

**UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF LOUISIANA**

<b>IN RE:</b>	<b>PROPULSID PRODUCTS LIABILITY LITIGATION</b>	:	<b>MDL NO. 1355</b>
		:	
		:	<b>SECTION: L</b>
		:	
<b>THIS DOCUMENT RELATES TO ALL CASES</b>		:	<b>JUDGE FALLON</b>
		:	<b>MAG. WELLS ROBY</b>

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**JOINT REPORT NO. 65 OF  
PLAINTIFFS' AND DEFENDANTS' LIAISON COUNSEL**

Plaintiffs' Liaison Counsel (PLC) and Defendants' Liaison Counsel (DLC) jointly submit this Joint Report No. 65 in preparation of the June 26, 2008 Monthly Status Conference. To participate via telephone, dial-in information may be accessed on the Court's website at <http://propulsid.laed.uscourts.gov/>.

**I. State Liaison Counsel/MDL Resolution Program II**

The enrollment requirements have been met for the State Settlement Program (Propulsid II). Escrow Agreements have been executed and Defendants have funded the various funds. The claims, medical records and claimant memoranda deadlines have passed. Administrative claims are being processed and disbursements have begun. The Special Master's Office has begun clearing claims for defense briefing, and the defendants have advised that they will begin

submitting defense memoranda by August 2008. The parties will be prepared to discuss this further at the June 26, 2008 Monthly Status Conference.

**II. Trust Account**

No deposits have been made into the Trust Account since the last Status Conference.

**III. MDL Mediation and Resolution Program**

The deadline for enrollment and the submission of Claim Forms for the First MDL Resolution Program has expired. The Special Master reports that there are over 11,000 claimants who enrolled, but did not submit claim forms. The Special Master filed a Motion to Dismiss such claimants. On June 18, 2008, the PSC forwarded a draft of the Motion to plaintiffs' counsel whose clients were subject to the Motion and advised counsel that they had two weeks to contact the Special Master if they had any issue with the lists of plaintiffs/claimants subject to the Motion.

The Special Master's office continues to review Claims Forms to determine if the Forms meet the qualifying criteria for submission to the Medical Panel set forth in the Term Sheet. The Special Master's office advises that it will be submitting a Status Report to the Court in advance of the monthly status conference. The Special Master continues to notify the attorneys for the claimants that have deficiencies. Thus far, in Propulsid I, the Special Master has submitted 2,038 Tier I, II and III claims to the Medical Panel for review. Of the 2,038 claims the Defendants have treated 1,779 on an expedited basis. Twelve (12) of the tiered claims submitted to the Panel have been found eligible by the Panel, and the Special Master has made those awards. One hundred and eight (108) tiered claims are still in review by the Panel, 89 of which are considered expedited by the Defendants. The Special Master will report to the Court regarding the current status of claim administration.

On April 29, 2008 the Court entered an Order regarding the waiver of the 6% MDL assessment fee as to those claimants found eligible by the Medial Panel. As for those claimants who have already received awards and whose awards were subject to the 6% assessment, the Clerk of the Court remitted a check to the Special Master to reimburse those claimants for such assessment and further, the balance of the awards, the holdback 50% of the award, was paid out from the Settlement Fund to each claimant that was found eligible for an award and who had previously received 50% of their award.

Defendants continue to submit a list of plaintiffs/claimants whose records have already been obtained by defendants in whole or in part, so when necessary, the parties, the Special Master and the attorneys for these plaintiffs/claimants can expedite the submission and review of the Claim Forms for these individuals.

The parties have agreed on a select number of cases that will be subject to a second review.

The weekly telephone conference with the Special Master, PLC, DLC and SLC continues to take place to discuss a number of administrative issues germane to the Resolution Program.

The parties will be prepared to discuss these issues further at the June 26, 2008 Monthly Status Conference.

#### **IV. Emergency Motion for Distribution of Attorney's Fees**

On November 23, 2005, the Court issued an Order and Reasons regarding the Emergency Motion for Distribution of Attorney's Fees with full reservation of rights to all attorneys who may claim any right to common fees and expense reimbursement. On December 5, 2005, Daniel E. Becnel filed a Motion to Reconsider the Motion. The matter has been reset for hearing on September 24, 2008 at 9:00 a.m.

On March 2, 2006 Dumas & Associates Law Corporation filed a Motion for Common Benefit Fees and Expenses Reimbursements. On April 4, 2006, the PLC filed a response to the motion. The hearing date has not been set.

Respectfully submitted,

/s/ MONIQUE M. GARSAUD

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**CERTIFICATE OF SERVICE**

I hereby certify that the above and foregoing Joint Report No. 65 of Plaintiffs' and Defendants' Liaison Counsel has been served upon all parties by electronically uploading the same to LexisNexis File & Serve, and that the foregoing was electronically filed with the Clerk of Court of the United States District Court for the Eastern District of Louisiana by using the CM/ECF system which will send a Notice of Electronic Filing on this 24th day of June 2008.

**/s/ MONIQUE M. GARSAUD**

**UNITED STATES DISTRICT COURT  
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**Monthly Status Conference**  
**June 26, 2008- 9:00 a.m.**

**AGENDA**

Current Matters:

1. State Liaison Counsel
2. Trust Account
3. MDL Mediation & Resolution Program
4. Emergency Motion for Distribution of Attorney’s Fees