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UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WISCONSIN

KATHLEEN McHUGH, and DEANNA SCHNEIDER, Individually and on behalf of all persons similarly situated,
Plaintiffs,
vs. CASE NO. 11-CV-724
MADISON-KIPP CORPORATION,
CONTINENTAL CASUALTY COMPANY,
UNITED STATES FIRE INSURANCE COMPANY and ABC INSURANCE COMPANIES 1-50,
Defendants,
and
MADISON-KIPP CORPORATION,
Cross-Claimant,
vs.
CONTINENTAL CASUALTY COMPANY,
COLUMBIA CASUALTY COMPANY and UNITED STATES FIRE INSURANCE COMPANY,
Cross-Claim Defendants,

(Caption continued)
DEPOSITION OF
KEVIN FLOREK
Madison, Wisconsin
December 17, 2012
9:30 a.m. to 10:37 a.m.
Kathy A. Halma, RPR

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1 and
2 CONTINENTAL CASUALTY COMPANY and
3 COLUMBIA CASUALTY COMPANY,
4
5 Cross-Claim Defendants
6
7 and
8
9 LUMBERMENS MUTUAL CASUALTY
10 COMPANY, AMERICAN MOTORISTS
11 INSURANCE COMPANY, and JOHN DOE
12 INSURANCE COMPANIES 1-20,
13 Third-Party Defendants.

14 A P P E A R A N C E S
15 THE COLLINS LAW FIRM, P.C, 1770 North
16 Park Street, Suite 200, Naperville, Illinois, 60563, by
17 MR. EDWARD J. MANZKE, ejmanzke@collinslaw.com, appeared
18 on behalf of the Plaintiffs.
19
20 VARGA, BERGER, LEDSKY, HAYES & CASEY,
21 125 South Wacker Drive, Suite 1250, Chicago, Illinois,
22 60606-4473, by MR. MICHAEL D. HAYES, mhayes@vblhc.com,
23 appeared on behalf of the Plaintiffs.
24 MICHAEL, BEST & FRIEDRICH, LLP, 100 East
25 Wisconsin Avenue, Milwaukee, Wisconsin, 53202, by MR.
JOHN A. BUSCH, jabusch@michaelbest.com, appeared on
behalf of Madison-Kipp Corporation.
MICHAEL, BEST & FRIEDRICH, LLP, One
South Pinckney Street, Suite 700, Madison, Wisconsin,
53703, by MS. LEAH H. ZIEMBA and MR. ALBERT BIANCHI,
JR., lhziemba@michaelbest.com and
abianchi@michaelbest.com, appeared on behalf of
Madison-Kipp Corporation.
TROUTMAN SANDERS, LLP, 55 West Monroe
Street, Suite 3000, Chicago, Illinois, 60603-5758, by
MR. CHRISTOPHER H. WHITE,
christopher.white@troutmansanders.com, appeared on
behalf of the Defendant Continental Casualty Company.
MEISSNER, TIERNEY, FISHER & NICHOLS,

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1 S.C., 111 East Kilbourn Avenue, 19th Floor, Milwaukee,
2 Wisconsin, 53202-6622, by MR. MICHAEL J. COHEN,
3 mjc@mtfn.com, appeared on behalf of United States Fire
4 Insurance Company.
5
6 HALE & WAGNER, S.C., 839 North Jefferson
7 Street, Suite 400, Milwaukee, Wisconsin, 53202, by MR.
8 JACQUES C. CONDON, jcc@halewagner.com, appeared on
9 behalf of American Motorists Insurance Company.
10
11 I N D E X
12 KEVIN FLOREK
13 By Mr. Bianchi.....5
14 By Mr. White.....26
15 By Mr. Cohen.....30
16
17 E X H I B I T S
18 No. 1 Discovery Documents; PLF_265_WAUB_000001
19 to 000004.....5
20 No. 2 Answers to Defendant Madison-Kipp Corporation's
21 First Set of Interrogatories.....5
22 No. 3 Answers to Defendant United States Fire
23 Insurance Company's First Set of
24 Interrogatories.....5
25 No. 4 Responses to Defendant Madison-Kipp
Corporation's First Set of Requests for
Documents and Things.....5
No. 5 Responses to Defendant United States Fire
Insurance Company's First Set of Requests
for Production.....5
No. 6 Nauta Letter to Tellurian UCan, Inc.;

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1 11-6-12.....46
2 No. 7 Nauta Letter to Tellurian UCan; Inc.;;
3 11-30-12.....46
4
5 (The original transcript was sent to Attorney
6 Bianchi.)
7
8 (The original exhibits were retained by the court
9 reporter and attached to the original transcript.
10 Copies were attached to all ordered copies.)
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<p>1 TRANSCRIPT OF PROCEEDINGS 2 (Exhibits 1 through 5 were marked.) 3 KEVIN FLOREK, called as a witness herein 4 by the Defendants, after having been first duly 5 sworn, was examined and testified as follows: 6 EXAMINATION 7 BY MR. BIANCHI: 8 Q Good morning. 9 A Hi. 10 Q Would you please state your full name and spell 11 your last name for the record. 12 A Yes, Kevin Florek, F, as in Frank, L-O-R-E-K. 13 Q And could you please give us your home address? 14 A Yes, 800 Hummingbird Court, Sun Prairie, 53590. 15 Q And today you are here on behalf of Tellurian 16 UCan? 17 A Yes, exactly right. 18 Q And what does the "UCan" stand for? Are those 19 dots in between that? 20 A No. It was back in the '70s when people were 21 coming back from Vietnam, my uncle who started 22 the company was working with Vietnam vets and 23 post traumatic stress and heroin addiction, and 24 it meant "you can do it." So Tellurian means 25 from the earth, and UCan, so it's sort of a</p>	<p>1 marketing, whatever. I have worked all the 2 different programs. 3 Q And can you just tell me some background 4 information? You kind of touched on it a little 5 bit, but can you give me an overview background 6 of what Tellurian is? 7 A Sure. It's a human service company, 8 not-for-profit, 501(c)(3). We serve people who 9 are homeless, mentally ill and that suffer from 10 addictions, drug and alcohol addictions. We have 11 got a full continuum of care from outpatient to 12 day treatment to residential inpatient all the 13 way to we run the County Detox Center. We have 14 got programs in a couple different counties 15 throughout the state. We serve roughly 8,000 16 mostly indigent people a year. We have a staff 17 of roughly 200. 18 Q And what is the property at 265 Waubesa Street 19 here in Madison used for? 20 A It's a rental unit that we use to put some of our 21 patients in. 22 Q And about how many patients at one time? 23 A Four. 24 Q Four at a time in that house? 25 A Yes.</p>
Page 6	Page 8
<p>1 hippie thing from the '70s. 2 Q And what's your educational background? 3 A I have a bachelor's degree from The Ohio State 4 University, and an MBA in healthcare finance from 5 Cardinal Stritch. 6 Q And what's your BA in? 7 A Police science, criminal justice. 8 Q How about your work experience? 9 A For the last 19 years I have been with Tellurian. 10 Numerous jobs. 11 Q And what's your current title there? 12 A President and CEO. 13 Q And what are your job responsibilities right now? 14 A Oversight of all of Tellurian's services. 15 Q What exactly are those services? 16 A Fiscal, legal, clinical, marketing, development. 17 Q How long have you been the president? 18 A Four years, roughly. 19 Q And who was president before you? 20 A My uncle, Mike Florek. 21 Q And what was your responsibility four years ago 22 before you became president? 23 A I have had different jobs over the last -- prior 24 to that 15 years, anywhere from kitchen to 25 maintenance to clinical to case management. So</p>	<p>1 Q No more? 2 A No. 3 Q Sometimes less? 4 A It's always four. There's a waiting list. 5 Q Sorry. You have to give verbal answers. Sorry. 6 A Yes, I know. 7 Q And is there a specific amount of time that the 8 patients stay in the Waubesa Street property? 9 A As long as possible. Hopefully years. 10 Q So you would hope to have the same patients 11 living there for years? 12 A Correct. 13 Q And do you know how long the current four 14 patients have been in the Waubesa Street 15 property? 16 A Currently there's not four. I'm not exactly sure 17 on the one that's left, how long. It's been more 18 than a year or two. 19 Q So three out of the four -- 20 A Are gone. 21 Q -- are gone. So right now there's only one 22 person who lives there? 23 A Correct. 24 Q And that person's been there for over a year? 25 A Correct.</p>

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<p>1 Q And when did the other three leave, do you know?</p> <p>2 A We, upon getting word, within, I don't know,</p> <p>3 roughly a year, of some contamination in the area</p> <p>4 we started the process of immediately discharging</p> <p>5 all four folks.</p> <p>6 Q And did someone tell you to do that?</p> <p>7 A Yes.</p> <p>8 Q Who was that?</p> <p>9 A My board.</p> <p>10 Q And why did they decide that?</p> <p>11 A Patient safety.</p> <p>12 Q Do you know what led them to that decision about</p> <p>13 patient safety?</p> <p>14 A We have a board of 12, roughly, and they had</p> <p>15 heard of kind of what was going on in the papers.</p> <p>16 None of us were experts, none of them were</p> <p>17 experts on the board, but we felt or they felt</p> <p>18 that it was in the patients' best interest to err</p> <p>19 on the side of safety. Sorry about the choppy</p> <p>20 sentence.</p> <p>21 Q When was that decision made?</p> <p>22 A Roughly about a year ago.</p> <p>23 Q You said this decision was based on what they</p> <p>24 read in the news?</p> <p>25 A Yes.</p>	<p>1 use the basement, if at all?</p> <p>2 MR. MANZKE: Just object on foundation.</p> <p>3 If you know.</p> <p>4 THE WITNESS: Pardon me?</p> <p>5 MR. MANZKE: You can answer it, if you</p> <p>6 know how they used the basement.</p> <p>7 THE WITNESS: I don't know.</p> <p>8 BY MR. BIANCHI:</p> <p>9 Q You don't know if they used the basement, so they</p> <p>10 may never have used the basement, as far as you</p> <p>11 are aware?</p> <p>12 A I know there was storage down there, laundry.</p> <p>13 Q Could there have been anything else down there</p> <p>14 that they would have used it for?</p> <p>15 A Not that I'm aware of.</p> <p>16 Q Do you know how the home is heated?</p> <p>17 A No.</p> <p>18 Q Do you know if it's forced air or radiators?</p> <p>19 A Nope.</p> <p>20 Q I'm going to give you what's been marked as</p> <p>21 Exhibit 1. I'm going to represent to you that</p> <p>22 these are the documents that we received from you</p> <p>23 in response to our document request. Is that</p> <p>24 correct?</p> <p>25 A Say that again, please.</p>
Page 10	Page 12
<p>1 Q Anything else?</p> <p>2 A Anything else. I don't think so. Not at that</p> <p>3 time, no.</p> <p>4 Q No letters from anywhere else?</p> <p>5 A No.</p> <p>6 Q Just what they read in the paper?</p> <p>7 A Correct. Well, it was in the news on the TV.</p> <p>8 Q But you said currently there is still one person</p> <p>9 that's living in that home?</p> <p>10 A Correct.</p> <p>11 Q Do you know his or her name?</p> <p>12 A I do not.</p> <p>13 Q Were you involved when the home was originally</p> <p>14 purchased?</p> <p>15 A No.</p> <p>16 Q Do you know when it was purchased?</p> <p>17 A No.</p> <p>18 Q Do you know when the other -- the three patients</p> <p>19 that have since left, when they left their</p> <p>20 location?</p> <p>21 A Roughly a year ago.</p> <p>22 Q So almost immediately after the decision was</p> <p>23 made?</p> <p>24 A Correct.</p> <p>25 Q And when the patients were there, how did they</p>	<p>1 Q Do you remember receiving document requests</p> <p>2 probably from your lawyers saying, you know,</p> <p>3 produce certain documents that Madison-Kipp or</p> <p>4 other parties in the case were asking for? Do</p> <p>5 you recall that?</p> <p>6 A I don't recall.</p> <p>7 Q Would you believe that those are the documents</p> <p>8 that you produced in response to those discovery</p> <p>9 requests?</p> <p>10 MR. MANZKE: Just to interrupt for a</p> <p>11 minute, I asked Mr. Florek to go back and look</p> <p>12 and find anything that he had in addition to what</p> <p>13 we have already produced. He did come this</p> <p>14 morning with two letters from the RJN, one dated</p> <p>15 November 6th and one dated November 30th. I</p> <p>16 apologize, I just got them this morning, but</p> <p>17 these are things that I'm sure you already have.</p> <p>18 If you want to take a look at them, here they</p> <p>19 are.</p> <p>20 MR. BIANCHI: Sure.</p> <p>21 THE WITNESS: What was your question</p> <p>22 now?</p> <p>23 BY MR. BIANCHI:</p> <p>24 Q I'm just trying to confirm that was the document</p> <p>25 that you originally provided in response to our</p>

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<p>1 request for certain documents. So you brought 2 these here this morning. Earlier we had asked 3 for documents, and that's what we had received. 4 I'm trying to confirm that that's what you 5 brought. 6 A You are asking if you received these from me 7 directly? 8 Q We received them from your attorney, but you 9 would have -- 10 A Approved him to do it. 11 Q Yes. 12 A Yes. 13 Q And you then brought some documents with you 14 today. What did you do to search for these 15 documents that you brought with you today? 16 A I went around the company looking for any type of 17 information that we had. I have received, to the 18 best of my knowledge, nothing on this case at 19 all, so I sent my maintenance man over to the 20 house to check to see if there were any documents 21 laying around that maybe were sent to some of our 22 patients that live there. You know, we have a 23 lot of programs. This stuff was never sent to my 24 attention directly. I was able to find those two 25 documents from two different folks.</p>	<p>1 right now? 2 A The current plan is to get the final patient out 3 to a safe environment or a rentable place. It's 4 hard to find affordable housing in Madison. 5 Q And what will you use the 265 Waubesa property 6 for? 7 A Nothing. 8 Q Have you tried to sell it? 9 A I'm not sure. 10 Q Do you know who would know? 11 A Oh, have I tried to sell it. I thought you said 12 would you try to sell it. 13 Q Have you tried to sell it? 14 A No. 15 Q Do you intend to try and sell it? 16 A It depends. 17 Q You haven't talked to any realtors? 18 A No. 19 Q How long has Tellurian been aware that 20 Madison-Kipp was right next to their property? 21 A I can't speculate what they knew when they bought 22 it. I'm assuming that if you look out your front 23 door, you would see it, but -- 24 Q Had it ever been a discussion before this 25 decision that was made a year ago about any</p>
Page 14	Page 16
<p>1 Q As far as you are aware, this is all the 2 documents that you have that would be related 3 to -- 4 A Yes. Yep. 5 Q And did you ever ask any of the patients that had 6 been living there if they received anything in 7 the mail? 8 A Yes. Not me directly, no, but my staff did, 9 correct. 10 Q Okay. And they didn't receive anything? 11 A No. 12 Q Would there be any emails regarding this, the 13 potential environmental contamination? 14 A No. 15 Q Have you ever heard of the neighborhood 16 association SASY? 17 A No. 18 Q So no emails from them, SASY, then? 19 A No. 20 Q I may have already asked you this, but do you 21 know why this specific property was purchased 22 back in the '90s for Tellurian's use? 23 A Yes, it is the same as today's use. It's a place 24 for Tellurian patients to live. 25 Q And what's Tellurian's plans for the location</p>	<p>1 effect that Madison-Kipp being right next to the 2 property would have? 3 A Not that I'm aware of. 4 Q You never had any discussions about that? 5 A No. 6 Q Was there any belief that the property was worth 7 any less previously because it was near 8 Madison-Kipp? 9 A No. 10 Q Do you know was there any knowledge about any 11 kind of potential contamination or pollution 12 issues previous to this discussion that the board 13 had a year ago? 14 A No. 15 Q No other information or letters or anything like 16 that? 17 A Not that I'm aware of. 18 Q And so do you know -- I know you said that people 19 kind of saw the news and the newspaper. Was that 20 how Tellurian became aware of the pollution and 21 contamination allegations? 22 A Yes. 23 Q So none of the patients contacted you and said 24 anything? 25 A Not me directly.</p>

Page 17	Page 19
<p>1 Q Or anyone in the company?</p> <p>2 A I'm not sure.</p> <p>3 Q Do you know who would know that?</p> <p>4 A Case managers.</p> <p>5 Q Would you have documents that would have shown</p> <p>6 that?</p> <p>7 A It's possible. Each person has a case manager.</p> <p>8 Q When you moved the patients out, did you talk to</p> <p>9 them about why they were moving?</p> <p>10 A Yes.</p> <p>11 Q Did they have any statements or complaints?</p> <p>12 A Concern for their safety and health.</p> <p>13 Q And where did they obtain that concern from, do</p> <p>14 you know?</p> <p>15 A Don't know.</p> <p>16 Q Between the time that the property was purchased</p> <p>17 in around 1992 and recently, has there been any</p> <p>18 kind of refinancing of the property that you are</p> <p>19 aware of?</p> <p>20 A I wish, but no.</p> <p>21 Q Have you guys taken additional money out of the</p> <p>22 property, additional equity?</p> <p>23 A I wish, but no.</p> <p>24 Q So you don't recall if in 2005 there was a new</p> <p>25 mortgage on the property?</p>	<p>1 talked about using that as collateral.</p> <p>2 Q I will give you what's been marked as Exhibit</p> <p>3 No. 2. Can you read at the very bottom there</p> <p>4 what kind of the heading says?</p> <p>5 A Class Member Tellurian?</p> <p>6 Q Yes, that little section. Can you read that?</p> <p>7 A "Class Member (Tellurian UCan, Inc.) Answers to</p> <p>8 Defendant Madison-Kipp Corporation's First Set of</p> <p>9 Interrogatories."</p> <p>10 Q Okay. Do you recognize this document?</p> <p>11 A Yes.</p> <p>12 Q If you would turn to Page 7, I think. It's not</p> <p>13 actually numbered, but it's the verification</p> <p>14 page.</p> <p>15 A Mine is numbered. Oh, 7.</p> <p>16 Q Seven might not be. Does that look like your</p> <p>17 signature?</p> <p>18 A That's my signature, yes.</p> <p>19 Q These are the Responses to Interrogatories that</p> <p>20 you filled out or at least provided the answers</p> <p>21 to?</p> <p>22 MR. MANZKE: These are the</p> <p>23 interrogatories that we did via email, Kevin.</p> <p>24 THE WITNESS: Okay.</p> <p>25 BY MR. BIANCHI:</p>
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<p>1 A No. That was before my time.</p> <p>2 Q How about 2011?</p> <p>3 A Not that I'm aware of. Are you saying there is</p> <p>4 or there was?</p> <p>5 Q I think there are some documents that showed that</p> <p>6 there was a \$75,000 mortgage taken out on the</p> <p>7 property in November of 2011.</p> <p>8 A No, that doesn't seem correct to me at all.</p> <p>9 Q Have you ever heard of the company Forward</p> <p>10 Community Investments Corporation?</p> <p>11 A Yes.</p> <p>12 Q There was no new mortgage taken out with them?</p> <p>13 A Yes, but not on the Waubesa property.</p> <p>14 Q What was that mortgage for?</p> <p>15 A You mean the Forward Community?</p> <p>16 Q Correct.</p> <p>17 A It was a line of credit for Tellurian, not</p> <p>18 Waubesa. Tellurian is more, obviously, than just</p> <p>19 Waubesa.</p> <p>20 Q But do you know what collateral was put up for</p> <p>21 that line of credit?</p> <p>22 A I would be guessing, but it would be the Teresa</p> <p>23 McGovern Center in Monona, which is our main</p> <p>24 campus. I would be shocked if it was Waubesa.</p> <p>25 When I talked to my banker, they laughed when we</p>	<p>1 Q I'm going to have you look at No. 3.</p> <p>2 A No. 3. There's a lot of No. 3s.</p> <p>3 Q I'm sorry. Question No. 3. It's on Page 3.</p> <p>4 Sorry.</p> <p>5 A Okay.</p> <p>6 Q Do you see Answer No. 3 talks about Tellurian has</p> <p>7 lost the full use of the property?</p> <p>8 A Yes.</p> <p>9 Q How is that exactly?</p> <p>10 A We don't feel safe using this -- We don't feel</p> <p>11 safe for our patients living in this facility.</p> <p>12 We don't feel safe for them.</p> <p>13 Q And if you look at Question No. 4, and then it</p> <p>14 goes on to the answer on the next page, it says</p> <p>15 that the property has lost its value. How did</p> <p>16 you come to know that the property lost its</p> <p>17 value?</p> <p>18 A By not putting/renting to our patients.</p> <p>19 Q But you haven't had any appraisals of the</p> <p>20 property recently?</p> <p>21 A Correct.</p> <p>22 Q So you don't -- As far as that value of the</p> <p>23 property, you haven't had anybody examine that or</p> <p>24 provide you any information on the change in the</p> <p>25 value of the property?</p>

Page 21	Page 23
<p>1 A Correct.</p> <p>2 Q I show you what's been marked as Exhibit No. 3.</p> <p>3 Read that bottom little part again.</p> <p>4 A Got it.</p> <p>5 Q Read it out loud, please.</p> <p>6 A "Class Member (Tellurian UCan, Inc.) Answers to</p> <p>7 Defendant United States Fire Insurance Company's</p> <p>8 First Set of Interrogatories."</p> <p>9 Q You recognize these as the interrogatories that</p> <p>10 you provided the answers to, as well?</p> <p>11 A Just give me a second.</p> <p>12 Q Sure.</p> <p>13 A Okay. Yes.</p> <p>14 Q Okay. This is No. 4. Read that same little</p> <p>15 bottom piece aloud, please.</p> <p>16 A "Class Member (Tellurian UCan, Inc.) Responses to</p> <p>17 Defendant Madison-Kipp Corporation's First Set of</p> <p>18 Requests for Documents and Things."</p> <p>19 Q Just take a look at the document, and does this</p> <p>20 appear to be the responses to document requests</p> <p>21 that you provided, as well?</p> <p>22 A Yes.</p> <p>23 Q Same thing with Exhibit 5, please.</p> <p>24 A "Class Member (Tellurian UCan, Inc.) Responses to</p> <p>25 Defendant United States Fire Insurance Company's</p>	<p>1 currently being paid by the gentleman who's</p> <p>2 living there or the person who's living there?</p> <p>3 A I do not.</p> <p>4 Q Do you know what you guys charged in the past,</p> <p>5 say within the last two years?</p> <p>6 A It's a case-by-case basis depending on -- Well,</p> <p>7 there's a needs assessment, and it depends on</p> <p>8 what their financial -- what they can afford</p> <p>9 financially.</p> <p>10 Q Okay. So different patients may pay different</p> <p>11 amounts of rent?</p> <p>12 A Correct.</p> <p>13 Q How does Tellurian make up the difference from</p> <p>14 what it would have expected to be a fair rental</p> <p>15 value? I mean, do you guys get subsidized?</p> <p>16 A Yes, we do fundraising and we have other cost</p> <p>17 centers and, you know, sort of a mission critical</p> <p>18 program where we think it's important to find</p> <p>19 housing for people that other people typically</p> <p>20 would not rent to.</p> <p>21 Q So there's no like here's the fair market value</p> <p>22 that we want to get, it just depends --</p> <p>23 A No, the decision is purely clinical/doing the</p> <p>24 right thing. It can be considered a loss, too,</p> <p>25 if need be.</p>
Page 22	Page 24
<p>1 First Set of Requests for Production."</p> <p>2 Q Does this appear to be Tellurian's responses to</p> <p>3 those requests for production?</p> <p>4 A Yes.</p> <p>5 Q I'm just going to direct you to Page 3, Question</p> <p>6 3.</p> <p>7 A Of which one?</p> <p>8 Q Of the last -- sorry -- the last one, Exhibit</p> <p>9 No. 5.</p> <p>10 A Okay. Page 3. Got it. Question 3.</p> <p>11 Q Yes. And this talks about documents identifying</p> <p>12 the people that would live there. The response</p> <p>13 was that you guys don't have any responsive</p> <p>14 documents, and just a little bit ago you</p> <p>15 mentioned there was a possibility that there</p> <p>16 might be some documents with case management</p> <p>17 people. Do you think that's still a possibility?</p> <p>18 A It's highly unlikely, but it's possible.</p> <p>19 Q Did you check with case managers in looking for</p> <p>20 documents for this in responding to Exhibit 5?</p> <p>21 A No.</p> <p>22 Q And as for renting out the property, how does</p> <p>23 that process work? Like who pays the rent?</p> <p>24 A The people living in the facility.</p> <p>25 Q Do you know what rent was being paid or is</p>	<p>1 Q Have you or anyone you know of at Tellurian seen</p> <p>2 Madison-Kipp act in any way, and when I say see,</p> <p>3 actually seen Madison-Kipp act in any way that</p> <p>4 would harm the property?</p> <p>5 A No.</p> <p>6 Q Or seen or observed Madison-Kipp do anything</p> <p>7 illegal?</p> <p>8 A No.</p> <p>9 MR. BIANCHI: Let's take a brief break.</p> <p>10 (A recess was taken.)</p> <p>11 BY MR. BIANCHI:</p> <p>12 Q Just a couple more questions. You said that you</p> <p>13 moved the initial three patients out about a year</p> <p>14 ago. Do you know an exact date or would someone</p> <p>15 have an exact date for when they were moved out?</p> <p>16 A I'm not sure. I'm not sure.</p> <p>17 Q You're not sure if you would have an exact date</p> <p>18 for when they moved out?</p> <p>19 A Correct.</p> <p>20 Q Would you have the month, at least, when they</p> <p>21 moved out?</p> <p>22 A It's possible.</p> <p>23 Q Do you know if that would be a person or a</p> <p>24 document that would have that information?</p> <p>25 A It could be either.</p>

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<p>1 Q And do you know anything about any sampling of</p> <p>2 the indoor air or the sub-slab at the home for</p> <p>3 any kind of pollutants or contamination?</p> <p>4 A Can you explain what you mean by that?</p> <p>5 Q Did you receive any results or --</p> <p>6 A No.</p> <p>7 Q Do you know if anyone was left in the house at</p> <p>8 any point to do that kind of testing?</p> <p>9 A I heard a rumor that somebody showed up and</p> <p>10 freaked one of our patients/tenants, out, but I</p> <p>11 don't know who it was or what it was about.</p> <p>12 Q So as far as you are aware, no one has come in</p> <p>13 and done any sampling?</p> <p>14 A Not that I'm aware of.</p> <p>15 Q And do you know is there any plans in the works</p> <p>16 to get what's been referred to as a mitigation</p> <p>17 system, something to mitigate any kind of --</p> <p>18 A Not that I'm aware of.</p> <p>19 Q And if one was obtained, would that change</p> <p>20 Tellurian's view of using the home?</p> <p>21 A I have no idea.</p> <p>22 Q And do you know has there ever been any testing</p> <p>23 done for radon?</p> <p>24 A Not that I'm aware of.</p> <p>25 Q Then, again, as far as the line of credit that</p>	<p>1 the property on Waubesa Street in July of 1992?</p> <p>2 A Yes.</p> <p>3 Q Is that, in fact, the date on which Tellurian</p> <p>4 acquired the property?</p> <p>5 A I guess so, yeah.</p> <p>6 Q Do you have any reason to believe that Page 4 of</p> <p>7 Exhibit 1 is inaccurate?</p> <p>8 A No.</p> <p>9 Q According to this document, the property was</p> <p>10 purchased from a Jack and Marsha Neilson. Do you</p> <p>11 know the Neilson family at all?</p> <p>12 A Nope.</p> <p>13 Q Do you know if the Neilson family is affiliated</p> <p>14 in any way with Tellurian?</p> <p>15 A Not to my knowledge.</p> <p>16 Q With respect to the three former tenants who</p> <p>17 moved out in the last year, do you know how long</p> <p>18 each of them had lived in the property prior to</p> <p>19 moving out?</p> <p>20 A No.</p> <p>21 Q When Tellurian is placing individuals in</p> <p>22 residential homes like the Waubesa Street</p> <p>23 property, is there a particular set of criteria</p> <p>24 it looks at to decide whom to place there?</p> <p>25 A I don't know what you mean.</p>
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<p>1 was taken out last November, you believe that it</p> <p>2 was not -- that the collateral was not 265</p> <p>3 Waubesa?</p> <p>4 A Correct. You believe it is?</p> <p>5 Q Yes.</p> <p>6 A Wow.</p> <p>7 MR. BIANCHI: I'm all done. There may</p> <p>8 be questions from some of the others.</p> <p>9 EXAMINATION</p> <p>10 BY MR. WHITE:</p> <p>11 Q Good morning, Mr. Florek. My name is Chris</p> <p>12 White. I'm a lawyer for Continental Casualty</p> <p>13 Company and Columbia Casualty Company, which are</p> <p>14 two of Madison-Kipp's insurance companies.</p> <p>15 A So a different company than you, is that correct?</p> <p>16 Q Correct.</p> <p>17 A Oh, okay.</p> <p>18 Q And these two gentlemen represent other insurance</p> <p>19 companies of Madison-Kipp's.</p> <p>20 A Gotcha.</p> <p>21 Q I have just a very few questions for you. First</p> <p>22 of all, if you could look at Exhibit 1, the last</p> <p>23 page of Exhibit 1.</p> <p>24 A Okay.</p> <p>25 Q According to this document, Tellurian acquired</p>	<p>1 Q What I'm getting at is are the patients that live</p> <p>2 there of a particular type? And by that I mean</p> <p>3 are they generally people with mental disorders</p> <p>4 or people with addiction problems or people with</p> <p>5 some other condition?</p> <p>6 A Usually mental health issues of some sort.</p> <p>7 Q And is it effectively a place for people that</p> <p>8 have progressed far enough in their treatment</p> <p>9 that they no longer need inpatient care and can</p> <p>10 have a somewhat independent living arrangement?</p> <p>11 A They are deemed by their case manager,</p> <p>12 psychiatrist, whoever is involved, to not need</p> <p>13 inpatient care.</p> <p>14 Q Just a minute ago you were asked about whether</p> <p>15 there were plans to install an in-home mitigation</p> <p>16 system on the Waubesa Street property. Who at</p> <p>17 Tellurian would make the decision as to whether</p> <p>18 or not to install such a system?</p> <p>19 A I would.</p> <p>20 Q And has anybody made any recommendations or</p> <p>21 discussed this issue with you at all?</p> <p>22 A No.</p> <p>23 Q Approximately how many other rental properties</p> <p>24 like the Waubesa Street property does Tellurian</p> <p>25 own?</p>

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<p>1 A Four similar use facilities. 2 Q And are those all located in Madison? 3 A Yes. 4 Q As a matter of course are residential properties 5 that you own tested for radon? 6 A I would guess, but I'm not sure. I don't know. 7 I don't know. 8 Q As a matter of course do you know if your 9 residential properties are tested to see if they 10 contain lead paint? 11 A I'm not sure. 12 Q Do you know who at Tellurian would be in charge 13 of making such a determination if this type of 14 testing was necessary? 15 A What testing are you referring to? 16 Q Radon or lead paint. 17 A I'm not following the question. What do you 18 mean? 19 Q If someone at Tellurian was to decide, yes, we 20 need to test our properties for lead paint, no, 21 we don't need to test our properties for lead 22 paint, who would that person be? 23 A It could be me. It could be the case manager. 24 It could be the state. It could be CBRF 25 licensing requirements.</p>	<p>1 Q And you are unaware of any sub-slab testing 2 underneath the slab of the foundation of the 3 home, is that correct? Yes? 4 A Yes. 5 Q And was there, to the best of your knowledge, a 6 request made to do that type of sampling at this 7 property? 8 A Request on our part to do it? 9 Q No. Did Madison-Kipp or the DNR make a request 10 to do that type of testing? 11 A Not that I'm aware of. 12 Q When the board decided to move the tenants out of 13 the property, were you present during that 14 discussion? 15 A Yes. 16 Q And was that based on any testing data at all 17 with respect to the property? 18 A Nope. 19 Q Was there any soil testing data available at that 20 time about the property? 21 A No. 22 Q Was there any discussion about whether 23 contaminants were coming up through the basement 24 floor? 25 A There was discussion.</p>
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<p>1 Q And when the three former tenants moved out, were 2 they placed into other Tellurian properties? 3 A No. 4 Q What types of living arrangements were they 5 placed into? 6 A Similar use. 7 Q What do you mean by "similar use?" 8 A Similar amount of rent. I don't know. A rental 9 property that rents to our type of patients, I 10 guess. 11 Q So would this be a situation where Tellurian 12 would go out and help these patients locate a 13 landlord elsewhere in the city and help them move 14 in? 15 A Yes. 16 MR. WHITE: Thank you. That's all. 17 MR. CONDON: No questions. 18 EXAMINATION 19 BY MR. COHEN: 20 Q I'm Mike Cohen. I represent U.S. Fire Insurance 21 Company, a different insurance company. Is it 22 true that you are unaware of any indoor air 23 sampling in the basement at this property at 265 24 Waubesa? 25 A Yes.</p>	<p>1 Q Okay. And was there any discussion about having 2 it tested? 3 A No. 4 Q And the board made a decision to move the tenants 5 out of the property without any real data about 6 the risk of contamination at that property, is 7 that correct? 8 A I don't agree with the no real data. 9 Q Well, you didn't have soil sample data, did you? 10 A No. 11 Q You didn't have indoor air sample data, did you? 12 A No. 13 Q You didn't have sub-slab data, did you? 14 A No. 15 Q Did the board have any data from any neighboring 16 homes, either indoor or -- 17 A No. 18 Q -- sub-slab or soil? 19 A No. 20 Q Okay. So a decision was made without any actual 21 sampling data with respect to this property, 22 correct? 23 A No. 24 Q What data did you have? 25 A The data that was presented through the media.</p>

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<p>1 Q Okay. So newspaper articles about generally the 2 contamination problem? 3 A Correct. 4 Q But nothing specific to this property, correct? 5 A Correct. 6 Q All right. And the decision to move the tenants 7 out wasn't based on any recommendation that the 8 DNR gave to your organization, correct? 9 A Correct. 10 Q It wasn't based on any recommendation from the 11 Department of Health, City of Madison, correct? 12 A Correct. 13 Q It wasn't based on any recommendation by any 14 expert that you sought assistance from, correct? 15 A Correct. 16 Q Right. I think you said that none of the board 17 members or yourself, you are not experts on 18 contamination and risk of potential harm to 19 residents, correct? 20 A Correct. Yep. 21 Q And do you know the names of the three tenants 22 that moved out? 23 A No. 24 Q Do you know the name of the existing tenant? 25 A No.</p>	<p>1 Q All right. And you looked at generally the 2 information that was on that website? 3 A Yes. 4 Q All right. And did it say that residents around 5 Madison-Kipp should evacuate the property? 6 A I don't recall that. 7 Q Are you aware of any other property owner that's 8 moved? 9 A No, I'm not aware. 10 Q Did you talk to any other property owners about 11 whether there's a health risk to any of them? 12 A Nope. 13 Q Do you know, in fact, whether the City of Madison 14 Department of Health believes there's a health 15 risk to any of the property owners? 16 A No. 17 Q Or residents? 18 A No. 19 Q Okay. 20 A I did read on the website something about the 21 word cancer, and that was a scary thing for us. 22 Q Okay. What you read was that some of the 23 contaminants of concern are known carcinogens, 24 they can cause cancer, right? Is that correct? 25 A Yes.</p>
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<p>1 Q Has anybody advised the existing tenant that the 2 existing tenant is at risk for his health because 3 of the contamination? 4 A Yes. 5 Q And who told him or her that? 6 A Case manager. 7 Q Okay. And was that based on any data? 8 A No. 9 Q Was it based on anything that the City of Madison 10 Department of Health said? 11 A No. 12 Q Was it based on anything that the DNR said? 13 A No. 14 Q Okay. It was just the opinion of the case 15 manager? 16 A No. 17 Q Whose opinion was it? 18 A Mine and the board per the discussion we had that 19 we were just referencing. 20 Q Okay. All right. Have either you or the board 21 done any literature search for information about 22 potential health risks? 23 A Yes. 24 Q What did you do? 25 A We went to the DNR website.</p>	<p>1 Q But you don't know at what levels or what 2 exposures? 3 A No. 4 Q Okay. That's something that you would need to 5 hear from an expert on, right? 6 A Correct. 7 Q Or the Department of Health or someone in the 8 know, correct? 9 A Yes. 10 Q And the decision to move the tenants wasn't based 11 on any of that type of information? 12 MR. MANZKE: I will just object to the 13 form of that question. 14 BY MR. COHEN: 15 Q Correct? 16 A I'm not following what you are saying. 17 Q The decision to move the tenants wasn't based on 18 any expert information about exposure of risk of 19 harm, correct? 20 A It depends. The question is sort of offensive. 21 Myself and the board moved people out based on 22 the knowledge we had. We erred on the side of 23 safety for them. I guess that's what we decided 24 to do. 25 Q Well, were you aware that the other residents</p>

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1 around the area had indoor air sampling done?
 2 A No.
 3 Q Were you aware that they had sub-slab underneath
 4 the foundation sampling done?
 5 A No.
 6 Q Okay. You have produced some letters here today,
 7 and I think what we will do is get these marked
 8 in a minute after we make copies, but the first
 9 one is dated November 6, 2012 from Mr. Nauta at
 10 RJN Environmental to your organization at Femrite
 11 Drive? Is that your main office?
 12 A Yes.
 13 Q And this talks about requesting some additional
 14 soil sampling to be done in the back yard. Did
 15 you read this letter?
 16 A Yep.
 17 Q Okay. And was that sampling done?
 18 A Not that I'm aware of.
 19 Q Did you give permission to have it done?
 20 A I did not.
 21 Q Okay. Did you deny permission?
 22 A I did not. That did not come to my attention. I
 23 just recently received that.
 24 Q From whom?
 25 A Another Tellurian employee.

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1 Q Okay. And do you know when that Tellurian
 2 employee received it?
 3 A I do not.
 4 Q There's a red stamp in the upper, right-hand
 5 corner that says "November 8, 2012." Do you see
 6 that?
 7 A Yes.
 8 Q Is that how you at your office denote when you
 9 receive something?
 10 A That's when the secretary opens up the mail.
 11 Q Okay. And when you say you recently got this,
 12 are you talking about in the last week or so?
 13 A Roughly in the last week or so, correct.
 14 Q And did you ask the employee who gave it to you
 15 why this wasn't brought to your attention
 16 earlier?
 17 A I did.
 18 Q And the answer was what?
 19 A It was sitting in a pile. Oops. I'm sorry.
 20 Q Okay. Well, would you agree that this involves
 21 serious matters, soil sampling in the back yard
 22 of the property?
 23 A Yes.
 24 Q It would be something otherwise that you would
 25 want to know about sooner rather than later?

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1 A Correct.
 2 Q Have you done anything since you did see this
 3 letter to find out whether you could still have
 4 the soil sampling done in your back yard?
 5 A I have not.
 6 Q Why not?
 7 A I was waiting to talk to my lawyer.
 8 Q Okay. Let's look at the second letter. That's
 9 dated November 30, 2012. Did you look at this
 10 letter?
 11 A I did.
 12 Q And did you get this at the same time that you
 13 got the other letter, the November 6th letter?
 14 A Yes.
 15 Q Okay. And this actually talks about collecting
 16 soil samples from two locations in the back yard
 17 of this property. So I take it you haven't
 18 looked at this yet?
 19 A I have looked at it.
 20 Q Okay. So you are aware that soil sampling took
 21 place in the back yard?
 22 A Yes.
 23 Q And who gave permission for that?
 24 A I don't know.
 25 Q Were you surprised to see that there was soil

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1 sampling done without your knowledge?
 2 A No.
 3 Q And did you look at the results?
 4 A I did.
 5 Q Okay. And what's your understanding of the
 6 results?
 7 A I don't understand the results.
 8 Q Okay. Did you ask someone for an explanation?
 9 A I asked my lawyer.
 10 Q I don't want to know what your lawyer told you.
 11 Are you aware that the testing results were all
 12 below the WDNR direct contact levels for the
 13 contamination that was tested?
 14 A It wasn't that clear to me.
 15 Q It wasn't that clear to you from reading it or
 16 talking to your lawyer or both?
 17 MR. MANZKE: Object to whatever he
 18 learned or talked to his lawyers about. You can
 19 answer that only with respect to the document.
 20 BY MR. COHEN:
 21 Q All right. The letter says if you have
 22 questions, you should contact Henry Nehls-Lowe at
 23 the Division of Public Health, Wisconsin
 24 Department of Health Services, or Michael
 25 Schmoller at the WDNR. Did you do either?

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<p>1 A No.</p> <p>2 Q Well, sitting here today, what is your</p> <p>3 understanding of the level of this PCB</p> <p>4 contamination in the back yard at this property?</p> <p>5 A It's unclear to me.</p> <p>6 Q Are you going to seek further clarification?</p> <p>7 A Yes.</p> <p>8 Q What are you going to do?</p> <p>9 A I'm not sure yet.</p> <p>10 Q And --</p> <p>11 A I went to the DNR website, and it sure looked</p> <p>12 pretty scary to me from what I could tell by</p> <p>13 their maps and dots.</p> <p>14 Q Are you aware that other properties in the</p> <p>15 neighborhood had soil samples done of other</p> <p>16 contaminants other than PCBs?</p> <p>17 A I can't speak to what happened at other</p> <p>18 properties. I don't know.</p> <p>19 Q Well, you looked at the DNR website. Did you see</p> <p>20 sampling done for other contaminants other than</p> <p>21 PCBs?</p> <p>22 A Yes.</p> <p>23 Q All right. And have you done anything to look</p> <p>24 into whether you could have soil sampling done in</p> <p>25 the back yard of other contaminants other than</p>	<p>1 A Correct. Our plan is to move people out and wait</p> <p>2 and see what happens.</p> <p>3 Q Are you aware of the fact that the DNR had</p> <p>4 recommended that additional sampling other than</p> <p>5 PCBs be done in the back yard of your property?</p> <p>6 A No.</p> <p>7 Q No one has ever discussed that with you?</p> <p>8 A No.</p> <p>9 Q If this soil sampling of PCBs had been available</p> <p>10 to you earlier when the board made the decision</p> <p>11 about moving the residents, would you have</p> <p>12 brought it to their attention?</p> <p>13 A Yes.</p> <p>14 Q Had any board members asked you if any sampling</p> <p>15 had been done at the property, whether soils or</p> <p>16 indoor or sub-slab?</p> <p>17 A No, no, no.</p> <p>18 Q Are there any lawyers on your board?</p> <p>19 A Yes.</p> <p>20 Q Who?</p> <p>21 A Mike Crooks is.</p> <p>22 Q From Peterson, Johnson & Murray?</p> <p>23 A Um-hum.</p> <p>24 Q That's a yes?</p> <p>25 A Yes.</p>
Page 42	Page 44
<p>1 PCBs?</p> <p>2 A No.</p> <p>3 Q Why not?</p> <p>4 A No need.</p> <p>5 Q You don't need to know what the soil samples look</p> <p>6 like?</p> <p>7 A No. We made a decision to move our patients out</p> <p>8 for their safety.</p> <p>9 Q Well, wouldn't you want to know how contaminated</p> <p>10 the back yard is, if at all?</p> <p>11 A Doesn't matter.</p> <p>12 Q Why doesn't it matter?</p> <p>13 A We made a decision to move people out and see</p> <p>14 exactly what happens. One doesn't necessarily</p> <p>15 mean the other one is safe, so we don't know.</p> <p>16 Q Well, would you agree with me that if you made a</p> <p>17 decision to sell this property at some point in</p> <p>18 the future, it would be good to know whether the</p> <p>19 back yard was contaminated or not?</p> <p>20 A Correct. In the future, yes.</p> <p>21 Q So your current thinking if and when you decide</p> <p>22 to sell the house, then you will have some soil</p> <p>23 sampling done?</p> <p>24 A Yes.</p> <p>25 Q But until then, there's no need for it?</p>	<p>1 Q And do you understand that, among other things,</p> <p>2 Mr. Crooks handles cases involving environmental</p> <p>3 contamination?</p> <p>4 A Um-hum.</p> <p>5 Q That's a yes?</p> <p>6 A Yes.</p> <p>7 Q And did you seek his opinion as to whether</p> <p>8 further testing should be done at this property?</p> <p>9 A No.</p> <p>10 Q Any other lawyers on the board?</p> <p>11 A At the time, Bob Kasdorf.</p> <p>12 Q From Kasdorf, Lewis & Swietlik?</p> <p>13 A Yes. I don't think that's exactly right, but --</p> <p>14 Q Has your organization sought a reassessment of</p> <p>15 the property due to the contamination?</p> <p>16 A No.</p> <p>17 Q When I say "reassessment," I'm talking about tax</p> <p>18 reassessment?</p> <p>19 A No. We're non-profit.</p> <p>20 Q So you don't pay property taxes?</p> <p>21 A Correct.</p> <p>22 Q On this line of credit, do you believe it's</p> <p>23 possible that when the line of credit was</p> <p>24 extended to you there was a lien put on all of</p> <p>25 the organization's properties?</p>

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<p>1 A That's what I'm assuming it was. To go back to</p> <p>2 his question, I would be shocked if it was just</p> <p>3 on that property. It was probably put on</p> <p>4 Tellurian's umbrella.</p> <p>5 Q Okay. And you are unaware of the lender --</p> <p>6 What's the name of the lender again?</p> <p>7 A That one is Madison Forward Community</p> <p>8 or something like that. It's Forward Community</p> <p>9 something.</p> <p>10 MR. BIANCHI: Forward Community</p> <p>11 Investments.</p> <p>12 BY MR. COHEN:</p> <p>13 Q And are you aware of that lender asking any</p> <p>14 questions about the level of contamination at the</p> <p>15 property?</p> <p>16 A I'm not aware.</p> <p>17 Q Are there any present plans for the current</p> <p>18 tenant to move out of the property?</p> <p>19 A Yes.</p> <p>20 Q When?</p> <p>21 A As soon as possible.</p> <p>22 Q And you are just waiting for an available place,</p> <p>23 suitable place --</p> <p>24 A Yes.</p> <p>25 Q -- to move him or her?</p>	<p>1</p> <p>2</p> <p>3</p> <p>4</p> <p>5</p> <p>6</p> <p>7</p> <p>8</p> <p>9</p> <p>10</p> <p>11</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>
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<p>1 A Yes.</p> <p>2 Q And you don't know the name of that individual?</p> <p>3 A No.</p> <p>4 Q Has anybody advised that individual to go see a</p> <p>5 doctor and have any tests done?</p> <p>6 MR. MANZKE: Object to foundation. To</p> <p>7 the extent you know.</p> <p>8 THE WITNESS: I have no idea.</p> <p>9 MR. COHEN: That's all I have.</p> <p>10 MR. MANZKE: Anything else?</p> <p>11 (No response.)</p> <p>12 MR. MANZKE: All right. We will reserve</p> <p>13 signature.</p> <p>14 (A discussion was had off the record.)</p> <p>15 (Exhibits 6 and 7 were marked.)</p> <p>16 MR. COHEN: I'm just going to make a</p> <p>17 quick record. Let the record reflect that we</p> <p>18 have now marked Exhibit 6, which is the</p> <p>19 November 6, 2012 letter from RJN to Tellurian,</p> <p>20 and Exhibit 7, which is the November 30, 2012</p> <p>21 letter from RJN to Tellurian with the soil sample</p> <p>22 results for PCB testing.</p> <p>23 (At 10:37 a.m. the deposition</p> <p>24 concluded.)</p> <p>25</p>	<p>1 CERTIFICATE OF WITNESS</p> <p>2</p> <p>3</p> <p>4 I, KEVIN FLOREK, have read the foregoing</p> <p>5 page and the corrections, if any, having been noted.</p> <p>6 The same is now a true and correct transcript of my</p> <p>7 testimony.</p> <p>8</p> <p>9 _____</p> <p>10 KEVIN FLOREK</p> <p>11</p> <p>12</p> <p>13 STATE OF WISCONSIN)</p> <p>14 _____ COUNTY)</p> <p>15</p> <p>16 Subscribed and sworn to before me this</p> <p>17 ____ day of _____, 2013.</p> <p>18</p> <p>19</p> <p>20 _____</p> <p>21 Notary Public</p> <p>22 In and for the State of Wisconsin</p> <p>23 My commission expires _____, ____.</p> <p>24</p> <p>25</p>

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<p>1 STATE OF WISCONSIN) 2 MILWAUKEE COUNTY) 3 I, KATHY A. HALMA, Registered 4 Professional Reporter and Notary Public in and for the 5 State of Wisconsin, do hereby certify that the 6 deposition of KEVIN FLOREK, was taken before me at the 7 Goodman Community Center, 149 Waubesa Street, Madison, 8 Wisconsin, on the 17th day of December, 2012, 9 commencing at 9:30 o'clock in the forenoon. 10 That it was taken at the instance of the 11 Defendants upon verbal interrogatories. 12 That said statement was taken to be used 13 in an action now pending in the UNITED STATES DISTRICT 14 COURT FOR THE WESTERN DISTRICT OF WISCONSIN, in which 15 KATHLEEN MC HUGH, et al., are the Plaintiffs and 16 MADISON-KIPP, et al., are the Defendants and 17 MADISON-KIPP CORPORATION is the Cross-Claimant and 18 CONTINENTAL CASUALTY COMPANY, et al., are the 19 Cross-Complainants and LUMBERMENS MUTUAL CASUALTY 20 COMPANY are the Third-Party Defendants. 21 A P P E A R A N C E S 22 THE COLLINS LAW FIRM, P.C, 1770 North 23 Park Street, Suite 200, Naperville, Illinois, 60563, by 24 MR. EDWARD J. MANZKE, ejmanzke@collinslaw.com, appeared 25 on behalf of the Plaintiffs. VARGA, BERGER, LEDSKY, HAYES & CASEY, 125 South Wacker Drive, Suite 1250, Chicago, Illinois,</p>	<p>1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25</p> <p>Notary Public in and for the State of Wisconsin</p> <p>Dated this 30th day of December, 2012, Milwaukee, Wisconsin.</p>

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<p>1 60606-4473, by MR. MICHAEL D. HAYES, mhayes@vblhc.com, 2 appeared on behalf of the Plaintiffs. 3 MICHAEL, BEST & FRIEDRICH, LLP, 100 East 4 Wisconsin Avenue, Milwaukee, Wisconsin, 53202, by MR. 5 JOHN A. BUSCH, jabusch@michaelbest.com, appeared on 6 behalf of Madison-Kipp Corporation. 7 MICHAEL, BEST & FRIEDRICH, LLP, One 8 South Pinckney Street, Suite 700, Madison, Wisconsin, 9 53703, by MS. LEAH H. ZIEMBA and MR. ALBERT BIANCHI, 10 JR., lhziemba@michaelbest.com and 11 abianchi@michaelbest.com, appeared on behalf of 12 Madison-Kipp Corporation. 13 TROUTMAN SANDERS, LLP, 55 West Monroe 14 Street, Suite 3000, Chicago, Illinois, 60603-5758, by 15 MR. CHRISTOPHER H. WHITE, 16 christopher.white@troutmansanders.com, appeared on 17 behalf of the Defendant Continental Casualty Company. 18 MEISSNER, TIERNEY, FISHER & NICHOLS, 19 S.C., 111 East Kilbourn Avenue, 19th Floor, Milwaukee, 20 Wisconsin, 53202-6622, by MR. MICHAEL J. COHEN, 21 mjc@mtfn.com, appeared on behalf of United States Fire 22 Insurance Company. 23 HALE & WAGNER, S.C., 839 North Jefferson 24 Street, Suite 400, Milwaukee, Wisconsin, 53202, by MR. 25 JACQUES C. CONDON, jcc@halewagner.com, appeared on behalf of American Motorists Insurance Company. That said deponent, before examination, was sworn to testify the truth, the whole truth, and nothing but the truth relative to said cause. That the foregoing is a full, true and correct record of all the proceedings had in the matter of the taking of said deposition, as reflected by my original machine shorthand notes taken at said time and place.</p>	