

# MORSE BOLDUC & DINOS, LLC

ATTORNEYS AT LAW

Peter C. Morse  
Gregory B. Bolduc \*  
Mark Dinos \*  
Michael S. Nardulli  
Catherine A. O'Connell  
Philip C. Buntin  
Cynthia Ramirez

25 East Washington Street, Suite 750  
Chicago, Illinois 60602  
Tel: (312) 251-2577  
Fax: (312) 251-0209

**Indiana Office**  
PO Box 445  
Dyer, Indiana 46311  
(866) 351-2578

Matthew J. Kowals \*  
Dean Haritos\*  
Brian C. Young  
Christopher J. Kenney  
Jason A. Maxfield  
Sarah R. Hertz  
Matthew D. Patterson

\*Also admitted in Indiana

Writer's Direct Dial  
(312) 251- 0284

Writer's E-Mail

dharitos@morseandbolduc.com

File No. 9384

August 3, 2016

Ms. Kelly N. Baudin  
The Baudin Law Group, Ltd.  
304 South McHenry Avenue  
Crystal Lake, Illinois 60014

<b>Re:</b>	<b>Insured:</b>	<b>David Gagnon</b>
	<b>Plaintiff:</b>	<b>Paul Dulberg</b>
	<b>Allstate Claim No.:</b>	<b>0245281968</b>
	<b>McHenry Co. Cause No.:</b>	<b>12 LA 178</b>
	<b>D/O/L:</b>	<b>6-28-11</b>

Dear Ms. Baudin:

Our firm represents Allstate Property and Casualty Insurance Company with respect to the insurance coverage issues raised by the lawsuit filed against Allstate's insured, David Gagnon, in McHenry County cause number 12 LA 178. It is our understanding that you have asserted Allstate's liability limits are 20% greater than what is stated on the policy's declarations page, because document number X71644-1, which is attached hereto, states that Allstate's policy provides its insured with "Coverage Cushion" that "extend[s] protection that provides reimbursement of up to 120% of [Allstate's] policy limit for covered losses." Your assertion is incorrect for a number of reasons and thus, there is only \$300,000 of liability limits available to Mr. Gagnon for the 6-28-11 incident.

First, document number X71644-1 is not part of the policy itself. The document makes that clear at the end of page 2 where it states as follows:

“[T]his document provides general information about the features of the Gold Protection package you selected. The specific details, which govern how the features apply, are shown in Allstate’s rates, rules, and/or forms currently in effect...”

As you clearly could see, the document you have asserted increases Allstate’s liability limits is not part of the policy. Instead, it is the policy declarations, the body of the policy and its endorsements that provide the specific details that govern the policy. Thus, the document you reference does nothing to increase Allstate’s liability limits beyond what is stated on the policy declarations page.

Second, the policy, which is also attached, is void of any provision, condition or endorsement that increases Allstate’s liability insurance policy limits beyond what is listed on the policy declarations page. The only place in the policy that discusses extended protection that provides reimbursement of up to 120% of Allstate policy limit is in endorsement APC270. That endorsement however makes it clear that this extended protection you are referring to only applies to first-party property damage claims for “Building Structure Reimbursement”.

Accordingly, there is \$300,000 of liability limits available to Mr. Gagnon under his Allstate homeowner’s policy for the 6-28-11 incident giving rise to McHenry County cause number 12 LA 178.

If you have any questions or comments, please advise.

Very truly yours,

  
MORSE BOLDUC & DINOS, LLC

Dean Haritos

Enclosures

cc: Shoshan Reddington  
Karen O’Neil