay. But it doesn't say that it's the appraisers who get to set the timeline?

A. That timeline is referring to the selection of the appraisers.

Q. Yup. And it also provides a timeline for when an umpire should be picked?

A. Unless it's extended by mutual agreement. And again, that mutual agreement between the appraisers I'm not party to that conversation.

Q. Okay. But your position is -- does it say anywhere in here that the mutual agreement is between the appraisers as opposed to mutual agreement between the parties?

MR. SATTI: Objection to the form.

A. It says what it says.

Q. Okay. So, so the next sentence says, "Failure to meet the policy provision time limits could void the appraisal." Do you see that?

A. The 20 days and the 15 days, unless time is extended by mutual agreement. I see that.

Q. Right, okay. So if there's no agreement, by my -- I interpret this to be that my client has to agree to the extension, and the appraisal will be void if it didn't follow this timeline, unless there was a mutual agreement. And you can and I can disagree as to what -- who gets to make that mutual agreement.

MR. SATTI: There's no question there.

A. There's no question.

Q. Yup. So my question to you then is: If there was no mutual agreement to extend the timeline, the appraisal is void?

A. There's not for me to answer.

Q. Okay. But you would agree that what that's what it says right here?

A. It doesn't specify what type of mutual agreement that has to be.

Q. It doesn't, does it? And there's nothing in the -- the policy doesn't specify either? It doesn't say it's the appraisers who have to agree, does it?

A. It doesn't say that.

Q. Okay. And it also states that "Any agreed covered amount of loss should be paid promptly"; is that correct?

A. Correct.

Q. Do you know when the money was actually paid to Ms. Stimson?

A. I believe it says it in that --

MR. SATTI: He just asked you do you know. Do you know when it was paid to her.

A. I could look. 12/16/2023 per the Summary of Loss in Exhibit 14.

Q. Have you seen the actual check?

A. No.

Q. I show you what's been marked as Exhibit No. 5. I represent to you this was a document given to me contained in the claims file starting at page 35. I put Bates stamps number at the bottom of it so I could identify each individual page. This document is dated 1/14/2026; do you see that?

A. Yes.

Q. Okay. What is this document?

A. It says it's a Fire Claim File Print of Financial Information.

Q. Okay. So what is that -- what is that document supposed to include?

A. I don't know, I've never seen one like this before.

Q. Okay. So it has Basic Claim Information, which just has the name of the parties, the claim number, date of loss information; is that correct?

A. Yes.

Q. Okay. And then going to page 2, it shows in reverse chronological order starting with the most recent payment or the last payment that's listed on this document of 07/31/25 to Dinse PC for $280; do you see that?

A. Yes, I do.

Q. Okay. So see if you can find on there the date that the amount was paid to Ms. Stimson for the appraisal.

MR. SATTI: You mean for the award?

MR. NUOVO: Yup.

Q. Do you see that the check wasn't actually issued -- go ahead and look at January 11th, 2024.

A. Okay.

Q. Do you have any reason to dispute that the check to Ms. Stimson for the quote/unquote amount under the appraisal wasn't paid until January 11th, 2024?

A. It was paid on December 21st, 2023.

Q. No, that was "Stop Pay."

A. Correct. That means that it was paid.

Q. But she didn't --

A. And then she requested, or someone requested, a stop pay that draft and reissue it.

Q. And you think that Ms. Stimson stopped to pay the amount? Who ordered the stop pay?

A. I'd have to see the claim file.

Q. Okay.

A. So that payment was issued to Ms. Stimson and her bank, and at some point between December 21st of 2023 and January 11th of 2024, a request was made to reissue that draft.

Q. Okay. So she didn't actually receive

it -- couldn't have received it before January 11th, 2024; is that a fair statement?

A. I'm sorry, she could have?

Q. She could not have received it before --

A. Why not?

Q. -- January 11th, 2024?

A. Why not?

Q. Because the other check was stopped.

A. I don't have any reason to know why the request was made to stop it.

Q. Okay. So if I show you the only check that I have was dated -- yeah, I do have that in here, I think. I thought I had it in here. I'll look for it later.

Okay. Let's go back to Exhibit No. 24. So the next part down at the bottom of page 2, that Appraisal Process there is detailing things that apply specifically to Homeowners Policy 7955, which is not related to our claim; is that correct?

A. I'm sorry, what page are you on?

Q. Sure. 2 of the Exhibit No. 4.

A. Which section?

Q. Right down at the bottom. It lists Appraisal Process, but then it specifically mentions FP 7955.

A. "Homeowners with no Endorsement regarding

Appraisal"?

(Reporter clarification.)

Q. So we're looking at Exhibit No. 24.

A. Okay.

Q. Yup.

A. Page 2?

Q. Page 2. All the way down at the bottom.

A. Yes.

Q. And there it says the Appraisal Process --

A. Right.

Q. -- dash FP 7955.

A. Correct.

Q. That does not apply to Ms. Stimson; is that correct?

A. Correct.

Q. Okay. So if we go to page 4 of that same document, and there it has HW -- Appraisal Process HW-2100?

A. Yes.

Q. Is that the section that now applies -- does this provision apply to Ms. Stimson's policy?

A. Yes.

Q. Okay. And now, the first thing it says, "Ensure all timelines and conditions have been explained to the policyholder, including the itemized documentation of a specific dispute as to the amount of loss." Is that what it says? Right under (A), the second paragraph?

A. Correct.

Q. Okay. Now, the only letter we have doing that is Exhibit -- is the May 12th letter; is that correct?

A. Right. But we've also had conversations with Ms. Stimson's public adjuster through this whole process.

Q. Okay. "At least 10 days before demanding appraisal, the parties seeking the appraisal must provide the other party with written, itemized documentation of a specific dispute as to the amount of loss, identifying separately each item being disputed." Is there a letter that was sent prior to May 12th detailing the specific disputes?

A. I don't recall.

Q. Okay.

MR. SATTI: I believe the letter was May 11th.

MR. NUOVO: Okay, thank you, you're right, May 11th.

Q. So was there a letter that was sent out at least 10 days beforehand with written, itemized documentation of the specific dispute as to the amounts of loss, identifying separately each item to be disputed?

A. I don't recall.

Q. Okay. And then under Timelines on the next page, on page 5, it says, "Review policy materials for the jurisdiction to verify the timelines." Do you know if anyone did that?

A. Reviewed the policy? Yes.

Q. Policy materials for the jurisdiction -- okay, yup.

A. Yeah, 20 days.

Q. Yup. And then it says, "There should be a strict adherence to time limits for selection of appraisers (20 days)." And "If the two appraisers fail to agree upon the amount of loss (30 days), unless the time is extended by mutual agreement, they will select a competent umpire"?

A. Correct. And it's, again, referring to two appraisers fail to agree unless the time is extended by mutual agreement. To me, that references the two appraisers, not State Farm Insurance and Ms. Stimson's representative.

Q. But it doesn't say that in the policy? It doesn't say appraisers in the policy?

A. It says it here.
Q. Well, did Ms. Stimson have a copy of this?
A. Again, this is a guideline. This is an interpretation of that policy. And --
Q. But you understand that policies are interpreted -- language in the policies are always interpreted, where there's any ambiguity, in the favor of the policyholder?
A. I don't read that as ambiguous.
Q. Okay. Then the next thing says -- of course, we've done this -- but again, the "Appraisal is only available" -- do you agree with me that the "Appraisal is only available to determine the amount of loss for each item in dispute," and those are only the items listed in your May 12th letter?
MR. SATTI: Objection to the form.
Q. Is that correct?
A. Yes.
Q. And it says specifically, after that, that "The appraiser and umpire have no authority to decide questions of fact, law, coverage, contract issues, or to conduct appraisal on a class-wide basis." And we discussed those things, and that's specifically, again, in this provision; you agree with that?
A. Yes.

Q. Okay. So under (G) Additional Conditions, which is on page -- continues over on to page 6; do you see that?

A. Yes.

Q. Okay. It says -- what does it mean, "The appraisal award may not be entered as a judgment in a court"? What do you understand that to mean?

A. I don't know, I'm not an attorney.

Q. Okay. Well, it's in the guides to you, so I'm just -- as the State Farm representative, what does that phrase mean to you?

A. That means I would contact an attorney to find out what specifically that -- how that applies.

Q. That's fine. So number (3) down in -- on page 6 still, if you look down under section VI, Completing The Appraisal Process?

A. Um-hum.

Q. If you read that --

A. Yes.

Q. -- section to yourself for a second, tell me what that section means to you.

MR. SATTI: Under (B)(3); is that what you're asking?

MR. NUOVO: Yup.

MR. SATTI: Thank you.

Q. What does that section mean to you? Have you read it?

A. Yeah, I have.

Q. Okay. Do you agree with me that the process there was not followed?

A. I don't recall.

Q. Okay. Well, it says that "In the course of appraisal, the company should complete the Memorandum of Appraisal." Is there any document that's titled Memorandum of Appraisal that you're aware of?

A. I'm -- I don't recall if there is or not.

Q. Okay. And the only thing that's not supposed to be in there is entering the name of the insured's appraiser; do you see that?

A. I saw that.

Q. Okay. "The memo is next mailed to the insured with the request that they enter the name of their appraiser, review the document for accuracy, date and sign the document, and then mail it to their chosen appraiser." Do you see that?

A. I see that.

Q. Do you know of any such document in existence?

A. I am not aware of one.

Q. Okay. And then there's supposed to

be -- "The Memorandum of Appraisal also includes the Declaration of Appraisers." And that's a document that's supposed to be executed by the appraisers and then explains the purpose of this document. Do you know if that memorandum -- whether or not there was such a document that was signed by the appraisers?

A. I believe there was as part of the award, right?

Q. So you're saying that that is the award?

A. Well, there's a -- the agreement that was signed and dated by both appraisers.

Q. But this doesn't -- the award that you're talking about -- this says, "The appraisers acknowledge their appointment, and confirm they meet all the requirements under the appropriate contract." Is there any such document that does that?

A. I'm not sure if that's a document that they have on file or not.

Q. Okay.

A. I don't have a copy of that I'm aware of.

Q. And is there a document signed by the appraisers that said that they "swear to act impartially and swear that they are not in any way related to either party, or interested in a particular outcome"?

A. I don't recall.

Q. Okay. Is there a document that "The appraisers acknowledge, in writing" -- well, they didn't select an umpire, so that one's not relevant here.

Okay. And then the last one, (f) on the next page says, "The insurer's appraiser should meet with the insured's appraiser" -- so that would be State Farm's appraiser should meet with Ms. Stimson's appraiser -- "to date, sign, and notarize the agreement." Is there any notarized agreement?

A. I'm sorry, which letter are you on?

Q. (f)

A. (f)? On page 8?

Q. Yup. 7.

A. Page 7. I don't have an (f) on page 7.

Q. Sure. Right at the top.

A. I have (e). Oh, up top there, okay. And I'm sorry, what was your question?

Q. Sure. Is there any document in which the insurer's -- that's State Farm's appraiser -- should meet with Ms. Stimson's appraiser to date, sign, and notarize the agreement?

A. I -- as far as I understand, they agreed to sign and notarize an agreement. How they met or didn't meet and in what format, I'm not aware of.

Q. Well, this agreement is prior to the decision?

A. I know they did meet and --

Q. But you don't have a copy of any document that's been notarized or signed by them?

A. No.

Q. And do you know if even the award was notarized?

A. I don't know. I know it was signed.

Q. So if I represent to you that it was not, you wouldn't have any reason to disagree with that?

A. No.

Q. So you agree with me that there was -- there is a coverage dispute between State Farm and Ms. Stimson?

A. No, it's a covered loss. There's no coverage dispute.

Q. Okay. So your opinion is that there -- that everything is covered, but the dispute is over what items are covered under the policy, not as to there being coverage?

A. Correct.

Q. Okay. And Ms. Stimson actually has a right to challenge the appraisal before a court; you understand that?

MR. SATTI: Objection to the form. That's a statement. It's not a question.

MR. NUOVO: It is a question.

MR. SATTI: What's the question?

MR. NUOVO: You can object to form.

A. What is the question?

Q. Okay. You understand that Ms. Stimson has the right to challenge the appraisal in court?

A. Again, I'm not an attorney.

Q. Okay. Well, the last section there on page 8, it says, "Appraisal awards may be set aside by the courts," correct? And I don't understand those conditions, but as a general basis?

A. Well, it also continues to state the reasons why.

Q. Yup. But my first question to you is it can be challenged in court?

A. If it meets the other components to that.

Q. Yup, right. So, for example, "Other factors may" -- may -- "challenge the appraisal award, such as, the level of competencies, the disinterested status of the appraisers or umpire; also, coverage issues may remain and eliminate payment." But you're saying here the coverage issue here does not include denial; you're saying whether or not there's actual coverage?

A. Well, it says here that "The appraisal may be set aside by the courts when (1) the parties did not have the opportunity for a full and fair hearing."

Q. Yup.

A. "Or (2) the hearing was not conducted."

Q. Right. But it also says, "Other factors may challenge the appraisal award, such as the level of competencies and disinterested status of the appraisers and the umpire; also, coverage issues may remain and eliminate payment of some damages that are included in the award." Is that a fair statement of what it says?

A. That's what it says.

Q. Okay. Let me show you what's marked as Exhibit 8. Do you know what this document is?

A. State Farm estimate.

Q. What?

A. Excuse me?

Q. Yes, tell me what this document is.

A. This is the estimate that was updated after the appraisal award was issued.

Q. Okay. And what does it give as the replacement cost value?

A. Actually, hold on a second. This is -- I'm sorry, no, this is dated 12/11/2023.

Q. So just to be clear, this is after the appraisal was done; is that correct?
A. Yeah, I'm just -- oh, here it is. Let's see. I'm not sure why it's that way. It's a draft copy, so it's not a completed copy. Do you have the final copy of Exhibit 8?
Q. So you're saying there's another -- there should be a finalized of this?
A. Well, this is a draft copy.
Q. I understand.
A. So it doesn't appear to be a final copy.
Q. Okay. But do you see how much it has for the replacement cost value?
A. I see the number there. I don't know what generated that entry.
Q. Okay. Why don't we go to the second-to-last page, 124. Or actually third-to-last page, go to page 124.
A. Yes.
Q. Okay. So the estimate says $940,272.63?
A. Correct.
Q. Okay. And that was the amount of the award, correct?
A. Correct.
Q. And then it also lists Fire and Water

Mitigation?
A. Correct.
Q. It also lists Asbestos Abatement?
A. Correct.
Q. And Winterize the Home?
A. $400.
Q. Yup. Now, in our payment schedule above, under Dwelling, the total amount listed there as being paid is -- well, the replacement cost is $942,352.63?
A. Correct.
Q. Okay. So did that appraisal award include the Fire and Water Mitigation?
A. I believe it did.
Q. Well, then why is it listed separately here?
A. I'm not sure.
Q. And --
A. Probably he forgot to take it out when he put the appraisal award in it. Might just be an error on his part. It must be, because the winterization of the home, I think, and the board up, I think that number is not accurate. That might be an early number.
Q. I just want to make it clear, you didn't -- did Paul Orr consult with any contractors to determine the bid of the work and the cost?
A. Not that I'm aware of.

Q. Okay. Are you aware of Title V.S.A. 3663 of the Vermont Statutes --

A. No.

Q. -- dealing with the appraisal process?

A. Not off the top of my head, no.

MR. NUOVO: Let's take five minutes. Take a five-minute break.

(Off the record at 4:21 p.m.)

(The record was resumed at 4:32 p.m.)

MR. NUOVO: Okay, back on the record.

Q. Do you recall back in October of 2023 that I had requested to take your deposition?

A. Me personally?

Q. Um-hum.

A. Nobody asked me specifically.

Q. Do you know why -- you've always lived in New York; is that correct?

A. Correct.

Q. Do you know why State Farm's attorneys were saying that your deposition had to be done by video because you lived in Iowa?

A. I don't think they were referring to me.

Q. Okay. Did you ever tell anybody or anybody tell you --

A. Iowa?

Q. Yeah. Well, where is State Farm located?
A. Illinois.
Q. Illinois, sorry. That you lived in Illinois? I messed up there.
A. I never lived in Illinois.
Q. What?
A. I never lived in Illinois.
Q. Okay. And you didn't tell anybody that you lived in Illinois?
A. No reason to.
Q. Okay. I show you what's been marked as Exhibit No. 20. Now, this was a document provided to me at page 2556 of the claims file. And this is -- there's an email starting at the bottom from you of October 21st, 2024?
A. Starting from me?
Q. Well, it says from Gino Radovic, and then at the very bottom it says Monday, October 21st, 2024 at 11:04 a.m.
A. Yeah, it's a reply to a previous email from counsel.
Q. Right. And so you say, "Good morning. Best days for me are October 29th or 30th"?
A. Yes.
Q. Okay. Do you know why those depositions

weren't scheduled?

A. I have no idea.

Q. Okay. And then on October 28th, you write, "Has there been" -- again, is that an email from you?

A. Yes.

Q. Okay. And that one says, "Has there been any news or developments on suggested deposition dates since they are coming up in the next couple days?" Do you see that?

A. Yes.

Q. So you were available on October 23rd -- 29th or 30th of 2024 for a deposition?

A. Yes.

Q. Okay. And then you see an email to you from Mary -- I'm going to pronounce her name wrong, but I'm going to try -- Vlamis?

A. Yes. Yeah.

Q. Okay. And do you know of any other communications about your deposition date?

A. No.

Q. Were you available for your deposition on March 11th of 2025?

A. March? I have no idea.

Q. Were you asked to have your deposition taken in March of 2025?

A. I have no idea.

Q. Okay.

A. I made myself available as requested.

Q. Thank you. I appreciate that.

I'm going to show you what's been marked as Exhibit No. 25. I'll represent to you that this is a Vermont Statutes Annotated from Title 8, and it's Section 3663. Have you ever -- well, take a moment to read it, and tell me when you're done.

A. Okay.

Q. Okay. Have you ever read this before?

A. I don't recall.

Q. Okay. Are you familiar with the language that's in here?

A. Not particularly.

Q. Okay. Do you know whether -- in deciding to do the appraisal, whether the language in this was ever considered by anyone involved in doing the appraisal?

A. At the time of the appraisal?

Q. Yeah.

A. No.

Q. Okay. Let me show you what's been marked as Exhibit No. 26. So go ahead and read the -- well, what I've given you as Exhibit No. 26 is Title 8 Vermont Statutes Annotated 4723, and it relates to "Unfair methods of competition or unfair or deceptive acts or practice prohibited." Do you see that?

A. I see that.

Q. Okay. And do you -- you engage in the business of insurance; is that correct?

A. I do.

Q. Okay. And this statute says, "No person shall engage in any trade practice which is determined under this chapter to be an unfair method of competition or an unfair or deceptive acts or practice in the business of insurance"; is that correct?

A. That's what it says.

Q. Okay. And do you agree with that is a provision you should follow?

A. Yes.

Q. Okay. Let me she you what's been marked as Exhibit No. 27.

MR. NUOVO: Where did I put my questions?

MR. SATTI: Right -- I don't know if that's --

MR. NUOVO: That's not questions. Here we go.

Q. Okay. So this is Title 8 V.S.A. 4724, and it defines "Unfair methods of competition or unfair deceptive acts or practices." Do you understand that?

A. (Indicating)
Q. Are you aware of this document?
A. I am now.
Q. Okay. Have you ever seen it before?
A. Perhaps.
Q. When do you think you've seen it?
A. I'm not particularly sure.
Q. Okay. And you'd agree that this applies to you?
A. Yes.
Q. Okay. And to State Farm?
A. Yes.
Q. Okay. Turn to page 8, if you will -- I'm sorry, wait, is it 8? Yes. Turn to page 8, and you'll see section (9)? Number (9), do you see that? I'll wait.
A. Page 8 of 15.
Q. Yup.
A. Yes.
Q. Okay. So there it states, under (9), "Unfair claim settlement practices. Committing or performing such with frequency as to indicate a business practice of any of the following." Do you see that?
A. I do.
Q. Okay. So (A) is, "Misrepresenting pertinent

facts or insurance policy provisions relating to insurance coverage."

A. Okay.

Q. You understand that's a requirement that you need to follow?

A. Of course.

Q. That you can't misrepresent pertinent facts?

A. Of course.

Q. Okay. And (C) says that you can't fail "to adopt and implement reasonable standards for the prompt investigation of claims arising under insurance policies"; is that correct?

A. Yes.

Q. And in this case, you determined that the claim was covered. Do you agree or disagree that the investigation of claims also includes the amount of damages?

A. I'm not sure I understand what you're asking.

Q. Sure. So it says "prompt investigation of claims"?

A. Correct.

Q. What do you believe "claims" means in this provision?

A. Claims made by the policyholder for damages from the loss.

Q. Thank you, okay. Then it also says, "Attempting to settle a claim for less than the amount to which a reasonable person would have believed he or she was entitled" -- and this is (G), just so you can go follow along -- where he's "entitled by reference to written or printed advertising material accompanying or made a part of the application." So would you agree with me that the code of conduct -- I have that in here -- that these rules of professional conduct, which I'm showing you as marked as Exhibit No. 19, are things that you advertise to the public?

A. When you say "advertise," I'm not sure I'm following.

Q. Well, aren't these, these Canons and Rules of Professional Conduct, something that State Farm publishes to people so that they will look at their policies? Consider taking their policies?

A. Exhibit 19 is CPCU documentation.

Q. Oh, did I give you the wrong one? I did. Okay, hang on.

A. Sorry.

Q. That's fine. Oh, I remember where it is. It's at the end of -- I'll come back to that. It's at the end of the Exhibit No. 4. We'll come back to that.

So Our Commitment to Our Policyholders, this is a document that State Farm publishes and advertises as being how they deal with policies; is that correct?

A. Yes.

Q. And if you go all the way down to (M), do you agree it would be an unfair practice --

A. Which exhibit are we on now?

Q. We're still on the -- I believe it's 26. 27.

A. Sorry, I lost a paperclip.

Q. Okay. I can staple it for you. Actually, I have a paperclip right here. Is that 4724 that you have in front of you?

A. Yes.

Q. Okay. So look down at (M) under (9).

A. Number (9) -- that's the next page now? (M)?

Q. Yup.

A. Okay.

Q. So (M) is listed that -- oh, I know. Never mind. We'll skip that one. Yup, we won't deal with that. Okay.

Oh, yeah, it was (G) that I was referring to. So, "Attempting to settle a claim for less than the amount to which a reasonable person would have believed he or she was entitled by reference to written or printed advertising material accompanying or made part of the application." So would you agree with me that this Commitment to Policyholders is something that if State Farm failed to follow, that that would be an unfair and deceptive practice?

A. "If"?

Q. If.

A. Yeah.

Q. Okay. So I had given you Exhibit No. 20 -- no, no, sorry, No. -- I believe I gave you No. 19; is that correct?

MR. SATTI: It's the one to the right of that.

Q. Right here.

A. Oh, I gotcha, yup.

Q. So what is Exhibit No. 19?

A. The Canons of the Code of Ethics for a CPCU.

Q. Okay. And you are a CPCU?

A. I am.

Q. So would you agree with me that you're required to follow the canons and rules of Code of Professional Ethics?

A. Yes.

Q. Okay. I'm going to show us what's been marked as Exhibit 18. Have you ever seen this document before or a document similar to it?

A. Yes.

Q. Okay. What is it?

A. It's as it states, The Canons, Rules, and Guidelines of the CPCU Code of Professional Conduct.

Q. Okay. And I assume that you've read this?

A. At some previous point in time, yes.

Q. And because of your CPCU designation, you agree to follow the principles and the canons as they're described in here?

A. Yes.

Q. Okay. And in this document, there's a little bit more detail under each of the canons, I believe. And do you take courses on a regular basis -- well, when was the last time you took a course outlining the requirements in The Canons, Rules, and Guidelines of the CPCU Code of Professional Conduct?

A. I believe the last time I was required to.

Q. When was that?

A. I don't recall.

Q. Okay. In the last five years?

A. I think so.

Q. You think or?

A. I think.

Q. Okay. Would it be at least -- well, how many courses a year are you required to take to continue your CPCU license?

A. I don't recall. I have a bunch of different licenses, and they all have different requirements.

Q. Well, other than the AIC and the CPCU designation, you don't have any other designations?

A. No. But I have insurance licenses, which a lot of the courses overlap with what's required in this.

Q. Okay. So because you're -- what other states are you licensed in, besides Vermont and New York?

A. I'm not -- well, New York does not require an adjuster's license.

Q. Okay. What other states require licensing, that you're licensed in?

A. A number of New England states. I mean, there's a -- over a dozen of them.

Q. That you're licensed in?

A. Correct.

Q. Okay. And you don't know, right off the top of your head, which ones?

A. New Hampshire, Connecticut, Vermont. I think Delaware has them, South Carolina, Florida and -- there's a number of them.

MR. NUOVO: Okay. I want to look over my

questions one last time. We may be getting to a point with an end. If you need to get up and walk around, it's going to take me five minutes to go through this and I'll -- if I have any other questions for you. So I'm just going through my questions to make sure I didn't miss anything.

THE WITNESS: Okay.

(Off the record at 4:54 p.m.)

(The record was resumed at 4:57 p.m.)

MR. NUOVO: Okay, we're done.

MR. SATTI: I have some questions.

MR. NUOVO: Sure.

EXAMINATION

BY MR. SATTI:

Q. Mr. Radovic, would you pick up Plaintiff's Exhibit 24? It's right there.

A. Um-hum.

Q. And would you direct your attention to -- this is policy guideline 75-09 Subject Appraisal, correct?

A. Yes.

Q. And this had an effective date of April 15, 2020; is that accurate?

A. Correct.

Q. Okay. Would you go to the -- to the last page of this document, which is marked SF 3797 in the lower right-hand corner. It's the last physical page of this document.

A. Yes.

Q. Could you tell me if Mr. Pelletier ever advised you that he had received any communication from Ms. Stimson's public adjuster or the appraiser that her public adjuster selected to dispute the amount of the umpire's award under Coverage A?

A. Could you repeat that? Did Gary Pelletier receive any --

MR. SATTI: The court reporter will read it back to you.

(The reporter read back.)

A. No, not that I'm aware.

Q. And you were involved in managing Mr. Pelletier on this particular fire claim from the time that it was filed by Ms. Stimson until sometime in 2023 or 2024?

A. Correct.

Q. And did you and Mr. Pelletier continue to adjust the loss after Ms. Stimson's loss that was filed in the fall of 2023?

A. We did.

Q. And were you the one or was it Mr.

Pelletier that sent Ms. Stimson a letter explaining to her why you were not -- why State Farm was not going to waive the one-year statute of limitations to commence a suit under a policy?

A. That went out in Gary's name, yes.

Q. And after that went out in Gary's name to the insured, she selected an appraiser with the assistance of her public adjuster; is that your understanding?

A. Can you -- are you referring to the suit or the appraisal?

Q. I'm referring to the appraisal. Did you become aware after the letter stating you were not going to extend the statute of limitations for her to file a lawsuit, did she subsequently hire -- did her public adjuster hire an appraiser consistent with the terms of the policy regarding appraisal for Coverage A coverage?

MR. NUOVO: Objection. But go ahead.

A. Do I still answer?

MR. NUOVO: Oh, yeah.

Q. You still answer.

MR. NUOVO: I can't tell you not to answer. I'm not your attorney.

A. The appraisal process began before she filed suit.

Q. And at any time after the appraisal award began, did she tell you she was not -- that she was withdrawing from the appraisal award?

A. No.

Q. Okay. And is it your understanding as a 30 plus year employee that an insured can both file a lawsuit and engage in the appraisal process; can they do both?

A. Yes.

Q. They can do both?

A. Yes.

Q. Can they do one -- can they file a lawsuit and then engage in an appraisal?

A. I don't believe so.

Q. What would prohibit that?

A. I think the policy states that.

Q. Okay. And in your years of being in a managerial role, are you ever -- are you aware of any instance where State Farm has waived the one-year statute of limitations to commence a lawsuit?

A. No.

Q. I believe I have one more question. You're on that last page of Exhibit Plaintiff's 24, correct?

A. Correct.

Q. Could you read under section (F), what's it

entitled?
A. Validity of the Award.
Q. And can you just read the first section under -- the first sentence under section (F)?
A. "Number 1, Appraisal awards are generally held by the courts as binding with respect to the amount of loss."
Q. And Mr. -- Attorney Nuovo didn't ask you about that, did he?
A. No.
Q. He just stepped over and went to number 2, correct?
A. Correct.
Q. And did he also -- did he ask you any questions or provide you with any factual information that would be consistent with any of the reasons why a court might overturn an award that was determined by appraisal, the appraisal process, in Ms. Stimson's insurance policy?
A. No.
MR. SATTI: I have no further questions.
MR. NUOVO: None for me.
(Whereupon, the deposition was concluded at 5:04 p.m.)

WITNESS SIGNATURE

I, the undersigned, do hereby certify that I have read the foregoing deposition and find it to be a true and accurate transcription of my testimony, with any corrections so noted on the Errata Sheet.

Date: ______________ ____________________________
GINO J. RADOVIC

STATE OF ____________ COUNTY OF _________________, SS.

Subscribed and sworn to before me this
___________ day of _____________________, 20______.

____
Signature of notary public

____
Printed name

_____________________________ ____________________
Commission number Commission exp. date

ERRATA SHEET

Case Name: Ellen Stimson v. State Farm
Case Number: 2:23-CV-00581-wks
Deposition Date: Monday, February 23, 2026
Deponent: GINO J. RADOVIC

Please make any changes, corrections, or additions to your transcript on the lines below; then sign and date this form. Please return this sheet with the Signature Page as per instructions in the enclosed letter or attorney's instructions.

CORRECTIONS:

Pg. Ln. Change Reason

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Under penalties of perjury, I declare that I have read my deposition and that it is true and correct subject to any changes in form or substance entered herein.

____________________________ ______________

GINO J. RADOVIC DATE

CERTIFICATE

I, Darlene L. Falls, Court Reporter and Notary Public, do hereby certify that the foregoing pages, numbered 4 through 264, inclusive, are a true and accurate record of the Deposition of GINO J. RADOVIC, conducted before me on Monday, February 23, 2026, commencing at 9:54 a.m., in the matter of ELLEN STIMSON vs. STATE FARM FIRE AND CASUALTY COMPANY, Docket No. 2:23-CV-00581-wks, as to which a transcript was duly ordered.

I further certify that I am neither counsel for, nor related to or employed by, any party to said action nor in any way interested in the outcome thereof or in any other way disqualified to stenographically record the proceedings and thereafter produce a transcript.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 28th day of February, 2026.

NDTCA · Signed Electronic Transcript

Darlene L. Falls

DARLENE L. FALLS, RMR, CRR
Commission expires: 1/31/2027

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