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OFFICE OF WORKERS' COMPENBATION JUDGE HELENA, MONTANA

IN THE WORKERS' COMPENSATION COURT OF MONTANA

| CASSANDRA SCHMILL | |
|-----------------------|-------------------------------|
| |) WCC NO. 2001-0300 |
| v. | |
| |) RESPONDENT UNINSURED |
| LIBERTY NORTHWEST |) EMPLOYERS' FUND RESPONSE |
| INSURANCE CORPORATION |) TO ORDER DELINEATING ISSUES |
| |) TO BE BRIEFED |
| and | |
| MONTANA STATE FUND | |
| | |

On January 20, 2006, the Uninsured Employers' Fund (UEF) filed an extensive response to the Amended Summons and Notice of Attorney fee lien. In that response, the UEF provided a history of its unique status and addressed various factors relating to whether it falls within the ambit of the Supreme Court's ruling in Schmill II. After carefully reviewing that response, the UEF is unaware of any new issues that would require supplementing its response. Rather than repeat its analysis of the issues raised in that response, the UEF respectfully refers the Court to that document for the UEF's analysis of whether it falls within the ambit of Schmill II.

Ultimately, while there are limitations on the ability of the UEF to make retroactive benefit payments and to pay attorney fees, the UEF is still unaware of any absolute bar to its involvement in further Schmill II proceedings.

Respectfully submitted this 7th day of December, 2006.

Brian J. Hopkins

Agency Counsel

Department of Labor and Industry

Handdelivered to WCC on 193107

DOCKET ITEM NO. 359

CERTIFICATE OF SERVICE

The undersigned hereby certifies that the original of the foregoing document was filed with the Court and a true and correct copy of the foregoing document was, this day, personally served upon lead counsel for Petitioners, by depositing the same in the U.S. mail, postage prepaid, and addressed as follows:

Ms. Laurie Wallace Esq. Bothe & Lauridsen, P.C. PO Box 2020 Columbia Falls, MT 59912

DATED this 7⁴⁴ day of December, 2006

Department of Labor and Industry