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U.S. COURTS

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U.S. DISTRICT COURT
IDAHO FALLS, IDAHO

Attorneys for Defendants Continental Casualty Company
and CNA Group Life Assurance Company

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF IDAHO

CHRIS J. DENNISON,

Plaintiff,

vs.

CONTINENTAL CASUALTY COMPANY,
an Illinois corporation; CNA GROUP LIFE AS-
SURANCE COMPANY, a wholly owned subsidi-
ary of Continental Casualty Company, RURAL
TELEPHONE COMPANY, an Idaho Corporation,

Defendant.

Case No. CIV-02-507-S-LMB

DEFENDANTS, CONTINENTAL
CASUALTY COMPANY AND
CNA GROUP LIFE ASSURANCE
COMPANY'S ANSWER TO
AMENDED COMPLAINT

Defendants, Continental Casualty Company and CNA Group Life Assurance
Company, by and through their attorneys of record, Quane Smith, answers Plaintiff's
Amended Complaint and alleges as follows:

1 — DEFENDANTS, CONTINENTAL CASUALTY COMPANY AND CNA GROUP LIFE
ASSURANCE COMPANY'S ANSWER TO AMENDED COMPLAINT

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1. Plaintiff's Complaint fails to state a claim upon which relief can be granted.
2. Answering Defendants hereby admit Paragraphs 2, 3, and 13 of Plaintiff's Amended Complaint.
3. Answering Defendants specifically deny Paragraphs 15, 17, 18, 21, 22, 23 and 24 of Plaintiff's Amended Complaint.
4. With regards to Paragraphs 4, 7, 8, 9, 10, 11, and 12, answering Defendants have insufficient information upon which to admit or deny these allegations, and therefore deny the same.
5. With regards to Paragraphs 1 and 5, these paragraphs contain legal assertions or conclusions to which no response is required. To the extent that they do assert factual allegations, those allegations are specifically denied.
6. With regards to Paragraph 14, Answering Defendants admit that on or about May 2, Mr. Dennison appealed CNA's initial denial and enclosed documentation. Defendants specifically deny Plaintiff's assertion that this documentation establishes certain facts, as well as any assertion that CNA may have been given incomplete or inaccurate information.
7. With regards to Paragraph 16, Answering Defendants admit that on or about June 24, 2002, CNA's appeal committee notified Plaintiff that benefits were denied. Answering Defendants specifically deny any factual assertion that Plaintiff was unable to work, or any other underlying fact being asserted in Paragraph 16.
8. With regards to Paragraphs 19 and 20, these allegations are directed to another

Defendant and therefore, no response is required from these Answering Defendants. To the extent that this paragraph contains allegations of fact directed to Answering Defendants or to the extent that a response is otherwise needed, this paragraph is specifically denied.

9. With regards to Paragraph 6, this Paragraph incorporates allegations contained within other paragraphs of the complaint, and as such, Answering Defendants admit, deny, deny without knowledge and otherwise respond as indicated above, and incorporated herein.

10. All potential claims that could be asserted in this case are governed by the Employee Retirement Income Security Act of 1974 (ERISA). All state law claims including those asserted are pre-empted by 29 U.S.C. §1144/ §514.

11. Plaintiff is not entitled to any relief as there are no benefits to which he is entitled (does not meet the definition of "disabled").

12. Plaintiff's claim of disability may be a result of a pre-existing condition which precludes an award of benefits.

13. Plaintiff may have received payments from other sources which amounts would reduce those payments, if any, required to be made by Answering Defendants to Plaintiff under the terms of the policy.

14. If Answering Defendants have any liability to Plaintiff, which liability Answering Defendants deny, any recovery by Plaintiff would be subject to the limitations, and are governed exclusively by, ERISA, 29 U.S.C. §§ 1001, *et. seq.*

15. Plaintiff may have failed to join, as parties to this action, one or more persons

or entities necessary for a just adjudication. If so, said persons or entities would be indispensable, and this action hold be dismissed pursuant to F.R.C.P. 12(b)(7) and 19(a) due to their absence.

16. Plaintiff is estopped from recovering any benefit other than those set forth in the contract, and subject to the provisions of 29 U.S.C. §§ 1001, et. seq.

17. Plaintiff may be barred and precluded from any recovery by the doctrine of laches or waiver.

REQUEST FOR ATTORNEY'S FEES

18. Answering Defendants, as a result of the filing of this action by Plaintiff, has been required to retain the services of counsel to defend this action. Pursuant to 29 U.S.C. § 1132(g)(1), Answering Defendants seek recovery of its reasonable attorney's fees, costs and disbursements incurred in defending this action.

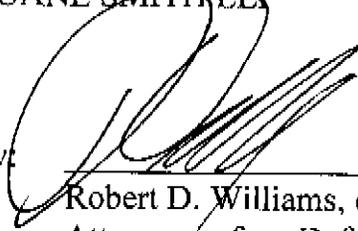
PRAYER FOR RELIEF

WHEREFORE, Answering Defendants pray that this Court enter judgment against Plaintiff as follows:

1. Dismissing Plaintiff's Amended Complaint with Plaintiff taking nothing thereby;
2. For such other and further relief as this Court deems just.

Dated 12th day of August, 2003.

QUANE SMITH LLP

By: 

Robert D. Williams, of the Firm
Attorneys for Defendants Continental
Casualty Company and CNA Life Assur-
ance Company

CERTIFICATE OF SERVICE

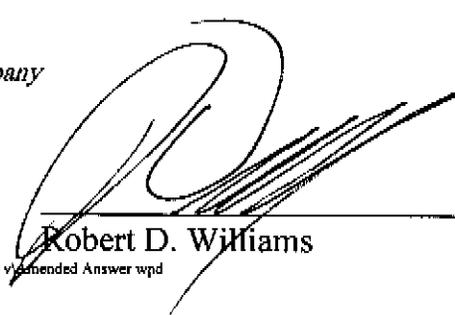
I HEREBY CERTIFY that on this 12th day of August, 2003, I served a true and correct copy of the foregoing DEFENDANTS, CONTINENTAL CASUALTY COMPANY AND CNA GROUP LIFE ASSURANCE COMPANY'S ANSWER TO AMENDED COMPLAINT by:

David E. Comstock, Esq.
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