



CGU Group Canada Ltd.

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U.A. LOCAL 787 WELFARE PENSION AND VACATION PAY  
TRUST FUND  
419 DEERHURST DR  
BRAMPTON, ON L6T 5K3  
ATTN: JOE CARRICATO  

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TRUSTEE

Dear Sir,

RE: Our Claim# 0300119220  
Our insured: U.A. Local 787 Trust fund  
Court File#: 00 CV 190500,  
Applicant: Richard Moore  
Respondents: Carricato, Finelli, Harford, Peliarin

We are in receipt of your letter dated May 23, 2000 to Knox Vicars, McLean along with the enclosures.

A review of the enclosures includes the "Notice of Application" that requests certain specific performance by the Trustees in §1 parts (a) though (e).

Your policy includes coverage in Section (1) Bodily Injury and Property Damage, (2) Personal Injury, (3) General Errors and Omissions. Sections (1) and (2) cover: "All sums which the insured shall become obligated to pay by reason of the liability imposed by law ..." subject to the terms and conditions of the policy. The application in its present form does not include a claim for damages, but in fact asks for certain specific performance.


The policy in section (9) "defence" coverage covers defense costs for "... any suits brought against any insured on account of such claims...". There is no claim under Section (1), (2) or (3) above and therefore the defense coverages do not apply.

The endorsement for "legal costs" states CGU will reimburse you for "legal costs incurred in the defence of any claim or Action for alleged Wrongful Acts". "Action" is defined in the endorsement as follows: "a civil proceeding in which monetary damages are demanded". There is no demand for monetary damages in the application. It asks for specific performance.

Based on the above there is no coverage for indemnity or defence under the policy as presently pleaded in the Application.

Should the Action be amended or you receive notice of a claim for monetary damages, we would be pleased to review this new demand for coverages under the policy.

Yours Truly,

  
Glenn Howe  
SCL Claims