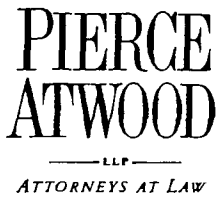


EXHIBIT E



Brooks R. Magratten

10 Weybosset Street
Suite 400
Providence, RI 02903

401-588-5113 office
401-588-5166 fax
401-965-2506 cell
bmagratten@pierceatwood.com

pierceatwood.com

March 9, 2010

Honorable William E. Smith
United States District Court
One Exchange Terrace
Providence, Rhode Island 02903

Re: C.A. Nos. 09-470, 09-471, 09-472, 09-473, 09-502, 09-549, 09-564.

Dear Judge Smith:

Plaintiffs bring to this Court's attention two matters relating to the actions Western Reserve Life Assurance Co. of Ohio and Transamerica Life Insurance Company initiated.

First, in its Reply to Plaintiff's Objection to Motion to Dismiss in C.A. Nos. 09-472 (C. Buckman), 09-473 (J. Veveiros), and 09-502 (M. Buckman), Defendant Leaders Group contends that Western Reserve's claims are predicated on an incorrect dealer agreement. (*See, e.g.*, C.A. 09-472, Doc. 40 at 3). Leader's Group claims its relationship with Western Reserve is governed by a 2002 contract, not the 1995 agreement referenced in the pleadings. (*See id.*). On those grounds, Leader's Group seeks dismissal of certain counts. (*See id.* at 4).

Dismissal on these grounds would be unjustified. Leaders Group did not question the applicability of the 1995 agreement in its motion papers and, therefore, it is not appropriate to have raised this new issue for the first time in its reply brief. LR Cv 7(b)(2). Notwithstanding, we are investigating on the Leaders' Group's reference to the 2002 agreement. This case is in its earliest stages and if Western Reserve's reference to the 1995 agreement was in error,¹ then the pleadings may be amended without prejudice to defendants. Western Reserve has not acted with undue delay or in bad faith, and therefore, leave to amend, rather than dismissal, may be the appropriate remedy for Leader's Group's concerns.

¹ The original complaints in C.A. Nos. 09-472 and 473 incorrectly referred to Leaders Group's 2002 agreements with Transamerica, rather than Western Reserve. Those complaints were promptly amended to refer to the 1995 agreements between Leaders Group and Western Reserve. We have not yet located the purported 2002 agreement that Leaders Group appended to its reply memorandum.

Moreover, whether the relationship between Western Reserve and Leaders Group was governed by the 1995 agreement or a 2002 agreement has little bearing on the claims against Leaders Group. Both the 1995 agreement and the 2002 agreement that Leaders Group provided contain indemnification provisions and incorporate the Code of Conduct, which are components of Western Reserve's claims against Leaders Group. Therefore, any discrepancy over the agreements is immaterial for purposes of the Court's review of defendants' motions to dismiss.

Second, Plaintiffs bring to this Court's attention the enclosed recent opinion from the District Court of Appeal of Florida, *Liberty Surplus Ins. Corp. v. First Indemnity Ins. Svcs., Inc.*, No. 4D08-2671, 2010 WL 711712. The case addresses issues raised in the Caramadre cases. Liberty Surplus Insurance sued one of its brokers, First Indemnity, for failure to disclose critical information. -- So. 3d ---, 2010 WL 711712, at *1 (Fla. 4th DCA March 3, 2010). Despite First Indemnity's argument that it could not be liable for intentional or negligent misrepresentation because it was an agent of the insured rather than the insurer, *id.* at *2, the court held that "the fact that First Indemnity, as a broker, was the agent of the insured, does not preclude its liability for negligent or fraudulent conduct," *id.* at *3. The court went on to hold that an insurance broker can be liable for nondisclosure of information, *id.* at *4, noting that "the law appears to be working toward the ultimate conclusion that full disclosure of all material facts must be made whenever elementary fair conduct demands it," *id.* at *3 (quoting *Johnson v. Davis*, 480 So.2d 625, 628 (Fla. 1985) (alterations omitted)).

The Court has scheduled oral argument on the pending motions to dismiss on March 15, 2010 at 2 pm.

Very truly yours,



Brooks R. Magratten

BRM/
Enclosure

cc: Counsel of record