

IN THE WORKERS' COMPENSATION COURT OF THE STATE OF MONTANA
WCC no. 2000-0222

ROBERT FLYNN

and

CARL MILLER, Individually and on Behalf of
Others Similarly Situated

Petitioners

Vs.

MONTANA STATE FUND

Respondent/Insurer

and

LIBERTY NORTHWEST INSURANCE CORPORATION

Intervenor.

FILED

JUN 21 2005

OFFICE OF
WORKERS' COMPENSATION JUDGE
HELENA, MONTANA

AFFIDAVIT OF COUNSEL

I, Donald J. Meyers, the undersigned being first duly sworn, depose and say the following under the pains and penalties of perjury:

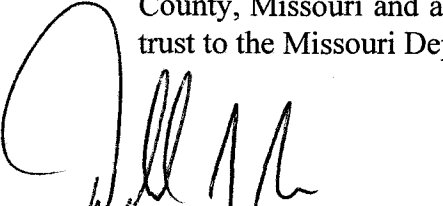
1. That I am Vice President, General Counsel and Secretary of Caterpillar Insurance Company, a defendant in the above-entitled matter.
2. That I have served as Counsel and General Counsel to Caterpillar Insurance Company since August 1998.
3. That I have personal knowledge of the corporate history and business of Caterpillar Insurance Company
4. That Caterpillar Insurance Company is a Missouri domestic property and casualty insurer licensed to write workers' compensation in the state of Montana.
5. That Caterpillar Insurance Company was originally incorporated on February 7, 1963 as the Old Reliable Fire Insurance Company.

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6. That Walter R. Gustin Holdings, Inc purchased Old Reliable Fire Insurance Company on February 20, 1984 and changed the name of the company to Integral Insurance Company.
7. That Integral Insurance Company was placed into receivership by the Missouri Department of Insurance on September 17, 1991 by order of the Circuit Court of Jackson County, Missouri.
8. That Integral Insurance Company remained in receivership under the management and control of the Missouri Department of Insurance from September 17, 1991 until June 1, 2000.
9. That while in receivership with the Missouri Department of Insurance, Integral Insurance Company did not write any new business or any workers' compensation business in any state including the state of Montana.
10. That on March 2, 2000, Caterpillar Insurance Holdings Inc., a Delaware stock insurance holding company, filed a Form A Statement for the acquisition of Integral Insurance Company.
11. That on March 28, 2000, the Missouri Department of Insurance held a public hearing on the proposed acquisition.
12. That on April 4, 2000, the Missouri Department of Insurance approved a June 1, 2000 acquisition of Integral Insurance Company by Caterpillar Insurance Holdings Inc.
13. That on April 23, 1999, the Circuit Court of Jackson County, Missouri entered a final decree modifying the revised rehabilitation plan and approving the plan of reorganization with the liquidating trust.
14. That the modified plan transferred all assets and liabilities of Integral Insurance Company into a liquidating trust and all contracts, covenants, bonds or policies and evidence of insurance of Integral Insurance Company were cancelled.
15. That the Circuit Court of Jackson County, Missouri issued an Order rendering a final judgment that all liabilities of Integral Insurance Company were extinguished and that all persons, creditors and claimants of the company were enjoined from levying any execution, garnishment or attachment or filing any action or suit against the company or its assets.
16. That the Order removed all liabilities from Integral Insurance Company in order to establish a clean shell consisting of the corporate entity, its insurance licenses, and statutory deposits with the insurance departments; and that all other assets were placed into the liquidating trust; and that all policyholders, contract holders,

claimants, creditors and shareholders were to assert their claims solely against the trust.

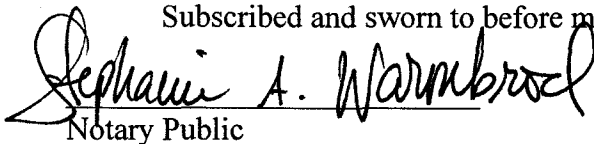
17. That the Missouri Receiver and Deputy Receiver sold Integral Insurance Company to Caterpillar Insurance Holdings Inc. on June 1, 2000 pursuant to an Order and judgment approving the sale from the Circuit Court of Jackson County, Missouri.
18. That the name of the company was changed to Caterpillar Insurance Company on June 5, 2000.
19. That Caterpillar Insurance Company has never written workers compensation insurance in any state since June 1, 2000 and while owned by Caterpillar Insurance Holdings Inc.
20. That Integral Insurance Company was in receivership from September 17, 1991 until June 1, 2000 and was not writing workers' compensation insurance or any other line of insurance business during this period.
21. That all liabilities prior to June 1, 2000 including any liability for any workers' compensation policy written in Montana between July 1, 1974 and September 17, 1991, if any, should be extinguished by the Order of the Circuit Court of Jackson County, Missouri and any such claim should be submitted against the liquidating trust to the Missouri Department of Insurance Receiver.



Donald J. Meyers
Vice President, General Counsel and
Secretary

**STATE OF TENNESSEE
COUNTY OF DAVIDSON**

Subscribed and sworn to before me this 16th day of June 2005.



Notary Public

My commission expires:

May 23, 2009



My Commission Expires MAY 23, 2009



**Caterpillar Financial
Services Corporation**

2120 West End Avenue
P.O. Box 340001
Nashville, Tennessee 37203-0001
USA

June 17, 2005

Rex Palmer, Esq.
Attorneys Inc., P.C.
301 W Spruce
Missoula, Montana 59802

**Re: *Robert Flynn and Carl Miller v. Montana State Fund and
Liberty Northwest Insurance Corporation, et al.,
WCC No. 2000-0222***

Dear Mr. Palmer:

I am in receipt of the Notice of Opportunity to Appear and Intervene in the above referenced matter. As I discussed with your office, please find enclosed the Affidavit of Donald J. Meyers and documentation supporting dismissal of Caterpillar Insurance Company.

For the reasons set forth in the enclosed Affidavit of Donald J. Meyers, I respectfully request that you voluntarily dismiss Caterpillar Insurance Company from this action before the Workers' Compensation Court for Montana.

Yours truly,

Sandi L. Pack
Litigation Attorney

Enclosures

cc: **Ms. Patricia J. Kessner**

Clerk of Courts – Workers' Compensation Court
P.O. Box 537
Helena, Montana 59624-0537

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