

SCIBAL ASSOCIATES

P.O. Box 500 ▪ Somers Point, NJ 08244-0500

P: 609.653.8400 ▪ F: 609.926.9270

04/21/08

Theresa Tighe, City Clerk
Sea Isle City
4416 Landis Avenue
Sea Isle City, NJ 08243

RE: Insured: AJIF/Sea Isle City
Claimant: David McGinley, et al
Our Claim No: U48790

Dear Ms. Tighe:

This is to advise that the above matter has been referred to the undersigned for handling.

We have reviewed the Summons & Complaint seeking restraints concerning a construction dispute. This matter does not fall under the definition of a covered occurrence pursuant to the coverage document of the Atlantic County Municipal Joint Insurance Fund. The definition of "occurrence" is:

...an accident, including continuous or repeated exposure of substantially the same general harmful conditions.

Also, coverage is excluded for any relief sought which would be subject to the following exclusion of coverage:

...any demands or actions seeking relief or redress in any form other than money damages; and for fees or expenses in relation to demands or actions seeking such relief or redress...

Therefore, we will not be responding with a legal defense, nor will we be providing coverage on behalf of the Fund.

This matter has been referred to Kathie Tyler-Schohl, of this office, for review of possible coverage under the insuring agreement with the Municipal Excess Liability Joint Insurance Fund. You will be hearing from an adjuster shortly in that regard.

In the interim, I would suggest that the matter be referred to your Solicitor to ensure that the City's immediate interests are protected.

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Claim#U48790

Please feel free to contact the undersigned if you have any questions.

Sincerely,



Karen Berenato
Sr. Liability Adjuster
Ext. 2112

Cc: Paul Miola, CPCU, ARM, A.J. Gallagher Risk Mgmt. Serv. Inc.
David DeWeese, Esq.
Kathie Tyler-Schohl, Special Risks
Diane LeFever, Supervisor

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April 23, 2008

Theresa J. Tighe, RMC, CMC
City of Sea Isle City
4416 Landis Avenue
Sea Isle City, NJ 08243

Re: David McGinley et al v. City of Sea Isle City et al
Docket#: CPM-L-3-08
Your Retention: \$10,000.00 (2008 Fund Year)
Our File#: U49055

Dear Ms. Tighe:

Scibal Associates, Inc. is the claims administrator for the Municipal Excess Liability Joint Insurance Fund (the MEL), of which your municipality is a member. Among our duties is the investigation of claims and review for possible coverage under the MEL public officials and employment practices coverage document.

In this instance, we have received copies of the Complaint and Amended Complaint filed in behalf of the above plaintiff(s) in the Superior Court of NJ. The Complaint does not seek monetary damages from your municipality. Based on our review, the MEL must decline coverage in this matter.

We would refer you to the MEL's Coverage Document exclusions, which state in part:

“4. Exclusions:

This insurance does not apply to any **Claim** made against the insured:

- j. Seeking relief, or redress, in any form other than money damages, including but not limited to requests for injunctive or declaratory relief, nor shall we have any obligation to indemnify the Insured for any costs, including attorney fees, or expenses which the Insured shall be come obligated to pay as a result of an adverse judgment for injunctive or declaratory relief.”

Therefore the MEL will neither respond nor afford coverage in this matter.

If you have not already done so, please refer this matter to your municipal attorney so that your interests are protected.

Should any additional claims be filed in this matter, please forward them to us immediately for further coverage review. Please feel free to call us should you have any questions.

Very truly yours,
Scibal Associates, Inc.

A handwritten signature in black ink, appearing to read 'W.B. Frambes', written over the printed name below.

William B. Frambes
Senior Claims Analyst, Ext. 2034