CERTIFIED FOR PARTIAL PUBLICATION

IN THE COURT OF APPEAL OF THE STATE OF CALIFORNIA

FOURTH APPELLATE DISTRICT

DIVISION TWO

STATE OF CALIFORNIA,

Plaintiff, Cross-Defendant and Appellant,

v.

CONTINENTAL INSURANCE COMPANY et al.,

Defendants, Cross-Complainants and Appellants;

EMPLOYERS INSURANCE OF WAUSAU,

Defendant, Cross-Complainant and Respondent.

E041425

(Super.Ct.No. 239784)

ORDER MODIFYING OPINION AND DENYING PETITION FOR REHEARING

[NO CHANGE IN JUDGMENT]

THE COURT

The State of California's petition for rehearing is denied. The opinion filed in this matter on January 5, 2009, as previously modified by our order entered on January 15, 2009, is further modified as follows:

1. On page 1, footnote "*" is deleted and replaced with the following:

Pursuant to California Rules of Court, rules 8.1105(b) and 8.1110, this opinion is certified for publication with the exception of part VIII.C.

2. On page 75, the second sentence in the first full paragraph (excluding the parenthetical citation), reading, "They constituted essentially the only evidence of the existence and of the terms of the Stonebridge policy," is deleted and replaced with the following:

They constituted crucial evidence of the existence and of the terms of the Stonebridge policy. The remainder of the State's evidence relevant to this issue was fragmentary and inconclusive in the absence of these documents, which were necessary to pull it all together into one coherent picture.

3. On page 75, the sixth sentence in the first full paragraph, reading, "Indeed, the State does not argue otherwise," is deleted.

Other than this modification, the opinion remains unchanged. This modification does not effect a change in the judgment.

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	<u>RICHLI</u> J.
We concur:	
RAMIREZ P.J.	
HOLLENHORST J.	