

**PROCEDURES FOR THE RESOLUTION OF ASSERTED LIEN
CLAIMS AGAINST MDL 926 REVISED SETTLEMENT PROGRAM ("RSP")
CLAIMANTS**

Section 1. Preamble

- 1.01 These Procedures for the Resolution of Asserted Lien Claims Against RSP Claimants (the "Procedures") shall apply to correspondence or other documentation received by the MDL 926 Claims Office (the "Claims Office") prior to the termination of the RSP that purports to assert a lien claim against an RSP Claimant. More specifically, these Procedures apply to disputes between: (1) RSP Claimants whose claims have been reviewed and determined by the Claims Office to be eligible and have an Allowed Amount (defined below) determined (referred to generally in these Procedures as a "Claimant"), and (2) persons or entities who assert the right to receive all or a portion of the payment(s) from the RSP to a Claimant (referred to generally in these Procedures as an "Alleged Lienholder"), with the Lienholder's claim being a Lienholder's Claim or "Alleged Lienholder's Claim". Alleged Lienholder Claims do not include claims regarding the distribution of assets in a probate estate or a marital estate.

Section 2. Definitions and Deadlines

- 2.01 Unless otherwise defined in these Procedures, capitalized terms in these Procedures shall be governed by the definitions in Order No. 27.
- 2.02 References to the terms "Claimant" or to "Alleged Lienholder" shall include the duly authorized legal representatives of each.
- 2.03 In determining the maximum amount that may be subject to an Alleged Lienholder's Claim, if the Claimant is unrepresented, then, for purposes of these Procedures only, "Allowed Amount" means the amount of payment the Claims Office has determined should be awarded a Claimant on his/her claim(s). If the Claimant has an Attorney of Record and the Attorney of Record is not also the Alleged Lienholder, then the "Allowed Amount" shall mean the amount of payment the Claims Office has determined should be awarded a Claimant on his/her claim(s) less the applicable attorney fees and allowed expenses.
- 2.04 For purposes of these Procedures the computation of days shall include Saturday, Sunday, and federal holidays if the time period is more than 20 days. If the time period is 20 days or less, the computation of days shall exclude Saturday, Sunday, and federal holidays. If the time period - - regardless of whether it is greater than, equal to or less than 20 days - - would end on a Saturday, Sunday, or federal holiday, then the ending date shall be the next business day after the Saturday, Sunday, or federal holiday.

EXHIBIT 1

- 2.05 To comply with a deadline a submission must be postmarked by the date of the deadline.

Section 3. Mediator(s) and Appeals Special Master

- 3.01 The MDL 926 Common Benefit Litigation Expense Trust (the "Common Benefit Trust") shall from time to time designate one or more Mediators, whose duties are described below. The Court previously appointed Frank Andrews as the MDL 926 RSP Appeals Judge by Order No.45 (the "Appeals Judge"). The Appeals Judge's duties under these Procedures are described below, and do not include that of Mediator.
- 3.02 The fact that the Mediator or Appeals Judge has a current or prior association with the RSP shall not be considered a conflict and shall not be an impediment to his or her services hereunder.
- 3.03 The existence of a personal or business affiliation between the Mediator or Appeals Judge and a Claimant or any Alleged Lienholder shall be considered a conflict of interest and will preclude the Mediator or Appeals Judge from serving in that dispute. In the event of such a conflict, the Alleged Lienholder and the Claimant will be advised by the MDL 926 Escrow Agent (the "Escrow Agent") of the right to file a motion directly with the MDL 926 Court and the motion will be filed and heard de novo by the MDL 926 Court under applicable federal and local rules.

Section 4. Notice Process and Proof of Lien

- 4.01 a. Only claims asserted by an Alleged Lienholder with the Claims Office and against a Claimant shall be recognized by MDL 926 and the Claims Office with respect to a potential reduction of the Claimant's Allowed Amount. All other alleged claims against a Claimant's Allowed Amount shall be void. Upon receipt of an Alleged Lienholder Claim, the Claims Office shall direct the Escrow Agent to send a Notice and a Proof of Lien Form via regular and Certified first class mail, (with the notice and form being Exhibit A to these Procedures) to the Alleged Lienholder for completion. The Alleged Lienholder must return the completed Proof of Lien Form and supporting documentation to the Escrow Agent within 30 days from the date the notice was mailed to the Alleged Lienholder, as indicated by the date of the notice. The duly completed Proof of Lien Form shall be referred to as the "Lienholder's Claim."
- b. The Escrow Agent may grant a one-time reasonable extension of time for the Alleged Lienholder to complete and file the Lienholder's Claim, of up to 15 days.
- c. A Proof of Lien Form that contains incomplete information shall be returned by the Escrow Agent to the Alleged Lienholder with a notice that the form cannot be accepted until the Alleged Lienholder completes the form. The Alleged Lienholder shall have 15 days from the date of the Escrow Agent's mailing of the letter returning the incomplete form to the Alleged Lienholder to complete and return the form.
- d. If the Alleged Lienholder fails to comply with Sections 4.01(a), (b) and (c), the Alleged Lienholder's claim shall not be honored by the Claim's office and the

Alleged Lienholder shall be barred from asserting the lien against an RSP Claimant's payment. In such event, the Escrow Agent shall notify the Claims Office and the Claimant, and the Escrow Agent shall write a letter to the Alleged Lienholder confirming that the lien may not be pursued with the Claims Office. The Alleged Lienholder shall have 30 days from the date of the letter from the Escrow Agent to file a Notice of Appeal to the Appeals Judge under the standards articulated in Rule 60 of the Federal Rules of Civil Procedure. If the Appeals Judge determines that the Alleged Lienholder has met the burden in FRCP 60, then the Alleged Lienholder's Claim shall be processed by the Mediator pursuant to these Procedures.

- e. If the Alleged Lienholder does not timely submit a Lienholder's Claim or does not timely file a Notice of Appeal, or has had its appeal to the Appeals Judge dismissed or denied, then the Claims Office shall process and pay the Claimant's claim without regard to the asserted Alleged Lienholder's Claim, and shall have no further obligation to the Alleged Lienholder, if one ever existed.
- 4.02
- a. Upon receipt of the completed Lienholder's Claim, the Escrow Agent shall provide a copy (i) to the Claims Office, (ii) to the Common Benefit Litigation Expense Trust Plaintiffs' Steering Committee Office (the "PSC Office"), and (iii) to the Claimant. The Claimant will also be provided (i) a copy of these Procedures, and (ii) the Notice of Lienholder's Claim and Claimant Objection Form (with (ii) being Exhibit B to these Procedures), with the Escrow Agent to mail them to the Claimant via regular and Certified first class mail. To facilitate the Claimant's understanding of these Procedures, the Claimant Objection Form contains instructions on how to contact the PSC Office for help in understanding the Procedures and in completing the form.
 - b. If the Claimant is not represented by an attorney, the PSC Office is available to explain these procedures to the unrepresented Claimant. If the Claimant wishes to contest the asserted Lienholder's Claim, (s)he must do so by mailing a completed Claimant Objection Form to the Escrow Agent no later than 45 days from the date the Notice of Lienholder's Claim and Claimant Objection Forms were mailed by the Escrow Agent to the Claimant. The duly completed Claimant Objection Form is referred to as the "Claimant Objection." The Escrow Agent may grant a one time extension of up to 15 days to the Claimant to file the Claimant Objection.
 - c. If the Claimant fails to timely file the Claimant Objection, as specified at Section 4.02(a) and 4.02(b) above, then the Claims Office shall be authorized to honor the Lienholder's Claim (but is not required to do so if the lien is otherwise deficient or invalid); and, pay the Claimant the Claimant's Allowed Amount minus the Lienholder's Claim amount, and to remit the Lienholder's Claim amount to the Lienholder.
 - d. If the Claimant timely submits the Claimant Objection and thereby informs the Escrow Agent that (s)he consents to part or all of Lienholder's Claim amount or has resolved the Lienholder's Claim, the Claims Office is authorized to withhold and pay to the Alleged Lienholder the agreed amount from the Claimant's

Allowed Amount and to pay the undisputed portion of the Allowed Amount, if any, to the Claimant, with the disputed portion to continue to be held pending resolution of the dispute.

- e. If the Claimant timely submits a Claimant Objection to the Alleged Lienholder's Claim, the Escrow Agent shall provide a copy of the completed Claimant Objection to the Claims Office and the Alleged Lienholder. In addition, the Escrow Agent shall forward the completed Lienholder's Claim Form and Claimant Objection, along with all supporting documentation to the Mediator for resolution, as specified in Section 6 below.
- 4.03 The Alleged Lienholder shall not be entitled to any information regarding the Claimant or her claim that the Claims Office or the Mediator determines is confidential, or has been deemed confidential by Order of the MDL Court.

Section 5. Payment Pending Resolution of Lien

- 5.01 If the Lien amount is less than the Claimant's Allowed Amount, then the Claims Office shall pay immediately the undisputed portion of the Allowed Amount to the Claimant without delay, pending the resolution of any asserted Lien.

Section 6. Dispute Resolution Procedures

- 6.01 The Mediator may use any commonly accepted form of dispute resolution appropriate to the nature of the dispute, at the sole discretion of the Mediator, including mediation followed by a ruling on the merits (a form of mediation/arbitration) based solely upon the materials and information provided by the Claimant, her Attorney of Record (if applicable) and the Alleged Lienholder, including written or oral information and any information obtained under 6.02, below.

The Mediator shall prepare a written record of the mediation proceeding and the materials and information considered in reaching a decision.

The Mediator shall be responsible for scheduling dispute resolution meetings and will inform the parties of scheduled meetings and whether they will be by telephone unless circumstances warrant an in person hearing. A Claimant will not be required to travel outside of a 50 mile radius from their residence. The Mediator, or the PSC Office with permission from the Mediator, shall field questions from Claimants, Claimants' Attorneys of Record or Alleged Lienholder's about the dispute resolution process or procedures.

- 6.02 The Mediator shall permit no form of discovery between the parties; however, the Mediator may seek additional information and documents from the parties, the Escrow Agent, the Claims Office, and/or other sources at his/her discretion.

- 6.03 The Mediator is not required to return any documents. Copies will not be made available except to the Appeals Judge upon an appeal as described below, and all documents received by the Mediator will be destroyed 6 months after the dispute has been resolved.
- 6.04 In making a determination of appropriate attorney fees and expenses that are part of an Alleged Lienholder's Claim, the Mediator may take into account the procedures for payment of attorney fees and expenses established by Order No. 27, and how this may affect an Alleged Lienholder claim.
- 6.05 If an Alleged Lienholder is seeking to recover an amount for expenses incurred that are part of an Alleged Lienholder's Claim (exclusive of any expenses incurred in the implementation of these Procedures or the attempted resolution of the Lienholder's Claim pursuant to these Procedures, which shall not be allowed in any event), the Alleged Lienholder must provide written documentation of the dates, amounts, and invoices for such expenses. Allowable expenses incurred by an attorney as Alleged Lienholder are those identified in Order No. 27. All expenses must be reasonable in relation to the work performed and the result obtained.
- 6.06 Any award of attorney fees and/or expenses sought by a present or former attorney of the Claimant as Alleged Lienholder will be determined according to the attorney fee provisions in Order No. 27, the applicable fee agreement, or applicable state law, whichever is lowest. The Mediator shall have discretion to reduce the amount of attorney fees based on the amount of work performed, the value of services provided, and the amount of the payment to Claimant.
- 6.07 Within 90 days (or such longer period as circumstances require) of the receipt of documents identified in Section 4.02(e) above, the Mediator shall issue a written decision which shall be sent to the Claims Office, the PSC Office, and the Escrow Agent. The Escrow Agent shall be responsible for providing the Mediator's decision to the Alleged Lienholder, and the Claimant. The Escrow Agent shall mail the decision to the parties within 10 days of its issuance.
- 6.08 If the Mediator makes an award requiring payment to a Lienholder, the time to appeal set forth in Section 7 below has expired, and neither party has filed a timely appeal, then the Claims Office shall issue payment as specified by the Mediator. The Claims Office will issue separate checks to the Claimant and to the Lienholder.

Section 7. Appeals.

- 7.01 Either party may appeal the decision of the Mediator to the Appeals Judge by filing a notice of appeal and the grounds therefor (the "Appeal Notice and Substantiation") with the Escrow Agent within 14 days of the date of the notice from the Escrow Agent providing the decision of the Mediator.
- 7.02 Failure to appeal within this time shall result in either the dismissal of the asserted Lienholder's Claim or recognition of the validity of the Lienholder's Claim in whole or

in part as appropriate based on the decision of the Mediator. The Claims Office shall be entitled to pay the Claimant and the Alleged Lienholder the appropriate portion of the Allowed Amount based on the decision of the Mediator.

- 7.03 Upon receipt of the Appeal Notice and Substantiation, the Escrow Agent shall mail the Appeal Notice and Substantiation to the opposing party with a letter inviting the opposing party to file a response (the "Appeal Response") within 14 days after the date of the Escrow Agent's letter transmitting the Appeal Notice and Substantiation to the opposing party. After the Appeal Response has either been received by the Escrow Agent or the deadline for the Appeal Response has expired, the Escrow Agent shall obtain and forward to the Appeals Judge, (i) the Appeal Notice, and Substantiation, (ii) the Appeal Response if any, (iii) the Mediator's record of the materials and information received for the Mediation, and (iv) the decision by the Mediator (collectively, the "Appeal File"). No other discovery or evidence may be submitted by the parties.
- 7.04 The Appeals Judge shall render a final decision within 90 days (or as soon as practicable thereafter) following receipt of the Appeal File. There shall be no further appeal from the Appeals Judge's decision.
- 7.05 The Claims Office shall be authorized to pay the Claimant and the Lienholder their appropriate portions of the Allowed Amount based on the decision of the Appeals Judge.

Section 8. Judicial Immunity and Fees.

- 8.01 Provided that they act substantially in compliance with these Procedures, the Mediator, Escrow Agent and the Appeals Judge shall be granted judicial immunity, as neutrals of the MDL 926 Court, in carrying out these Procedures. The Mediator, the Escrow Agent and the Appeals Judge shall be paid by the Common Benefit Trust at Court-approved hourly rates.

Section 9. Jurisdiction and Statute.

- 9.01 The MDL 926 Court shall exercise continuing jurisdiction over these Procedures.
- 9.02 Any dispute regarding liens asserted in MDL 926 shall be resolved by these procedures unless otherwise ordered by the MDL 926 Court.

**ESCROW AGENT
PROOF OF LIEN FORM
TRANSMITTAL LETTER TO ALLEGED LIENHOLDER**

[LIENHOLDER'S NAME]
[LIENHOLDER'S ADDRESS]

Dear [NAME OF LIENHOLDER]

The MDL 926 Revised Settlement Program (the "RSP") acknowledges receipt of your correspondence in which you assert a claim against an RSP Claimant.

The MDL 926 Court has established "Procedures for the Resolution of Asserted Claims against MDL 926 Revised Settlement Program Claimants" (the "Procedures"). A copy of the Procedures is attached. Please review them because they contain important information and deadlines that affect your asserted Lienholder's claim. Also enclosed is a "Proof of Lien Form" which you are required to complete and return to the MDL 926 Escrow Agent at the address given on the form on or before **30 days** from the date of this letter. Failure to timely return the form will result in the denial of your Lienholder's claim by the MDL 926 Revised Settlement Program.

Neither the Claims Office nor the Escrow Agent is able to answer questions about the validity of your lien or provide you with any information concerning whether the Claimant has filed a claim or is entitled to recover any compensation at this time.

Questions concerning the Procedures can be answered by the Common Benefit Litigation Expense Trust Plaintiffs' Steering Committee Office whose telephone number is (205) 252-6784, and whose address is The Singer Building, 2008 Second Avenue North, Birmingham, Alabama 35203. Please note carefully the deadlines in the Procedures. Please note carefully that the Plaintiffs' Steering Committee cannot represent you or give legal advice.

THE MDL 926 SETTLEMENT FUND

By: _____
Edgar C. Gentle, III
Escrow Agent
P. O. Box 12327
Birmingham, Alabama 35202-12327
Telephone Number: 1-800-345-0837

Enclosures

EXHIBIT A

PROOF OF LIEN FORM

Deadline: You must complete and return this Proof of Lien Form within 30 days from the date of the accompanying letter from the MDL 926 Escrow Agent. Questions about the Form can be answered by the Common Benefit Litigation Expense Trust Plaintiffs' Steering Committee Office, telephone number: (205) 252-6784, address: The Singer Building, 2008 Second Avenue North, Birmingham, Alabama 35203. Please note carefully that the Plaintiffs' Steering Committee cannot represent you or give legal advice.

1. Name of Person/ Entity Asserting a Lien
2. Address of Person/ Entity Asserting a Lien
3. Telephone Number
4. Name and address (if known) of Claimant against whom you are asserting a lien
5. Social Security Number of Claimant against whom you are asserting a lien (if known):
6. Describe the legal and factual basis upon which you are asserting the lien (attach additional paper if necessary).
7. Total amount of the lien you are asserting. (Failure to provide an amount will result in the return of this form to you with a short deadline to provide an amount or method of calculating an amount or the lien will not be honored by MDL 926.) (a) Lien Amount: _____ (b) Other (describe): _____
(c) TOTAL:
8. Do you have supporting documents? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, provide a copy of the documents (please keep a copy for your files). DO NOT SEND ORIGINAL DOCUMENTS.
CERTIFICATION
I declare under penalty of perjury that the above information and statements are true, correct and accurate.
Signature of person asserting the lien _____ Date signed _____
Printed name _____ Position _____

RETURN THE COMPLETED FORM TO:
THE MDL 926 ESCROW AGENT
 P. O. BOX 12327
 BIRMINGHAM, ALABAMA 35202-12327
 Telephone Number: 1-800-345-0837

**ESCROW AGENT CLAIMANT
OBJECTION FORM
TRANSMITTAL LETTER TO CLAIMANT**

[CLAIMANT'S NAME]
[CLAIMANT'S ADDRESS]

Dear [NAME OF CLAIMANT]

The MDL 926 Claims Office (the "Claims Office") has received a Lienholder's Claim in which the Alleged Lienholder has identified you as a person against whom they are asserting a lienholder's claim. A copy of the lienholder's Claim and any supporting documentation provided to the Escrow Agent is attached.

The MDL 926 Court has established "Procedures for the Review of Asserted Lienholder's Claims against Claimants" (the "Procedures"). A copy of the Procedures is attached. Please review them as they contain important information deadlines that affect you. Also enclosed is a "Claimant Objection Form" which you are required to complete and return to the MDL 926 Escrow Agent at the address given on the form on or before **45 days** from the date of this letter.

Failure to timely return the form may result in the recognition of the lienholder's claim by the Claims Office and the reduction in any allowed payment you may be entitled to from the Claims Office.

Neither the Claims Office nor the Escrow Agent is able to answer question about the validity of the Lienholder's claim or provide you with any information about the Alleged Lienholder other than what is attached.

Questions concerning the Procedures can be answered by the Common Benefit Litigation Expense Trust Plaintiffs' Steering Committee Office whose telephone number is (205) 252-6784, and whose address is The Singer Building, 2008 Second Avenue North, Birmingham, Alabama 35203. Please note carefully the deadlines in the Procedures. Please note carefully that the Plaintiffs' Steering Committee cannot represent you or give legal advice.

THE MDL 926 SETTLEMENT FUND

By: _____
Edgar C. Gentle, III
Escrow Agent
P. O. Box 12327
Birmingham, Alabama 35202-12327
Telephone Number: 1-800-345-0837

Enclosures

EXHIBIT B