



Minnesota Workers' Compensation Insurers Association, Inc.

7760 France Avenue South, Suite 640, Minneapolis MN 55435 * 612/897-1737 (Voice) * 612/897-6495 (Fax)

J.P. Hildebrandt, President

MWCIA

January 3, 1997

ALL ASSOCIATION MEMBERS

Circular Letter No. 97-1266

THIRD NOTICE OF SETTLEMENT

COURT-ORDERED FINAL DEADLINE FOR CLAIMS

RE: Western National Mutual Insurance Company v. Minnesota Workers' Compensation Insurers Association, Inc.

Hennepin County, Minnesota District Court

On June 17, 1994, Circular Letter 94-1204 was sent informing you of the existence of the above litigation. On July 23, 1996, via Circular Letter 96-1258, the first Notice of Settlement was sent informing you of the resolution of the above litigation and your company's rights and obligations under that resolution. On November 15, 1996, the Association sent you a second Notice of Settlement informing you of the option to file a claim arising from the above entitled matter. That notice established the following deadlines for the claims process:

December 1, 1996: Tentative deadline for submitting a letter indicating the intent to file a claim.

January 15, 1997: Tentative deadline for submission of a claim.

On December 26, 1996, Western National served a second lawsuit against the Association seeking to limit the claims which can be considered by the Association. On December 31, 1996, a preliminary hearing was held on that lawsuit before the Court. The Court refused to issue an order barring claims filed according to the above schedule, but did issue an order making the above dates permanent instead of tentative. A copy of the Order is attached.

Also attached is a listing of Insurer Groups who have indicated an intent to file a claim with the Association. Under the Court's Order, claims will be processed according to the prior notice **if the claim has been submitted by the January 15, 1997 deadline**. Any questions regarding this process should be directed to myself, John P. Hildebrandt, at (612) 897-6405 or the Association's legal counsel, Thomas E. Harms, Hessian, McKasy & Soderberg, P.A., 4700 IDS Center, 80 South 8th Street, Minneapolis, MN 55402, (612) 330-3000.

Very truly yours,

JOHN P. HILDEBRANDT

President