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FILED

FEB 1 5 2006

OFFICE OF WORKERS' COMPENSATION JUDGE HELENA MONTANA

Attorneys for Arch Insurance Company and Arch Reinsurance Company

IN THE WORKERS' COMPENSATION COURT OF THE STATE OF MONTANA

CASSANDRA SCHMILL,) WCC NO. 2001-0300
Petitioner,	
v	AFFIDAVIT OF JOSEPH S. LABELL
LIBERTY NORTHWEST INSURANCE CORPORATION,	
Respondent/Insurer,	
MONTANA STATE FUND,))
Intervenor.	
STATE OF NEW YORK)	
County of New York)	

- I, Joseph S. Labell, being first duly sworn upon oath, depose and say:
- 1. I, Joseph S. Labell, am the Vice President and Legal Counsel for Arch Insurance Group Inc.;
- 2. In my capacity as Vice President and Legal Counsel of Arch Insurance Group Inc., I am authorized to make the statements set for in this affidavit on behalf of its affiliates Arch Insurance Company and Arch Reinsurance Company and to bind both companies by these statements;

- 3. After a review of our records, I swear under oath that Arch Insurance Company and Arch Reinsurance Company should be dismissed from the above-entitled action for any or all of the following reasons:
 - Arch Reinsurance Company has never written workers' compensation insurance in the state of Montana;
 - Arch Reinsurance Company does not have any Montana claims;
 - Arch Insurance Company has no claimants meeting the Court's criteria in this matter as set forth in the summons;
- 4. I understand that the Montana Workers' Compensation Court may allow a period of up to 90 days from the date of filing this affidavit within which Petitioner's counsel may conduct discovery and investigation for the limited purpose of proving or disproving the foregoing statement(s) made by me on behalf of Arch Insurance Company and Arch Reinsurance Company. After such 90 days, if no objection is lodged by the Petitioner's counsel, the Court will dismiss the insurer/self-insurer from this action based on the sworn statements made by me in this affidavit.
 - 5. I declare under penalty of perjury that the foregoing is correct.

 DATED this 7 day of felician, 2006.

 Joseph & Labell, Vice President and Legal Counsel

 SUBSCRIBED AND SWORN TO before me this 7 day of February 2006.

 Signature

 Menson B- Gilligan

 Print Name

 (S E A L)

 Notary Public for the State of Connecticut Residing at Stamford, Connecticut My Commission Expires: 2 2 8 2 0 1 0

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February 13, 2006

Jacqueline Bockman Deputy Clerk of Court Workers' Compensation Court 1625 Eleventh Avenue Helena, MT 596024

Re: Schmill v. Liberty Northwest Insurance Corporation

WCC No. 2001-0300

Dear Jackie:

Enclosed please find the Affidavit of Joseph S. Labell on behalf of Arch Insurance Company and Arch Reinsurance Company. As you will see from the Affidavit, Arch Insurance Company has no claimants meeting the Court's criteria as set forth in the Summons, and Arch Reinsurance Company has never written workers' compensation insurance in the State of Montana. As a result, these companies request that they be dismissed from this action.

Very truly yours,

Daniel J. Whyte

DJW/mg Enclosure