

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

**IN RE: FEMA TRAILER
FORMALDEHYDE
PRODUCT LIABILITY LITIGATION**

**MDL NO. 1873
SECTION "N-5"**

**JUDGE ENGELHARDT
MAG. JUDGE CHASEZ**

THIS DOCUMENT IS RELATED TO ALL CASES

**JOINT UNOPPOSED MOTION FOR
PRELIMINARY APPROVAL OF PROPOSED CLASS SETTLEMENT**

NOW INTO COURT, through undersigned counsel, come the Settling Contractor Defendants and Plaintiffs' Steering Committee (PSC), who, for the reasons more fully set forth in the Memorandum filed herewith, respectfully move this Honorable Court for preliminary approval of a proposed class settlement of all claims asserted in this MDL against these Settling Contractor Defendants.¹ The undersigned certify that non-moving parties have been advised of this motion through Liaison Counsel and there is no opposition to same.

Respectfully submitted:

**FEMA TRAILER FORMALDEHYDE PRODUCT
LIABILITY LITIGATION**

BY: s/Justin I. Woods
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JUSTIN I. WOODS, #24713
PLAINTIFFS' CO-LIAISON COUNSEL
Gainsburgh, Benjamin, David, Meunier &
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New Orleans, Louisiana 70163

¹Attached as Exhibit 1 is the Stipulation of Settlement (including exhibits thereto) between the PSC and the Settling Contractor Defendants.

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**COURT-APPOINTED PLAINTIFFS'
STEERING COMMITTEE**

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RAUL BENCOMO, #2932
ANTHONY BUZBEE, Texas #24001820
FRANK D'AMICO, JR., #17519
ROBERT C. HILLIARD, Texas #09677700
MATT MORELAND, #24567
DENNIS C. REICH Texas #16739600
MIKAL C. WATTS, Texas #20981820

s/ M. David Kurtz
M. DAVID KURTZ (#23821)
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CERTIFICATE OF SERVICE

I hereby certify that on May 29, 2012, I electronically filed the foregoing with the Clerk of Court by using the CM/ECF system which will send a notice of electronic filing to all counsel of record who are CM/ECF participants. I further certify that I mailed the foregoing document and the notice of electronic filing by first-class mail to all counsel of record who are non-CM/ECF participants.

s/Justin I. Woods
JUSTIN I. WOODS, # 24713

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA
NEW ORLEANS DIVISION

IN RE: FEMA TRAILER
FORMALDEHYDE
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MDL NO. 1873
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STIPULATION OF SETTLEMENT

It is hereby Stipulated and Agreed, by and between Plaintiffs and Settlers (as those terms are hereinafter defined), that all claims set forth in the Pending Actions are settled, compromised and dismissed on the merits and with prejudice as to the Settlers on the terms and conditions set forth in this Stipulation of Settlement (hereinafter "Agreement" or "Settlement Agreement"), subject to the approval of the Court.

I. DEFINITIONS

As used in this Agreement and the attached exhibits (which are an integral part of this Agreement and are incorporated in their entirety by reference), the following terms have the following meanings, unless a section or subsection of this Agreement or its exhibits provides otherwise:

A. "Agreement" or "Settlement Agreement" means this Stipulation of Settlement and the attached exhibits.

B. "Attorneys' Fees and Expenses" means such funds as may be awarded to the PSC by the Court, for distribution to the PSC and/or any Class Member's attorney, out of the Settlement Fund in connection with the MDL or any Pending Action.

C. "Claim" means a request for Class Benefits that is submitted by a Class Member or his or her authorized representative to the Special Master in accordance with Section VI herein.

D. "Claim Form" means the document attached hereto as Exhibit B.

E. "Claim Form Deadline" means the deadline set by the Court by which Claimants are required to submit a Claim to the Special Master as provided in this Agreement

F. "Claimant" is a Class Member, or the legal or authorized representative of a Class Member, who submits a Claim to the Special Master.

G. "Claims Process" means the process and procedure for the submission, evaluation and resolution of Claims, as more particularly described in Section VI of this Agreement.

H. "Class" and "Class Members" means:

(a) All individuals who claim Damages and who are named as Plaintiffs in any and all of the Pending Actions as of the time this class settlement is submitted for Court approval at a Fairness Hearing; and

(b) All individuals not included in subparagraph (a), who claim to have:

(i) been exposed to formaldehyde in an EHU that (1) was installed, maintained, or refurbished by any Contractor; and (2) was provided by FEMA to persons displaced by Hurricanes Katrina and/or Rita; and

(ii) suffered or experienced, as of the date of the final Court approval of this class settlement, any discomfort, illness, sickness (medical, psychological or psychiatric), symptom, complaint, disability, or loss of any kind as a result of such exposure.

I. "Class Benefits" or "Class Relief" means those monetary benefits to be given to Entitled Class Members.

J. "Class Benefit Formula" means the formula, established by the Special Master and approved by the Court, to establish payment amounts from the several Settlement Funds, as appropriate, to all Entitled Class Members. The Special Master shall submit the Class Benefit Formula to the Court for approval five (5) days prior to the Fairness Hearing.

K. "Class Notice Package" means the notice package, as approved in form and content by the PSC, the Settlers and the Court, and attached hereto as Exhibit E, to be provided to potential Class Members as set forth in Section V herein.

L. "Class Representative" shall mean and refer to the those Class Members whose names will be submitted to the Court for consideration as adequate representatives of the Class and who will be designated by the Court to appear on behalf of and to represent the Class in the Action pursuant to Rule 23 of the Federal Rules of Civil Procedure. Named as provisional class representatives for precertification purposes are those persons identified on Exhibit F attached hereto.

M. "Court" means the United States District Court for the Eastern District of Louisiana, New Orleans Division, Hon. Kurt D. Engelhardt presiding.

N. "Damages" means any and all elements of relief, remedies, or recovery of whatsoever nature, whether now known or now unknown, existing now or arising in the future, recognized by the law of any jurisdiction, including, but not limited to money damages, past and future medical expenses, economic loss, property loss, compensatory, equitable, punitive or

exemplary damages, loss of past or future income and wage earnings capacity, unpaid wages, past and future physical impairment and disability, loss of enjoyment of life, past and future pain, suffering, and mental anguish, past and future disfigurement, wrongful death, loss of past and future society, companionship, and consortium, future loss of life, hearing loss, fear of injury, fear of future injury, physical injury and disease of the head, heart, chest, lungs, back, neck, hips, extremities, and all other parts of the body, disease or other injury related to alleged exposure to formaldehyde, and harm not yet known resulting from exposure to formaldehyde (including, but not limited to sensory irritation of the eyes, nose, and throat; upper respiratory tract pathology; pulmonary function; asthma and atopy; neurologic and behavioral toxicity; reproductive and developmental toxicity; and immunological toxicity), cancer of any type, classification, or nature, psychological injuries, psychiatric and psychological disorders and syndromes, depression and anxiety, lost wages, repatriation expenses, claim for transportation, court costs, and any other types of damages cognizable under any law, whether now known or now unknown or now manifested or not manifested.

O. “Disbursing Account” means and refers to the account to be established, upon final approval by the Court, for disbursement of settlement proceeds.

P. “EHU” means Emergency Housing Unit, which is a travel trailer, park model trailer or other recreational vehicle installed, maintained, or refurbished or alleged to have been installed and/or maintained, or refurbished by a Contractor and that was provided by FEMA for use as emergency housing for individuals after Hurricanes Katrina and Rita. An EHU specifically does not include a FEMA-provided mobile home or manufactured house for purposes of this proposed class settlement.

Q. “Entitled Class Member” means a Class Member whose Claim(s) has been adjudged (1) timely, and (2) valid and payable by the Special Master based upon the

Claims Process set forth in Section VI herein.

R. "Fairness Hearing" means the hearing at or after which the Court will make a final decision whether to approve this Settlement Agreement as fair, reasonable and adequate. The Parties will propose a date to the Court for this hearing.

S. "FEMA" means the Federal Emergency Management Agency, US Department of Homeland Security.

T. "Final Order and Judgment" means the Court's Order giving its final approval to the settlement and this Agreement, and the judgment entered pursuant to that Order, as contemplated in Section XII of this Agreement and attached as Exhibit G hereto.

U. "Final Settlement Date" means the date on which the Final Order and Judgment approving this Agreement becomes final. For purposes of this definition, the Final Order and Judgment shall become final:

- (i) if no appeal is taken therefrom, ten days after the time to appeal therefrom has expired;
- (ii) if any appeal is taken therefrom, ten days after the date on which all appeals therefrom, including petitions for rehearing or reargument, petitions for rehearing en banc and petitions for certiorari or any other form of review, have been finally disposed of in a manner resulting in an affirmance of the Final Order and Judgment; or
- (iii) on a date after entry of the Final Order and Judgment, which date counsel for the Parties agree to in writing.

V. "Individual Settlement Sheet" means the individual sheets which are collectively attached to this Settlement Agreement as Exhibit A and which have been executed by each Settlement Group. Each Individual Settlement Sheet shall contain: (1) the names of the settling Contractors(s) and/or their insurer(s); (2) the names of the counsel for the Contractors(s) and/or

Insurer(s); (3) the Settlement Amount to be paid by that Settlement Group; and (4) any particular provisions unique to Plaintiffs and/or that Settlement Group.

W. “Lien Resolution Administrator” or “LRA” means the Garretson Firm Resolution Group, Inc., retained to perform certain functions as described in more detail in Section XIV.

X. “Installed” means installed an EHU and/or any component parts thereof under authority of any contract with FEMA.

Y. “Contractor” means a Settlor that installed, maintained or refurbished an EHU.

Z. “MDL” means the Multi-District Litigation proceeding captioned “*In Re FEMA Trailer Formaldehyde Product Liability Litigation*”, MDL No. 1873 (E.D. La, New Orleans Division).

AA. “Opt-Out” means a request for exclusion from the Class as provided in Section VII of this Settlement Agreement.

BB. “Opt-Out Deadline” means August 17, 2012, the final day by which a Class Opt-Out must be received by the PSC to be valid.

CC. “Parties” means Plaintiffs and Settlers collectively and, where applicable, their respective counsel. “Party” means a Plaintiff or a Settlor.

DD. “Pending Actions” shall mean and refer to all of the civil lawsuits, in state or federal court, filed by putative Class Members against any of the Settlers, whether or not such civil lawsuits have been transferred into, are pending in, or have been remanded from the MDL.

EE. “Plaintiff” or “Plaintiffs” means those Class Members listed on Exhibit F and/or any other Class Members added to the Action as named plaintiffs, in their individual and representative capacities.

FF. "Preliminary Approval Order" means the Order to be entered by the Court concerning notice, administration and the Fairness Hearing, as contemplated in Section IV of this Agreement.

GG. "PSC" means Plaintiffs' Steering Committee, comprised of the following counsel appointed by the Court:

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2800 Energy Centre
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Corpus Christi, Texas 78401

HH. "Publication Notice" means the notice published in accordance with the Settlement Notice Plan.

II. "Release" means the release and waiver set forth in Section IX of this Agreement.

JJ. "Released Claims" means any and all claims, existing now or arising in the future, for any Damages, injunctive relief or other equitable relief against any of the Released Parties that any Releasor has, or may have had, or may have in the future, including but not limited to those that have been, or that could have been raised in any action, including the Pending Actions, regardless of whether the claimed injuries and/or damages are not yet known or manifested or whether such claim is known or unknown, filed or unfiled, asserted or not asserted in any action, including the Pending Actions, and regardless of the legal theory involved, including, but not limited to, all of the claims set forth in Section IX herein. The Contractors specifically reserve their tort indemnity, contractual indemnity, additional insured, and contribution rights against their subcontractors and their subcontractors' insurers. All such rights are not released and are fully preserved under this agreement.

KK. "Releasees" or "Released Parties" means the Settlers, including but not limited to, all entities comprising each and every Settlement Group, and each of their past, present and future parents (including intermediate and ultimate parents), subsidiaries, predecessors, affiliates, companies, facilities and plants, successors and assigns, and each of their respective past, present

and future officers, directors, employees, general agents, agents, representatives, attorneys, heirs, administrators, executors, insurers (which do not include subcontractor insurers on whose policies Contractors may be additional insureds (1) unless the insurers are expressly listed by name as a Settlor on Exhibit "A"; or (2) unless CH2M HILL is an additional insured on a subcontractor's policy), predecessors, successors and assigns, or any of them, including any person or entity acting on their behalf or for their benefit or at the direction of any of them, together with any subcontractors of the Settlor and each of their subcontractors' past, present and future parents, subsidiaries, subcontractors, predecessors, affiliates, successors, and assigns, and each of their respective past, present and future officers, directors, employees, agents, representatives, attorneys, heirs, administrators, executors, predecessors, successors and assigns, but the release of such Settlor's subcontractors extends only to claims against them by Class Members which arise from work of such subcontractors as subcontractors to the Settlor.

LL. "Releasor" or "Releasors" means any Class Member who does not timely submit an Opt-Out pursuant to Section VII herein, anyone representing that Class Member or acting on his or her behalf or for his or her benefit, and those Class Members' agents, attorneys, predecessors, successors, insurers, administrators, heirs, executors and assigns.

MM. "Settlement Amount" shall mean and refer to the total amount to be paid by each Settlement Group as reflected on each Settlement Group's Individual Settlement Sheet (Exhibit A), which amount will be deposited in the Registry of the Court under this Settlement Agreement.

NN. "Contractors' Settlement Fund" shall mean that portion of the total of all Settlement Amounts (initially paid into the registry of the Court as the Settlement Amount by all Settlor) remaining at any time after addition of all interest earned or accrued thereon, and deduction of any court-approved disbursements.

OO. "Settlement Group" shall mean those Settlers listed on an Individual Settlement Sheet.

PP. "Settlement Notice Plan" or "Notice Plan" means the comprehensive plan approved in form and content by Class Counsel, Settlers' Counsel and the Court, to notify the Class of the proposed settlement of the Pending Actions, which articulates the manner and forms of notice. A copy of the Settlement Notice Plan proposed by the Parties for the Court's approval is attached hereto as Exhibit D.

QQ. "Settlor" means any of those entities (Contractors and their insurers) identified on Individual Settlement Sheets which are attached hereto collectively as Exhibit "A" and incorporated into this Settlement Agreement.

RR. Settlers' Counsel means the lawyers who represent the Settlers, as indicated on the Individual Settlement Sheets.

SS. "Special Master" means any third-party agent or administrator who the PSC and Settlers' Counsel agree upon with the Court's approval, and who the PSC then retains, to help implement the terms of this Agreement.

TT. "IA/TAC Settlement Group" means the Settlement Group consisting of Bechtel National, Inc., CH2M HILL Constructors, Inc., Fluor Enterprises, Inc., and Shaw Environmental, Inc., and their respective insurers, whose Settlement Amount is an undifferentiated sum shared privately among the members.

UU. "Maintained" means provided maintenance of an EHU and/or any component parts thereof under authority of any contract with FEMA.

VV. "Refurbished" means to refurbish, renew, repair or make changes to any EHU and/or any component parts thereof under authority of any contract with FEMA.

II. INTRODUCTION AND STATUS OF LITIGATION

A. After the landfalls of Hurricanes Katrina and Rita, the homes of hundreds of thousands of citizens of the United States who resided along the Gulf Coast were rendered uninhabitable, leaving these citizens homeless. FEMA provided housing for these citizens, in part by acquiring EHUs to be installed, maintained, or refurbished by certain Contractors.

B. Plaintiffs allege that they were exposed to hazardous levels of formaldehyde in EHUs. The Settlers deny these allegations.

C. Substantial testing, discovery, document production, motion practice and litigation have been completed in the MDL and the Pending Actions, such that the parties hereto are in a reasonable position to assess the factual and legal merits and weaknesses of their respective claims and defenses.

D. As of this date, the parties to the MDL have conducted three bellwether jury trials to verdict, all of which have resulted in defense verdicts and have awarded no money or benefits to the bellwether plaintiffs.

E. Substantial time and effort have been expended by the parties and their counsel in negotiating this Settlement Agreement and the settlement contemplated herein.

F. As a result of the extensive litigation completed or in progress, as well as the information at hand, the results of the bellwether trials to date, the Plaintiffs and the Settlers in the Pending Actions conducted negotiations for a global settlement of the Pending Actions, taking in account the following considerations; (a) the merits of the complaints or the lack thereof; (b) the relative strengths and weaknesses of the Plaintiffs' claims and their respective positions vis-à-vis the issues of liability and damages; (c) the time, expense and effort necessary to maintain the Pending Actions to conclusion; (d) the possibilities of success weighed against the possibilities of loss; (e) the range of potential judgment values, if any, that should be

awarded; (f) the legal complexities of the contested issues in the Pending Actions; (h) the risks inherent in protracted litigation; (i) the magnitude of benefits to be gained from immediate settlement in light of both the maximum potential of a favorable outcome with the attendant expense and likelihood of an unfavorable outcome; (j) the strong possibility of no recovery to any potential Class Members whatsoever in light of the past results of the bellwether trials; and (k) the fairness of benefits to or from an immediate settlement under all of the foregoing considerations.

G. In entering into this settlement, each of the Settlers has denied, and continues to deny, any liability, wrongdoing or responsibility in connection with the claims made in MDL, including but not limited to the Pending Actions, and believes that such claims are without merit and that such claims are barred in whole or in part. Each Settlor that is an insurer denies that any policies issued by it provides coverage for the claims made in the MDL or Pending Actions.

H. The PSC has evaluated the claims in the Pending Actions from a settlement perspective, considering the nature and extent of the alleged injuries and the alleged liability of the Released Parties, the results of the bellwether trials, and the costs of prosecuting claims in light of the risks of zero or limited recovery.

I. In light of the foregoing, the consensus of the Parties to this Settlement Agreement is that payment of the proposed Settlement Amount applicable to each Settlement Group and the management thereof under the supervision of the Court would more likely result in the greatest benefit to the potential Class Members in the Pending Actions. Accordingly, as more fully described in Section IV below, the Parties to this Settlement Agreement shall submit this Settlement Agreement and the exhibits attached hereto to the Court for approval, pursuant to a Joint Motion for Preliminary Approval of Proposed Class Settlement to be heard on the Court's docket at a time to be determined by the Court.

III. SETTLEMENT RELIEF

A. Special Master. The Parties shall jointly agree on and the Court shall appoint a Special Master for this settlement. Pursuant to this Agreement, the availability of Class Relief to a Class Member will be determined by the Special Master's evaluation of the Claim Form and other materials submitted by the Claimant, as well as any additional materials that the Special Master may obtain that are related to each Claim.

The fees of the Special Master shall be payable from the Settlement Fund, subject to Court approval. In the event this Court does not give final approval to this Settlement, the Special Master shall immediately stop any and all activity on this case, and will not be paid any fees for activity taking place thereafter, and the charges of the Special Master shall be borne equally (50/50) between the PSC and the Settlement Groups, up to a maximum amount set out in Section III (B) below (to be shared pro-rata by or on behalf of individual Contractors) and any remaining charges above that maximum amount shall be paid by the PSC, unless otherwise provided in a particular Settlor's/Settlement Group's Memorandum of Understanding.

B. Settlement Fund

Each Settlement Group shall pay the Settlement Amount reflected on each Individual Settlement Sheet. The total of the Settlement Amounts, after the addition of any earned interest and the subtraction of Court-approved disbursements, shall be the Contractors' Settlement Fund for the settlement of all Released Claims pertaining to this Class Settlement. There is no joint and several liability among the Settlers or Settlement Groups for the payment of Settlement Amounts. Thus, each Settlement Group is responsible for payment of only that Settlement Amount reflected on its Individual Sheet (Exhibit A), in the respective shares agreed to by members of that Settlement Group and no Settlement Group shall be responsible for more than that Settlement Amount. Further, each Settlor is not jointly and severally liable with other

Settlers in the same Settlement Group and is only responsible for their individual amounts and not for other amounts.

Any Class Representative's Award shall be paid from the Settlement Fund as determined by the Special Master, with such amount(s) submitted to the Court prior to the Fairness Hearing for approval.

All attorneys' fees for any PSC or non-PSC attorney, or any other attorney representing a Class Member, shall be paid out of the Settlement Fund and determined by the PSC, and shall be approved by the Court.

Any Settlement Group that has not deposited its Settlement Amount into the registry of the Court prior to signing this Settlement Agreement, shall deposit the Settlement Amount into the registry of the Court:

(a) as required by any agreement or Memorandum of Understanding applicable to that Settlement Group; or

(b) If no such agreements or Memoranda of Understanding apply, within sixty (60) days of the Court's order granting Preliminary Approval of this Settlement.

Upon final approval of the Settlement, a Disbursing Account shall be established. The Parties agree that all funds deposited into the Court's registry shall be transferred to the establishing Disbursing Account and that all expenses associated with the Disbursing Account shall be paid from the global settlement fund.

This Settlement Agreement provides that certain fees and expenses will be deducted from the Contractors' Settlement Fund, such as attorneys' fees, notice costs, Special Master fees, all fees related to the Disbursing Account, and others. There shall be a reserve established for all of the fees and expenses listed in this Settlement Agreement that are to be deducted from the appropriate Settlement Fund(s), and that reserve shall be 48% of the Settlement Fund(s), globally

and individually, such that the total of all of the fees and expenses to be deducted from the Settlement Fund(s) shall not exceed 48% of each Settlement Fund. That reserve does not include monies to be deducted from a Class Benefit to an individual Class Member pursuant to section (XIV) (Medicare Reporting and Lien Resolution) herein to satisfy a lien. To the extent that any of these combined fees and expenses exceed 48% of an appropriate Settlement Amount for any reason, the Claimant or Claimant's counsel shall be responsible for the overage. Settlor shall in no way be responsible or liable for any such overage.

The Special Master and/or plaintiffs' counsel shall provide each Settlor with a per plaintiff allocation of the Contractors' Settlement Fund and all amounts deducted therefrom.

In the event this Court does not give final approval to this Settlement, the entire Settlement Amount for each Settlement Group shall be returned to that Settlement Group within five (5) days of any such Court order denying final approval of the Settlement, after deducting the amount needed to pay one-half of the unpaid (1) costs of class notice, and (2) charges of the Special Master, subject to a \$35,000 pro-rata limitation for the Settlement Groups as provided above, unless a particular Settlor's Memorandum of Understand provides otherwise. Any remaining costs or charges shall be paid by the PSC.

C. No Further Payment From Settlor.

The PSC and Settlor further expressly agree that, except for the payment of their respective Settlement Amounts, and as set forth above in the event the settlement is not Court-approved, under no circumstances whatsoever shall Settlor be responsible for paying any monies, benefits, costs, administrative costs, expense or attorneys' fees in connection with this Settlement Agreement, nor will Settlor be required to take any action or incur any liability or pay any expense or be required to do any other thing, except as expressly provided herein.

IV. REQUEST FOR PRELIMINARY APPROVAL.

A. The Parties shall submit this Settlement Agreement to the Court for preliminary approval. This submission shall be made by means of a Joint Motion for Preliminary Approval of Proposed Class Settlement signed by the PSC on behalf of the Class and the Settlers, with an attached proposed form of Preliminary Approval Order substantially in the form attached hereto as Exhibit C.

B. Failure of the Court to issue the Preliminary Approval Order attached hereto as Exhibit C shall be sufficient cause for the termination of this Settlement Agreement, but only after a conference is held with the PSC, the Settlers, the Court, and the Special Master to attempt to resolve those issues delaying or preventing the Court's approval. Thereafter, if no such resolution occurs, written notification of termination shall be provided to the PSC and Settlers' Counsel by any terminating Party. If certain other Settlers and the Class, as represented by the PSC, individually and on behalf of the Class, wish to proceed with the settlement after one or more Settlers have terminated this Agreement, they may do so without objection by any terminating Settlor, by resubmitting to the Court for preliminary approval a revised Settlement Agreement.

C. Pursuant to 28 U.S.C. 1715, the Parties shall provide the required notice(s) and accompanying documents to the United States Attorney General and the "appropriate state official" under the terms of that statute within ten (10) days of the submission of the Preliminary Approval Order to the Court.

V. NOTICE TO THE CLASS

A. **List of Potential Class Members.** By June 15, 2012, the PSC will create, at its own expense and only to the extent that such information is reasonably available to the PSC, a List of Potential Class Members. The List of Potential Class Members shall include: (1) any

Class Member on whose behalf any member of the PSC has filed a complaint in any court similar to the allegations made in this Action; (2) any plaintiff in a Pending Action; (3) any Class Member who has been a client of the PSC and who is known to the PSC to have formaldehyde-related claims covered by this Settlement Agreement; and (4) any Class Member whose identity (name and address) is otherwise known to the PSC. The List of Potential Class Members shall include, if the information is reasonably available to the PSC, the Class Member's name and address, the manufacturer(s) of the EHU(s) to which the Class member is matched; the Contractor to which the Class member is matched and if the Class Member is known by the PSC to be represented by counsel, the Class Member's name, name of attorney representing that Class Member, and the attorney's address.

B. First Class Mail and Publication Notice.

Subject to the Court's Preliminary Approval Order and no later than July 3, 2012, the Special Master, at the PSC's expense, shall send via First Class Mail, a Class Notice Package, including a Claim Form, to each person (or that person's attorney, if known by the PSC), listed on the List of Potential Class Members. The Class Notice Package will among other things inform Class Members of the Settlement and the Class Benefits available. Subject to the Preliminary Approval Order, the PSC will begin Publication Notice on the date set by the Court.

The Publication Notice shall inform Class Members that they may obtain a Class Notice Package and Claim Form by any one of several methods including by calling a toll-free number associated with notice. Publication Notice, as set forth in the Settlement Notice Plan, shall constitute advertisements placed in newspapers in Louisiana, Texas, Alabama and Mississippi. The Settlement Notice Plan, agreed to by the PSC and Settlers' Counsel, is attached hereto as Exhibit D. The Class Notice Package, agreed to by the PSC and Settlers' Counsel, is attached hereto as Exhibit E. The written Publication Notice for the print media is attached as Exhibit H.

C. Class Notice Package

The Special Master shall send a Class Notice Package, including a Claim Form, to each Class Member or Claimant who requests such package from the PSC as a result of receiving Publication Notice, within seven (7) business days after the PSC receives the Class Member's request, provided such request is made at least ten (10) days prior to the Opt-Out Deadline. Furthermore, the Special Master will employ other methods by which this Class Notice Package can be obtained easily, including by downloading from a website and by toll free telephone request.

D. Notice Costs.

All costs for Notice under this Settlement Agreement shall be the responsibility of the PSC, subject to the PSC's right to seek reimbursement for same from the settlement fund at a time authorized by the Court. These costs include, but are not limited to the costs for Publication Notice, and the costs associated with producing and mailing the Class Notice Package and with making the package available by the other means consistent with the Settlement Notice Plan. The cost of all notice to the class will be ultimately paid from the appropriate Settlement Fund(s), and thus, if the Court enters an order giving final approval to the Settlement, the PSC shall be reimbursed by the appropriate Settlement Fund(s) for its expenses incurred in executing the notice provisions of this Settlement Agreement, prior to any disbursements of the Settlement Fund(s) to Class Members. If the settlement is not approved, the costs of notice shall be borne equally (50/50) between the PSC and the Settlement Groups, up to a maximum amount set out in Section III (B) above (to be shared pro-rata by or on behalf of individual Contractors) and any remaining costs above that maximum amount shall be paid by the PSC, unless a particular Settlor's Memorandum of Understanding provides otherwise.

VI. CLAIM PROCESS

A. All administrative costs for this settlement are to be paid out of the Contractors' Settlement Fund, in the amounts and ratios determined by the Special Master.

B. The Special Master shall establish a Class Benefit Formula for payments by the Special Master from the Contractors' Settlement Fund to all Entitled Class Members. The Special Master shall submit that Class Benefit Formula to the Court for approval five (5) days prior to the Fairness Hearing.

C. To submit a Claim, a Class Member must submit a Claim Form to the Special Master, completed by or for the Claimant, according to the instructions contained in the Claim Form. The Claim Form must be postmarked on or before the Claim Form Deadline or will be rejected as untimely. A Class Member, though otherwise bound by any judgments to be issued by the Court, including the Final Order and Judgment and its release provisions, is not entitled to Class Relief if he/she submits a Claim Form postmarked after the Claim Form Deadline, or, subject to the provisions of sub-paragraphs D and E below, if the Claim Form submitted is not complete. There shall be no appeal from the Special Master's denial of Class Benefits based on an untimely Claim Form. Within twenty (20) business days after the Claim Form Deadline, the Special Master shall give the LRA a first list of all Claimants who submitted timely Claim Forms complete with Class Member's full name, address, gender, date of birth and social security number.

D. Each Claim Form shall request proof that the Claimant suffered symptoms or injuries as a result of exposure to formaldehyde in an EHU installed by a Contractor (and/or an alleged insured of a Contractor) and dates of such exposure. Such proof must be received and approved by the Special Master within ninety (90) days of the Claim Form Deadline. A Class Member, though otherwise bound by any judgments to be issued by the court, including the Final Order and Judgment and its release provisions, is not entitled to Class Relief if this proof is not

timely provided by that deadline, and the Special Master's denial of a Claim based on failure to timely provide this proof is not appealable.

E. As to each Claim Form it receives, the Special Master shall ascertain whether the Claimant is an Entitled Class Member solely based on the Claim Form submitted and any supporting documents attached thereto. The Special Master shall determine whether a Claim Form is complete. No Claim Form shall be adjudged complete by the Special Master if it does not accurately provide the Class Member's full name, address, gender, date of birth, and social security number, and dates of exposure. If a Claim Form is incomplete, the Special Master has the discretion to seek additional information if needed from the Claimant. The Special Master may seek the Court's assistance in obtaining any information needed to help complete a Claim Form. All Claim Forms, however, should be complete as to an accurate full name of class member, address of class member, gender, date of birth of Class Member, and social security number of Class Member, Contractor and dates of exposure within forty-five (45) days after the Claim Form Deadline, and if Claimant has not provided such requested information by that date, the Special Master shall deny the Claim as incomplete and untimely. Within thirty-five (35) days after the Claim Form Deadline, the Special Master shall give the LRA a second and final list of all Claimants who submitted timely Claim Forms initially incomplete, but later complete with Class Member's full name, address, gender, date of birth and social security number.

F. The PSC and individual Plaintiffs' counsel shall provide the Special Master with copies of all Plaintiffs' Fact Sheets produced in this Action by the Claim Form Deadline. For those Class Members for whom the PSC provides the Special Master with a copy of his or her Plaintiff's Fact Sheet, such Plaintiff's Fact Sheet shall qualify as a submitted and timely Claim Form, provided that it contains (1) the Class Member's full name, address, gender, date of birth, social security number, and dates of exposure, or provided that such information is given to the

Special Master within thirty (30) days after the Claim Form Deadline; and (2) proof that the Claimant suffered symptoms or injuries as a result of exposure to formaldehyde in an EHU installed by a Contractor, or provided that such proof is given to the Special Master within ninety (90) days after the Claim Form Deadline. All provisions relevant to Claim Forms herein apply to Plaintiff's Fact Sheets submitted by the PSC to the Special Master as Claim Forms.

G. The Special Master shall notify a Claimant if he concludes that such Claim is not the Claim of an Entitled Class Member. Actions and decisions of the Special Master as to whether a Claimant is an Entitled Class Member, with the following exceptions, may be appealed to the District Judge presiding over the Action, if such appeal is filed within fourteen (14) days after the Special Master's decision. The District Judge's decisions on appeal shall be final and non-appealable pursuant to the terms of this Settlement Agreement. The costs of any appeal shall be paid by the Contractors' Settlement Funds. The following decisions of the Special Master are not appealable: (1) denial of a Claim based on the Claim Form not being postmarked on or before the Claim Form Deadline; (2) denial of the Claim based on a Claimant's failure to accurately and timely provide the Class Member's full name, address, gender, date of birth, and social security number, Contractor and dates of exposure, within thirty days after the Claim Form Deadline; and (3) denial of a Claim Form based on the Claimant's failure to timely provide proof that the Class Member was exposed in an EHU installed by a Contractor.

H. No payments shall be made by the Special Master on any Claim until after (1) the Final Settlement Date; (2) the Settlers have received a Formal Repayment Agreement, or similar document showing satisfaction and discharge of any statutory claim to any Class Member's Class Relief or any portion thereof, by all relevant governmental authorities, including Medicare, any relevant state Medicaid agency, TRICARE, the Veteran's Administration, and Indian Health

Services; and (3) the Special Master receives a release agreement signed by each Claimant and/or Class Representative. The Special Master shall have authority to re-allocate settlement funds in all cases where the Claimant fails to claim or collect an allocation made through the Special Master's protocol.

I. The Special Master shall provide to the Settlers (a) a list of the Claimants approved for payment, (b) a copy of each release agreement signed by any Claimant and/or Class Representative, and (c) a list of the amounts each Claimant approved for payment to receive from the Contractors' Settlement Fund.

VII. OPT-OUTS

A. Any potential Class Member who wishes to be excluded from the Class must mail a written request for exclusion to the PSC, known as an "Opt-Out," at the address provided in the Class Notice, with a mandatory statement as to which Contractor installed, maintained, or refurbished their EHU and the address of install related to the claims of the Class Member. The Opt-Out must state the following to be valid: (i) identify the Class Member's name, address and phone number, (ii) identify which Contractor (and/or alleged insured) the Class Member has claims against, and (iii) state that the Class Member wishes to be excluded from the Class. The request for exclusion must be received by the PSC by the Opt-Out Deadline. The PSC's decision as to whether a request for exclusion is or is not timely and received by the Opt-Out Deadline is final and binding. A list reflecting all timely requests for exclusion, identifying the person requesting exclusion and the Contractor the Class Member has claims against, shall be assembled by the PSC and filed with the Court at or before the Fairness Hearing. The PSC shall provide that list to Settlor's Counsel no later than twenty-one (21) days before the Fairness Hearing.

B. Any potential Class Member who is not excluded by the filing of a timely written request for exclusion by the Opt-Out Deadline and/or who does not provide the statement as to

which Contractor the Class Member has claims against shall be bound by all subsequent proceedings, orders and judgment in this Action, even if he or she has pending, or subsequently initiates, litigation, arbitration or any other proceeding against the Settlement Group for any of the Released Claims.

C. If the PSC receives any Opt-Outs identified for any particular Settlement Group, this Settlement Agreement is voidable at the discretion of that Settlement Group. Such decision to void the Settlement Agreement must be made within fourteen (14) days after the Settlement Group(s) is provided with the list of exclusions/Out-Outs described in Section VII (A) above. Should any Settlement Group decide to void the Settlement Agreement pursuant to this paragraph, the Settlement Agreement shall remain in force as to all the remaining Settlement Groups unless any of those Settlement Groups agree with the plaintiffs that the agreement is void and unenforceable as to that particular Settlement Group.

If the PSC receives any Opt-Outs for a particular Contractor and fewer than all of the Settlers in the Settlement Group seek to void the settlement, the Agreement is void as to that individual Settlor only and remains in effect as to the remaining Settlers in that Settlers Group. Such decision to void the Settlement Agreement must be made within fourteen (14) days after Settlement Group(s) is provided with the list of exclusions/Opt-outs described in Section VII (A) above, and written notice to the other Settlers in the Settlement Group of the Settlers intention to void the Settlement Agreement as to that Settlor must be given to the remaining Settlers at least five (5) days prior to giving notice to the PSC and/or Court.

VIII. OBJECTIONS TO SETTLEMENT

A. Any Class Member who has not filed a timely written request for exclusion and who wishes to object to the fairness, reasonableness or adequacy of this Agreement or the proposed settlement, must deliver to the Court Clerk, and to Gerald Meunier and David Kurtz at

the addresses provided in Section (I)(Q) and (I)(MM) herein, a written objection which references this Action and contains: (i) the name, address, and telephone number of the Class Member, (ii) a statement of each objection being made, (iii) a detailed description of the legal authorities underlying each such objection, (iv) a statement of whether the objector intends to appear at the Fairness Hearing, (v) a list of witnesses whom the objector may call by live testimony, oral deposition testimony or affidavit during the Fairness Hearing, (vi) a description of the testimony to be offered, and (vii) a list of the exhibits which the objector may offer during the Fairness Hearing, along with copies of those exhibits. Such written objection must be received by the Court Clerk, Gerald Meunier and David Kurtz by August 31, 2012, or the Class Member shall be forever barred from separately objecting to the Class, separately challenging the Class or in any way collaterally attacking the Class and/or this Settlement.

B. The Special Master must be notified within two (2) days of any objection properly mailed. The Special Master shall respond in writing to any timely filed written objection and shall schedule a hearing to try to resolve the objection. Any person filing the objection must appear in person at the hearing with and scheduled by the Special Master prior to the Fairness Hearing, at the date, time, and place set by the Special Master, and then, if the objection is not resolved, the objector must appear in person at the Fairness Hearing. Any objections which are not resolved in the hearing before the Special Master will be considered by the Court at the time of the Fairness Hearing. The objector may hire his or her individual counsel, hired at the objector's expense, to appear with the objector at the Special Master's hearing and/or the Fairness Hearing.

C. The Court, within its discretion and at the request of the PSC or Settlers' Counsel, may order the deposition prior to the Fairness Hearing of any Class Member (and any witness

identified in the written objection) who has not filed a timely written request for exclusion and objects to the fairness, reasonableness or adequacy of this Agreement or the proposed settlement.

D. If a Class Member hires an attorney to represent him or her, the attorney must: (i) file a notice of appearance with the Clerk of Court, and (ii) deliver to Gerald Meunier and David Kurtz, at the addresses provided in Section (I)(Q) and (I)(MM) herein, a copy of the same, and (iii) otherwise comply with any order of the Court regarding depositions of objecting Class Members. The notice of appearance must be received by the Clerk of Court, Gerald Meunier and David Kurtz by the date set by the Court, or the attorney will not be allowed to appear at the Fairness Hearing.

E. Any Class Member who files and serves a written objection meeting the requirements set forth herein, may appear at the Fairness Hearing, either in person or through personal counsel hired at the Class Member's expense, to object to the fairness, reasonableness or adequacy of this Agreement or the proposed settlement. Class Members or their attorneys intending to make an appearance at the Fairness Hearing must deliver to Gerald Meunier at the address provided in Section HH above, and to David Kurtz at Baker Donelson, 201 St. Charles Ave., Suite 3600, New Orleans, LA 70170, a notice of intention to appear. Such notice of intention to appear must be received by the Court, Gerald Meunier and David Kurtz, by August 31, 2012. The Court, within its discretion and at the request of the PSC or Settlers' Counsel, may order the deposition prior to the Fairness Hearing of any Class Member (and any witness identified in the written objection) who has not filed a timely written request for exclusion and who wishes to appear (either in person or through personal counsel) and object to the fairness, reasonableness or adequacy of this Agreement or the proposed settlement.

F. No objection shall be heard by the Court that does not comply with the requirements of this Section, that is not timely filed with the Court, that is not served on Gerald

Meunier and David Kurtz and filed with the Court at the addresses provided in Section (I)(Q) and (I)(MM) herein, or when the objecting Class Member (or his/her witness) has failed to appear and sit for such depositions as ordered by the Court. Any Class Member who fails to comply with the orders of the Court or provisions of this Section shall waive and forfeit any and all rights he or she may have to appear separately and/or object, and shall be bound by all the terms of this Agreement and by all proceedings, orders and judgments in this Action.

G. The Court, within its discretion, may exercise its right to deem any objection as frivolous and award appropriate costs and fees to the PSC and/or Settlers' counsel.

IX. RELEASE AND WAIVER

A. Release and Waiver

1. In return for the consideration provided in the Agreement, the Plaintiffs and all other Class Members, on their behalf and on behalf of all other Releasers, shall fully and forever release, waive, compromise, remise, dismiss acquit and discharge the Releasees from the Released Claims, including but not limited to any and all past, present and future causes of action, claims, damages (including but not limited to compensatory damages, punitive damages, or damages from wrongful death), or any other Damages, awards, equitable, legal and administrative relief, interest, demands or rights that are based upon, related to, or connected with, directly or indirectly, in whole or in part (1) the Released Claims; or (2) the allegations, facts, subjects or issues that were, could have been, may be or could be set forth or raised in any action or in any Pending Action, or (3) exposure to formaldehyde in any EHU.

2. Plaintiffs and all other Class Members, on their own behalf and on behalf of all other Releasers agree, covenant and acknowledge that they shall not now or hereafter initiate, participate in, maintain, or otherwise bring any claim or cause of action, either directly

or indirectly, derivatively, on their own behalf, or on behalf of the Class or the general public, or any other person or entity, against the Releasees based on allegations that are based upon or related to, directly or indirectly, in whole or in part: (1) the Released Claims; (2) the allegations, facts, subjects or issues that have been, could have been, may be or could be set forth or raised in any Pending Action; or (3) exposure to formaldehyde in any EHU.

3. Plaintiffs and all other Class Members and all the other Releasors, and anyone acting on their behalf or for their benefit, without limitation, are precluded and estopped from bringing any claim or cause of action in the future, related to in any way, directly or indirectly, in whole or in part: (1) the Released Claims, (2) the allegations, facts, subjects or issues that have been, could have been, may be or could be set forth or raised in any Pending Action, or (3) exposure to formaldehyde in any EHU.

4. Plaintiffs and the Class Members, on their behalf and on behalf of all other Releasors, acknowledge that they are releasing both known and unknown and suspected and unsuspected claims and causes of action, and are aware that they may hereafter discover legal or equitable claims or remedies or injuries or damages presently unknown or unsuspected or unmanifested (including but not limited to personal injury claims), or facts in addition to or different from those which they now know or believe to be true with respect to the allegations and subject matters in the complaint or other filings in any Pending Actions. Nevertheless, it is the intention of Plaintiffs and the Class Members to fully, finally and forever settle and release all such matters, and all claims and causes of action relating thereto, which exist, hereafter may exist, or might have existed (whether or not previously or currently asserted in any Pending Action).

5. Plaintiffs and the Class Members, on their behalf and on behalf of all other Releasors, hereby expressly acknowledge certain principles of law applicable in some states

provided that a general release does not extend to claims (including claims related to unknown or future injuries) that a person does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her may have materially affected his or her settlement with the Released Parties. Notwithstanding such principles of law (statute, regulation, or common law) that may apply, Plaintiffs and the Class Members hereby agree and acknowledge that any such claims (including claims related to unknown or future injuries) are hereby knowingly and voluntarily released, waived and relinquished by Plaintiffs and the Class Members, and Plaintiffs and the Class Members agree and acknowledge that this provision is an essential term of the Agreement and this Release. Plaintiffs, the Class Members, and the PSC warrant and represent that they have specifically contemplated and bargained for the waiver and relinquishment of the claims (including claims related to unknown or future injuries) referenced in this Agreement, including claims that they may not know or suspect to exist at this time and that, if known, may have materially affected this settlement. Plaintiffs, the Class Members, and the PSC also warrant and represent that this Agreement, including the referenced waiver and relinquishment is fair, reasonable, and is being made knowingly, voluntarily, and with all information necessary for the waiver and relinquishment.

6. Plaintiff and Class Members, on their behalf and on behalf of all other Releasers, further agree that no third party, including but not limited to any private attorney general or Cal. Bus. and Prof. Code § 17200 Plaintiff, shall bring any claims released herein on their behalf.

B. The Parties will seek and obtain from the Court a Final Order and Judgment as further described below in Section XII. The Final Order and Judgment shall, among other things: (i) approve this Settlement Agreement as fair, reasonable and adequate, (ii) dismiss all claims against the Released Parties in the MDL and any Pending Actions, with prejudice on the merits

with each party to bear his, her or its own costs; and (iii) incorporate the terms of the Release as written herein.

X. ATTORNEYS' FEES AND EXPENSES

All attorneys' fees and expenses related to the MDL and any Pending Action shall be paid out of the Settlement Fund, with prior approval by the Court.

XI. FAIRNESS HEARING

If the Court enters the Preliminary Approval Order, the Parties shall proceed with due diligence to conduct the Fairness Hearing as ordered by the Court. At such Fairness Hearing, the Parties shall present such evidence as sufficient to justify the Court's certification of the Class. Further, at such hearing, the Settlers shall not object to (a) the reasonable presentation of evidence in support of the certification of the Class for settlement purposes only or (b) the certification of the Class for settlement purposes only. However, the parties acknowledge and agree, and shall stipulate to the Court at the Fairness Hearing, that (a) the Class is being certified for settlement purposes only pursuant to the Settlement Agreement, and (b) the Released Parties reserve the right to object to class certification de novo in the event this Agreement is terminated for any reason.

At the Fairness Hearing the Court shall, inter alia, (a) determine whether the Class should be certified, and (b) if the Court determines that the Class is capable of certification under Rule 23 of the Federal Rules of Civil Procedure, as requested by the parties, (i) consider any properly filed objections to the proposed settlement, (ii) determine whether the settlement set forth in the Settlement Agreement is fair, reasonable and adequate and entered into in good faith and without collusion and should be approved, and (iii) if appropriate, contemporaneously certify

the Class and dismiss the MDL and all Pending Actions on the merits with prejudice and with each party to bear its own costs, except as provided in this Settlement Agreement.

XII. FINAL APPROVAL AND FINAL ORDER AND JUDGMENT

Prior to entering the Final Order and Judgment, the Court shall enter any order necessary to transfer any Pending Action that is not already part of the Action and/or MDL to the MDL.

The Settlement Agreement is subject to and completely conditional upon (a) the issuance by the Court and subsequent entry, following the Fairness Hearing, of the Final Order and Judgment certifying the Class and granting final approval of the Settlement Agreement in accordance with Rule 23(e) of the Federal Rules of Civil Procedure, and (b) such Final Order and Judgment becoming final as of the Final Settlement Date. The Final Order and Judgment shall be substantially in the form attached hereto as Exhibit G or in a form mutually agreeable to the PSC and Settlers. The Parties shall take all reasonable and necessary actions to obtain the Final Order and Judgment and to have it made final, as promptly as practicable.

Within five (5) days of the Court entering a Final Order and Judgment in this case, the PSC shall cause to be dismissed all Pending Actions with prejudice, each party to bear his, her or its own costs, as to the Released Parties.

In the event that any appeal is filed of the Final Order and Judgment, all remaining deadlines set forth herein shall be stayed, and all activity of the Special Master and the LRA shall be stayed, until the Final Settlement Date.

XIII. INDEMNIFICATION

To the extent of each Class Member's individual net recovery and the extent the claim described in this section arises out of the claim of the Class Member, each Class Member shall

defend, indemnify, and hold harmless the Released Parties from and against: (a) any and all past, present or future claims, demands, suits, causes of action, rights of action, liabilities, liens, privileges, or judgment of any kind whatsoever (including all expenses, costs and attorneys fee expenses related thereto) by, on behalf of, through, or deriving solely from the claims of that Class Member, or by, on behalf of, through, or deriving from his, her, or its heirs, executors, representatives, attorneys or former attorneys, successor, employers, insurers, employers' insurers, health insurers, health care providers, assignee, subrogees, predecessors in interest, Medicare or Medicaid, TRICARE, the Veteran's Administration, or Indian Health Services, successors in interest, beneficiaries or survivors related to the Released Claims; and (b) any claims for Contribution, Indemnity, and/or Subrogation, whether arising under tort, contract or otherwise, related to or connected in any way with the Released Claims of that Class Member. The indemnity and defense obligation in this Section shall include any and all claims, demands, suits, causes of action, rights of action, liabilities, liens or judgment of any kind whatsoever (including any claims of the Released Parties for reasonable attorneys' fees and costs) related, directly or indirectly, to the disbursement of or from, or the failure to make disbursement of or from, the appropriate Settlement Fund(s) with respect to the Class Member. To the extent that claims for wrongful death or any other claims of any Class Member have not been released effectively, that Class Member binds himself or herself, and his or her succession or estate, executors, heirs, successors, beneficiaries, assignees, and subrogees, to defend, protect, indemnify, and hold harmless the Released Parties from and against any and all claims, demands, suits, liabilities, liens judgments, rights of action, or causes of action of any kind whatsoever related to the Released Claims, whether arising under tort, contract or otherwise, brought by any person, succession, or estate for the wrongful death or any other claims of that Class Member. This defense and indemnity obligation is intended to apply to any and all claims for wrongful

death, whether arising under Louisiana law (including Louisiana Civil Code art. 2315.2) or law of any other state, and whether presently existing or in existence at the time of the death of the Class Member. Anything contained in this Settlement Agreement to the contrary notwithstanding, a Class Member's obligation to defend, indemnify, and hold harmless the Released Parties from claims for wrongful death of such Class Member shall be limited to that Class Member's individual net recovery.

XIV. MEDICARE REPORTING AND LIEN RESOLUTION

The Parties agree to the following process for resolving possible statutory and other claims to Class Relief by governmental authorities, making a good faith effort to adequately protect the interests of Medicare and other governmental authorities:

A. Appointment of Lien Resolution Administrator. The PSC will hire The Garretson Firm Resolution Group, Inc. as the LRA to perform certain functions pursuant to this Section XIV in connection with reimbursement claims that may be asserted by federal Medicare (Part A and B) ("Medicare"), Medicaid, and certain other governmental health care programs with statutory reimbursement or subrogation rights, limited to TRICARE, VA, and Indian Health Services benefits (hereinafter, collectively referred to as "Governmental Authority Third Party Payer/Providers"). The LRA shall not be responsible for identifying or resolving any other liens including, without limitation, liens by any other third-party payers, subrogation claims, liens or other rights to payment relating to medical treatment or lost wages, or any liens based on any legal expenses, bills or costs that have been or may be asserted by any healthcare provider, employer, insurer, including any coverage offered through private insurance companies intended to supplement or replace any plan of a Governmental Authorities Third Party Payer/Provider (including but not limited to Federal Employees Health Benefit (FEHB) plans such as Blue Cross

Federal, or Blue 365), or any other person or entity with such reimbursement rights (“Other Liens”). The LRA’s fees and expenses shall be paid by the PSC, with later reimbursement from the Settlement Fund after the Court has entered final approval of this Settlement.

B. Any Class Member making a Claim must identify Governmental Authority Third Party Payer/Provider Reimbursement Obligations to Lien Resolution Administrator. Each Claimant shall identify, directly, or through counsel, to the LRA all Governmental Authority Third Party Payers/Providers known to them to hold or assert a statutory reimbursement right with respect to any individual settlement payment (and/or the right to receive such individual settlement payment), through procedures and protocols to be established by the LRA. Claimants and their counsel must cooperate with the procedures and protocols established by the LRA.

C. LRA shall resolve Governmental Authority Third Party Tort Recovery Claims and Liens. According to the LRA’s procedures and protocols, the LRA shall resolve all conditional payment reimbursement rights that have been or may be asserted by Medicare within the meaning of the Medicare Secondary Payer statute (42 U.S.C. §1395y), and all payment reimbursement rights made by state Medicaid agencies, as appropriate, and any other federal reimbursement right asserted by TRICARE, Veteran’s Administration or Indian Health Services based upon the provision of medical care or treatment provided to the Class Member on whose behalf a Claim is filed; provided however, that nothing herein is intended to create a right of reimbursement where none would otherwise exist under applicable state or federal tort recovery statutes. LRA shall provide a copy of its reporting form to Settlers through Settlers’ Counsel.

D. LRA shall identify amounts necessary to resolve Governmental Authority Third Party Tort Recovery Claims and Liens. Within ninety (90) days after the LRA receives the first list of complete Claim Forms from the Special Master pursuant to Section VI herein, the LRA

shall, as to each Class Member on that list, certify to Settlers whether: (1) any statutory claim is being asserted under federal laws by the Centers for Medicare and Medicaid Services (“CMS”) for federal Medicare (Parts A and B); (2) any statutory lien is being asserted under state laws by the respective state Medicaid agency which paid for a Class Member’s injury-related medical expenses; and/or (3) any other federal reimbursement right is being asserted under any of TRICARE, VA or Indian Health Services, where any such claim and/or lien is determined to exist. Within ninety (90) days after the LRA receives the second list of complete Claim Forms from the Special Master pursuant to Section VI herein, the LRA shall, as to each Class Member on that second list, certify to Settlers whether: (1) any statutory claim is being asserted under federal laws by the Centers for Medicare and Medicaid Services (“CMS”) for federal Medicare (Parts A and B); (2) any statutory lien is being asserted under state laws by the respective state Medicaid agency which paid for a Class Member’s injury-related medical expenses; and/or (3) any other federal reimbursement right is being asserted under any of TRICARE, VA or Indian Health Services, where any such claim and/or lien is determined to exist. The LRA shall further certify to Settlers for all Class Members on both the first and second lists combined either: (1) the amount to resolve any and all such claims and/or liens as established by the agreement of the LRA and CMS and the LRA and the other respective federal or state agencies (“Final Statutory Lien Amount”); or (2) the “holdback” amount agreed to by CMS and the respective federal or state agencies under which such agencies have agreed to finally resolve their respective statutory claims and/or liens (“Holdback Amount”). The Final Statutory Lien Amount and/or the Holdback Amount, whichever is applied, shall be paid from Class Benefits prior to the disbursement of any Class Benefits.

E. When Funds May Be Disbursed. The Special Master shall not disburse any settlement monies to any Claimant until Settlers have obtained from all Governmental Authority

Third Party Payer/Providers satisfactory proof of satisfaction and discharge of all statutory Medicare claims asserted as to any Entitled Class Member, any statutory liens asserted by a state Medicaid agency or agencies as to any Entitled Class Member, and any statutory reimbursement or subrogation right asserted by any other Governmental Third Party Payer/Provider, as set forth in Section XIV (G), along with certification from the LRA as to the same.

F. Compliance with MMSEA. The LRA's duties include not only ensuring compliance with all relevant provisions of the Medicare Secondary Payer Act (42 U.S.C. §1395y) as discussed above, but also include ensuring compliance under Section 111 of the Medicare, Medicaid and SCHIP Extension Act of 2007 (42 U.S.C. §1395y(b)(8))(MMSEA)), which poses certain reporting requirements for certain entities involved in settling personal injury claims involving a Medicare beneficiary. The LRA shall obtain and provide information satisfactory to Settlers, from the Centers for Medicare and Medicaid Services ("CMS") central offices, that all of Settlers' MMSEA reporting obligations, to the extent applicable to Settlers, have been satisfied prior to all associated deadlines and/or disbursement of proceeds to Medicare-entitled Claimants as agreed by the Parties.

G. Proof of Satisfaction of Third Party Payments to Settlers. Settlers shall be entitled to proof of satisfaction and discharge of any or all such statutory Medicare claims asserted by CMS in relation to any particular Claimant, any statutory liens asserted by a state Medicaid agency or agencies, and any statutory reimbursement or subrogation right asserted by any other Governmental Third Party Payer/Provider, including a copy of the actual closure documentation that the LRA receives from an Governmental Authority Third Party Payer/Provider. The LRA shall provide to Settlers that proof at the earliest time possible.

H. Indemnity from LRA. The PSC shall seek to secure a mutually agreeable indemnity agreement from the LRA in favor of the Settlers. Unless the parties agree otherwise,

this Settlement Agreement shall be conditioned upon the execution of such an indemnity agreement.

I. Access to Information. Settlers shall have access to individual plaintiff information provided to Garretson as LRA. Plaintiffs' counsel will provide Settlers initially with the following personal information for each known claimant: (1) full legal name; (2) date of birth; (3) full social security number; and (4) sex. Whenever it may be determined by anyone that reporting to CMS is required with regard to any claimant, plaintiffs' counsel will further supply to Settlers any and all additional personal information regarding each such claimant that may be required by Settlers to enable them to fulfill all Medicare Secondary Payer Mandatory Reporting requirements. This information will be used by Settlers only for purposes of compliance with Medicare Secondary Payer Reporting Requirements. Alternatively, if Garretson can present Settlers with a written confirmed waiver of Settlers' Medicare Secondary Reporting Requirements as to any one or more claimants, issued by CMS prior to disbursement of any Class Benefits, then provision of the above-described personal information will not be necessary as to such claimants.

XV. PSC REPRESENTATION

A. The PSC covenants, represents and warrants to the Settlers that:

1. Prior to the Fairness Hearing, the PSC shall have explained the terms and effect of this Settlement Agreement to the Class Representatives and their signatures shall have been obtained in support of this Settlement Agreement; such signatures shall be filed into the record of the Action at the Fairness Hearing.

2. The PSC has not and will not make any undisclosed payment or promise to any Class Representative for the direct or indirect purpose of obtaining that Class Representative's consent to the Agreement.

3. No member of the PSC will represent any Class Member requesting exclusion from the Class if to do so would constitute a violation of the Rules of Professional Conduct.

4. The PSC and the Class Members are solely responsible for the payment of any liens against the Class Benefits received. No Class Benefits will be disbursed to any Class Member until all valid liens are paid.

5. The PSC represents that no Class Member has assigned any of his/her/its rights of action herein to anyone else.

B. Except as otherwise provided herein, without prior written approval of the Court, the PSC will not use, distribute, give, sell, or transfer any materials obtained from any one or more of the Settlers as a result of the MDL or the Pending actions for use in any other litigation or purpose.

C. The PSC, the Class, and the Settlers shall use their best efforts to conclude the settlement and obtain the Final Order and Judgment. The PSC, the Class, and the Settlers agree that it is essential that this proposed settlement be prosecuted to a successful conclusion in accordance with all applicable provisions of law and the exercise of good faith on the part of the PSC, the Class, and the Settlers. Inherent in the accomplishment of this mutual goal is the understanding among the Parties that the PSC, the Class, and the Settlers assume the mutual obligation to each other to assist and cooperate in the effectuation of the settlement in accordance with all applicable legal requirements. To that end, the PSC, the Class, and the Settlers commit to affirmatively support the settlement in the event of appeal, to maintain the integrity and goals

of the settlement in all further proceedings in the Action, and to take such action as may be legally proper to assure the jurisdiction of the Court in this and all subsequent proceedings. The PSC, the Class, and the Settlers agree to be bound by and to the terms of this settlement in any court of competent jurisdiction to the same extent as they agree to be bound herein, to which end the PSC, the Class, and the Settlers agree that the terms hereof are contractual, binding and enforceable obligations and not merely a recital. In furtherance of this Agreement, the PSC, the Class, and the Settlers agree to take such action as may be appropriate to secure court approval of the terms of this settlement in a court of competent jurisdiction.

D. The PSC further warrants and represents to the Settlers that it has the full authority to enter into this Settlement Agreement on behalf of and bind the Class and all of the Plaintiffs and their attorneys in the MDL and the Pending Actions.

XVI. STAY ORDERS

Simultaneously with the filing of this Settlement Agreement with the Court, the Parties shall submit to the Court a joint motion for stay of the Pending Actions signed by or on behalf of the Class, the PSC, and the Settlers, with a proposed form of stay order attached thereto, pursuant to which stay order, the Court shall enjoin and stay, during the pendency of the settlement proceedings contemplated by this Agreement, the commencement and/or prosecution of any and all Pending Actions or any other action by any Class Member or anyone on his or her behalf against any of the Releasees asserting Released Claims, such stay and injunction to remain effective during the pendency of such settlement proceedings unless modified by further order of the Court. The Parties shall use their best efforts to obtain this stay order.

XVII. ENTIRE AGREEMENT AND SEVERABILITY

The Settlement Agreement, including the Individual Settlement Sheets attached hereto collectively as Exhibit "A," together with the Memoranda of Understanding executed by the individual Settlers and/or Settlement Groups, if any, contain the entire agreement between the Parties with respect to the subject matter hereof and, except as specifically set forth herein or therein, supersedes and cancels all previous agreements, negotiations, and commitments in writings between the Parties hereto with respect to the subject matter hereof. This Settlement Agreement may not be changed or modified in any manner unless in writing and signed by a duly authorized officer of each Settlor, and a duly authorized representative of the PSC. The terms of this Settlement Agreement may be amended by agreement of the Parties and with approval of the Court without further notice to the Class, if such changes are consistent with the Preliminary Approval Order and do not limit the rights of Class Members. This Settlement Agreement may be signed in multiple counterparts, each of which shall be deemed to be an original and all of which shall be deemed to be one and the same instrument.

This Settlement Agreement shall be binding on the successors and assigns of the Parties.

If any court of competent jurisdiction determines any portion of this Settlement Agreement is unenforceable and/or void for any reason, that unenforceable provision shall be severed and the remaining portions of this Settlement Agreement will remain in full force, unless removing the remaining provision materially alters the provisions of the Settlement Agreement. In that event, the entire Settlement Agreement will not be enforceable unless agreed to by the Parties.

XVIII. NOTICE TO COUNSEL

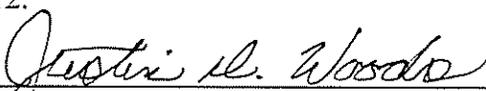
Anytime that notice to or delivery of any document to Settlers' Counsel or the PSC is required as set forth in this Agreement, such notice and/or documentation shall be mailed to

Settlor's Counsel at the addresses listed in on the Individual Settlement Sheets for each Settlor and/or Settlement Group, and to the PSC at the address listed in Section I(MM) ("PSC" definition) of this Agreement, unless otherwise specified.

XIX. MANUFACTURED HOUSING CONTINGENCY

This Agreement, and all other related documents and agreements, shall become voidable at the discretion of any Settlor if, at the time of the Fairness Hearing, no final and non-appealable judgment has been entered (or if any appeal of such judgment is pending), that fully and finally dismisses all claims against any Settlor from any and all claims arising from or relating to any EHU that is not a travel trailer or park model, such as a "mobile home" or "manufactured housing." If fewer than all Settlers elect to void this Agreement in accord with this Section, this Agreement shall remain in effect as to all other Settlers.

Agreed to this 28TH day of May, 2012.



Gerald E. Meunier
Justin I. Woods
Gainsburgh, Benjamin. David, Meunier &
Warshauer, LLC
2800 Energy Center
1100 Poydras St.
New Orleans, LA 70163

On behalf of the PSC and Plaintiffs/Class Members

INDIVIDUAL SETTLEMENT SHEET
(EXHIBIT A TO STIPULATION OF SETTLEMENT)

NAMES OF SETTLORS:

Bechtel National, Inc., and its insurer, American Home Assurance Company;

CH2M HILL Constructors, Inc. and its insurers, Zurich American Insurance Company, Steadfast Insurance Company, Evanston Insurance Company, Federal Insurance Company, Hanover Insurance Company, and CH2M HILL subcontractors Babcock Services, Inc. and Airmart, Inc./Style Crest Products, Inc.;

Fluor Enterprises, Inc., and its insurers, American International Specialty Lines Insurance Company, now known as Chartis Specialty Lines Insurance Company, Insurance Company of the State of Pennsylvania, and Continental Casualty Company;

Shaw Environmental, Inc. and its insurer, Zurich American Insurance Company.

Settlor also includes, but is not limited to, those Settlers, Releasees, and Released Parties as more fully defined in the Stipulation of Settlement.

SETTLORS' COUNSEL:

JOHN J. HAINKEL, III
On behalf of Bechtel National, Inc.

GERARDO R. BARRIOS
On behalf of CH2M HILL Constructors, Inc.

CHARLES R. PENOT, JR.
On behalf of Fluor Enterprises, Inc.

M. DAVID KURTZ
On behalf of Shaw Environmental, Inc.

SETTLEMENT AMOUNT:

Five Million Dollars and no cents (\$5,000,000.00)

OTHER APPLICABLE PROVISIONS:

Allocation of the total of Five million dollars of the fund from this group is undifferentiated and confidential to the members of this group and their insurers.



~~GERALD E. MEUNIER~~ *JUSTIN I. WOODS*
Counsel for Plaintiffs

5/28/2012
Date



~~JOHN J. HAINKEL, III~~
On behalf of Bechtel National, Inc.

5/28/12
Date

GERARDO R. BARRIOS
On behalf of CH2M HILL Constructors, Inc.

Date

CHARLES R. PENOT, JR.
On behalf of Fluor Enterprises, Inc.

Date

M. DAVID KURTZ
On behalf of Shaw Environmental, Inc.

Date

INDIVIDUAL SETTLEMENT SHEET
(EXHIBIT A TO STIPULATION OF SETTLEMENT)

NAMES OF SETTLORS:

Bechtel National, Inc., and its insurer, American Home Assurance Company;

CH2M HILL Constructors, Inc. and its insurers, Zurich American Insurance Company, Steadfast Insurance Company, Evanston Insurance Company, Federal Insurance Company, Hanover Insurance Company, and CH2M HILL subcontractors Babcock Services, Inc. and Airmart, Inc./Style Crest Products, Inc.;

Fluor Enterprises, Inc., and its insurers, American International Specialty Lines Insurance Company, now known as Chartis Specialty Lines Insurance Company, Insurance Company of the State of Pennsylvania, and Continental Casualty Company;

Shaw Environmental, Inc. and its insurer, Zurich American Insurance Company.

Settlor also includes, but is not limited to, those Settlers, Releasees, and Released Parties as more fully defined in the Stipulation of Settlement.

SETTLORS' COUNSEL:

JOHN J. HAINKEL, III
On behalf of Bechtel National, Inc.

GERARDO R. BARRIOS
On behalf of CH2M HILL Constructors, Inc.

CHARLES R. PENOT, JR.
On behalf of Fluor Enterprises, Inc.

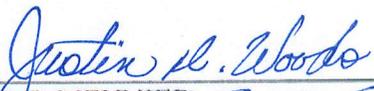
M. DAVID KURTZ
On behalf of Shaw Environmental, Inc.

SETTLEMENT AMOUNT:

Five Million Dollars and no cents (\$5,000,000.00)

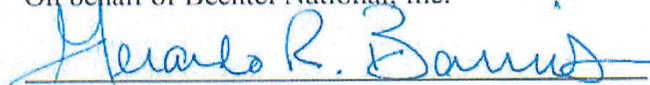
OTHER APPLICABLE PROVISIONS:

Allocation of the total of Five million dollars of the fund from this group is undifferentiated and confidential to the members of this group and their insurers.



~~GERALD E. MEUNIER~~ JUSTIN I. WOODS
Counsel for Plaintiffs

5/28/2012
Date

JOHN J. HAINKEL, III
On behalf of Bechtel National, Inc.


GERARDO R. BARRIOS
On behalf of CH2M HILL Constructors, Inc.

Date
May 28, 2012
Date

CHARLES R. PENOT, JR.
On behalf of Fluor Enterprises, Inc.

Date

M. DAVID KURTZ
On behalf of Shaw Environmental, Inc.

Date

INDIVIDUAL SETTLEMENT SHEET
(EXHIBIT A TO STIPULATION OF SETTLEMENT)

NAMES OF SETTLORS:

Bechtel National, Inc., and its insurer, American Home Assurance Company;

CH2M HILL Constructors, Inc. and its insurers, Zurich American Insurance Company, Steadfast Insurance Company, Evanston Insurance Company, Federal Insurance Company, Hanover Insurance Company, and CH2M HILL subcontractors Babcock Services, Inc. and Airmart, Inc./Style Crest Products, Inc.;

Fluor Enterprises, Inc., and its insurers, American International Specialty Lines Insurance Company, now known as Chartis Specialty Lines Insurance Company, Insurance Company of the State of Pennsylvania, and Continental Casualty Company;

Shaw Environmental, Inc. and its insurer, Zurich American Insurance Company.

Settlor also includes, but is not limited to, those Settlers, Releasees, and Released Parties as more fully defined in the Stipulation of Settlement.

SETTLORS' COUNSEL:

JOHN J. HAINKEL, III
On behalf of Bechtel National, Inc.

GERARDO R. BARRIOS
On behalf of CH2M HILL Constructors, Inc.

CHARLES R. PENOT, JR.
On behalf of Fluor Enterprises, Inc.

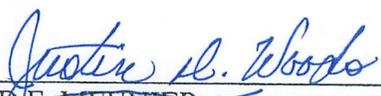
M. DAVID KURTZ
On behalf of Shaw Environmental, Inc.

SETTLEMENT AMOUNT:

Five Million Dollars and no cents (\$5,000,000.00)

OTHER APPLICABLE PROVISIONS:

Allocation of the total of Five million dollars of the fund from this group is undifferentiated and confidential to the members of this group and their insurers.



~~GERALD E. MEUNIER~~ *JUSTIN I. WOODS*
Counsel for Plaintiffs

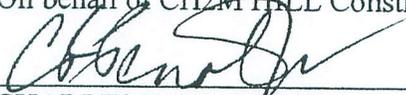
5/28/2012
Date

JOHN J. HAINKEL, III
On behalf of Bechtel National, Inc.

Date

GERARDO R. BARRIOS
On behalf of CH2M HILL Constructors, Inc.

Date



CHARLES R. PENOT, JR.
On behalf of Fluor Enterprises, Inc.

May 25, 2012
Date

M. DAVID KURTZ
On behalf of Shaw Environmental, Inc.

Date

INDIVIDUAL SETTLEMENT SHEET
(EXHIBIT A TO STIPULATION OF SETTLEMENT)

NAMES OF SETTLORS:

Bechtel National, Inc., and its insurer, American Home Assurance Company;

CH2M HILL Constructors, Inc. and its insurers, Zurich American Insurance Company, Steadfast Insurance Company, Evanston Insurance Company, Federal Insurance Company, Hanover Insurance Company; and CH2M HILL subcontractors Babcock Services, Inc. and Airmart, Inc./Style Crest Products, Inc.;

Fluor Enterprises, Inc., and its insurers, American International Specialty Lines Insurance Company, now known as Chartis Specialty Lines Insurance Company, Insurance Company of the State of Pennsylvania, and Continental Casualty Company;

Shaw Environmental, Inc. and its insurer, Zurich American Insurance Company.

Settlor also includes, but is not limited to, those Settlers, Releasees, and Released Parties as more fully defined in the Stipulation of Settlement.

SETTLORS' COUNSEL:

JOHN J. HAINKEL, III
On behalf of Bechtel National, Inc.

GERARDO R. BARRIOS
On behalf of CH2M HILL Constructors, Inc.

CHARLES R. PENOT, JR.
On behalf of Fluor Enterprises, Inc.

M. DAVID KURTZ
On behalf of Shaw Environmental, Inc.

SETTLEMENT AMOUNT:

Five Million Dollars and no cents (\$5,000,000.00)

OTHER APPLICABLE PROVISIONS:

Allocation of the total of Five million dollars of the fund from this group is undifferentiated and confidential to the members of this group and their insurers.



~~GERALD E. MEUNIER~~ JUSTIN I. WOODS
Counsel for Plaintiffs

5/28/2012
Date

JOHN J. HAINKEL, III
On behalf of Bechtel National, Inc.

Date

GERARDO R. BARRIOS
On behalf of CH2M HILL Constructors, Inc.

Date

CHARLES R. PENOT, JR.
On behalf of Fluor Enterprises, Inc.

Date



M. DAVID KURTZ
On behalf of Shaw Environmental, Inc.

May 25, 2012
Date

INDIVIDUAL SETTLEMENT SHEET

NAMES OF SETTLOR:

American Radiation Services, Inc.,

Settlor also includes, but is not limited to, those Settlers, Direct Insurers, Releasees, and Released Parties as more fully defined in the Stipulation of Settlement.

SETTLOR'S COUNSEL:

JOHN J. HAINKEL, III
On behalf of American Radiation Services, Inc.

SETTLEMENT AMOUNT:

An amount known to the Plaintiffs' Steering Committee and American Radiation Services, Inc., the allocation of which is undifferentiated and confidential.



JOHN J. HAINKEL, III
Frilot L.L.C.

1100 Poydras Street, Suite 3700
New Orleans, Louisiana 70163
Telephone: (504) 599-8000
Facsimile: (504) 599-8100
On behalf of American Radiation Services, Inc.

5/28/12
Date

INDIVIDUAL SETTLEMENT SHEET

(EXHIBIT A to Stipulation of Settlement)

NAMES OF SETTLORS: B & I Services, L.L.C., and its insurer Admiral Insurance Company

Settlor also includes, but is not limited to, those Settlers, Releasees, and Released Parties as more fully defined in the Stipulation of Settlement.

SETTLEMENT AMOUNT: \$5,500.00

Justin W. Woods 5/29/2012
Plaintiffs' Counsel Date

B & I Services, L.L.C.

Michael P. Mentz 5/25/12
Date
Michael P. Mentz #09438
John C. Duplantier #18191
Hailey, McNamara, Hall,
Larmann & Papale, LLP
One Galleria Blvd., Ste 1400
Metairie, LA 70001
(504) 836-6500

INDIVIDUAL SETTLEMENT SHEET

(EXHIBIT A to Stipulation of Settlement)

NAMES OF SETTLORS:

Davis Professional Accounting Services, Inc., aka Davis Professional Services, Inc., and its insurer, Penn-America Insurance Company

Multi-Task LLC and its insurer Penn-America Insurance Company

SETTLORS' COUNSEL:

Richard G. Duplantier, Jr.

Peter Bourgeois

Stephanie Dovalina

GALLOWAY, JOHNSON, TOMPKINS, BURR & SMITH

701 Poydras Street, 40th Floor

New Orleans, Louisiana 70139

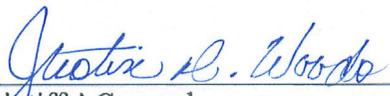
Telephone: (504) 525-6802

Fax: (504) 525-2456

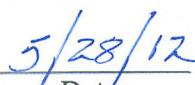
Attorneys for Defendants, Davis Professional Accounting Services LLC & Multi-Task LLC

SETTLEMENT AMOUNT:

Ten Thousand Dollars and no cents (\$10,000.00)



Plaintiffs' Counsel



Date



Richard Duplantier, Jr. (#18874)
Peter A. Bourgeois (#27389)
Stephanie Dovalina (#31137)
Counsel for Davis Professional Accounting Services, Inc &
Multi-Task LLC



Date

INDIVIDUAL SETTLEMENT SHEET

(EXHIBIT A to Stipulation of Settlement)

NAMES OF SETTLORS:

DC Recovery Systems

Catlin Specialty Insurance Company

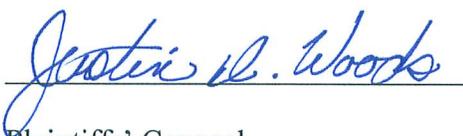
Settlor also includes, but is not limited to, those Settlers, Releasees, and Released Parties as more fully defined in the Stipulation of Settlement.

SETTLEMENT AMOUNT:

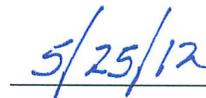
ELEVEN THOUSAND FIVE HUNDRED DOLLARS (\$11,500.00)

OTHER APPLICABLE PROVISIONS:

Allocation of the total of \$11,500.00 of the fund from this group is undifferentiated and confidential to the members of this group and their insurers.



Plaintiffs' Counsel



Date



Settlers' Counsel (DC Recovery Systems



Date

and Catlin Specialty Insurance Company)

INDIVIDUAL SETTLEMENT SHEET

NAMES OF SETTLORS:

MLU Services, Inc.

Landmark American Insurance Company

Settlor also includes, but is not limited to, those Settlers, Releasees, and Released Parties as more fully defined in the Stipulation of Settlement.

SETTLORS' COUNSEL:

BARRY & CO, LLC
A Professional Law Corporation
STEPHEN R. BARRY (#21465)
KATHLEEN C. MARKSBURY (#1902)
612 Gravier Street
New Orleans, Louisiana 70130
Telephone: (504) 525-5553
Facsimile: (504) 525-1909
**Attorneys for MLU Services, Inc. and
Landmark American Insurance Company**

SETTLEMENT AMOUNT:

Twenty Two Thousand dollars and no cents (\$22,000)

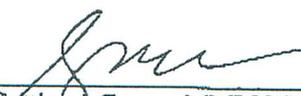
OTHER APPLICABLE PROVISIONS:

Allocation of the total of Twenty Two Thousand dollars of the fund from this group is undifferentiated and confidential to the members of this group and their insurers.



Plaintiffs' Counsel

5/28/12
Date



Settlers' Counsel (MLU Services Inc.
and Landmark American Insurance
Company)

5/25/12
Date

INDIVIDUAL SETTLEMENT SHEET

(EXHIBIT A to Stipulation of Settlement)

NAMES OF SETTLORS:

PRI/DJI, A Reconstruction Joint Venture and its Principals, Project Resources, Inc., and Del-Jen, Inc., and its insurers.

Del-Jen, Inc., and its insurer, The Hartford Fire Insurance Company

Settlor also includes, but is not limited to, those Settlers, Releasees, and Released Parties as more fully defined in the Stipulation of Settlement.

SETTLORS' COUNSEL:

KATHLEEN F. DREW

Counsel for PRI/DRI, a Reconstruction Joint Venture, and its Principals, Project Resources, Inc., and Del-Jen, Inc.

RICHARD E. KING

DAVID M. MORAGAS

Counsel for Del-Jen, Inc.

SETTLEMENT AMOUNT:

Fourteen Thousand and no cents (\$14,000.00)

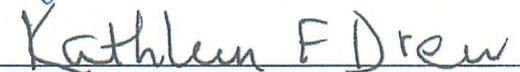
OTHER APPLICABLE PROVISIONS:

Allocation of the total of Fourteen Thousand dollars of the fund from this group is undifferentiated and confidential to the members of this group and their insurers.



Plaintiffs' Counsel

5/28/2012
Date



SETTLORS' COUNSEL (PRI/DRI, a
Reconstruction Joint Venture, and its Principals,
Project Resources, Inc. and Del-Jen, Inc.)
KATHLEEN F. DREW

5/25/2012



SETTLORS' COUNSEL (Del-Jen, Inc.)
RICHARD E. KING
DAVID M. MORAGAS

5/25/12
Date

INDIVIDUAL SETTLEMENT SHEET

(EXHIBIT A to Stipulation of Settlement)

NAMES OF SETTLORS:

Smith Research Corp. and its insurer, Maryland Casualty Company

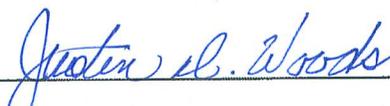
SETTLORS' COUNSEL:

Robert E. Kerrigan
Joshua G. Keller
Deutsch, Kerrigan & Stiles
755 Magazine Street
New Orleans, LA 70130
504-581-5141

SETTLEMENT AMOUNT:

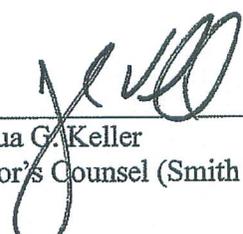
Fifteen Thousand Five Hundred and no cents (\$15,500.00)

OTHER APPLICABLE PROVISIONS:



Plaintiff's Counsel

5/28/12
Date



Joshua G. Keller
Settlor's Counsel (Smith Research Corp.)

5/25/12
Date

INDIVIDUAL SETTLEMENT SHEET

(Exhibit A to Stipulation of Settlement)

NAMES OF SETTLORS:

T-Mac, Inc. and its insurers Gemini Insurance Company and Scottsdale Insurance Company

SETTLORS' COUNSEL:

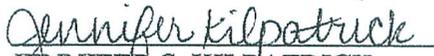
Sidney W. Degan, III and Jennifer S. Kilpatrick
On behalf of T-Mac, Inc.

SETTLEMENT AMOUNT:

\$10,000.00

OTHER APPLICABLE PROVISIONS:

Allocation of the total \$10,000 of the fund from this group is undifferentiated and confidential to the member of the group and its insurers.



JENNIFER S. KILPATRICK
On behalf of T-Mac, Inc.

Date: May 25, 2012

INDIVIDUAL SETTLEMENT SHEET

(Exhibit A to Stipulation of Settlement)

NAMES OF SETTLORS:

TKTMJ, Inc. (occasionally referred to in the litigation as, "UFAS-TKTMJ") and its insurers Gemini Insurance Company; Markel Service, Incorporated as claims manager for Essex Insurance Company; Louisiana Home Builders Association General Liability Trust and Everest Indemnity Insurance Company.

SETTLORS' COUNSEL:

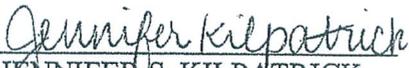
Sidney W. Degan, III and Jennifer S. Kilpatrick
On behalf of TKTMJ, Inc.

SETTLEMENT AMOUNT:

\$15,000.00

OTHER APPLICABLE PROVISIONS:

Allocation of the total \$15,000 of the fund from this group is undifferentiated and confidential to the member of the group and its insurers.


JENNIFER S. KILPATRICK
On behalf of TKTMJ, INC.

Date: *May 25, 2012*

CLAIM FORM
 IN RE: FEMA TRAILER FORMALDEHYDE PRODUCT LIABILITY LITIGATION
 CLASS ACTION SETTLEMENT – **CONTRACTOR SETTLEMENT**

[PRE-ADDRESSED LABEL TO POTENTIAL CLASS MEMBER OR REPRESENTATIVE APPEARS HERE]

CLASS MEMBER OR CLAIMANT INFORMATION		
Write any name and address corrections below or if there is no pre-printed data to the left, you must provide your name and address here:		
Full Name		
Mailing Address		
City	State	Zip

You may be entitled to Class Benefits if you are someone who claims to have been exposed to formaldehyde in a trailer or park model trailer that was provided by FEMA to persons displaced by Hurricanes Katrina and/or Rita.

You may be a member of the Class to which this settlement applies. A lawsuit pending in the United States District Court, Eastern District of Louisiana, groups together numerous actions that had been filed in courts in Alabama, Mississippi, Louisiana, and Texas. The Plaintiffs and certain Defendants have reached a proposed class action settlement. This package of materials (the "Class Notice Package") describes the proposed settlement of this class action lawsuit and has been sent to you by order of the Court because you may be a member of the Class and must make a decision about whether to remain in the Class. If you remain in the Class, you will be entitled to make a claim for the Class Relief afforded by this settlement, which is a cash award.

This settlement only applies to those who resided in travel trailers or park model trailers. It does not apply to those who resided in Manufactured Homes. If you have hired a lawyer to represent you for your claims in this litigation, please contact your lawyer for more information. If you have any questions, please call 1-800-728-1628.

To be fully informed about the benefits and implications of the proposed settlement you may read all the documents included in this Class Notice Package and you may also review the full settlement materials on www.femaformaldehydelitigation.com, including the Settlement Agreement.

CLAIM FORM

You need to submit this Claim Form, postmarked by October 12, 2012, to receive Class Benefits under this settlement. If you are a Class Member and you do not timely submit a Claim Form, you will not be eligible for any benefits under this settlement. Unless you timely exclude yourself from the Class by **August 17, 2012**, you cannot sue the Defendants over the claims settled in this case, even if you do not receive Class Benefits because your Claim Form was untimely.

This Claim Form asks specific questions about you, the Class Member. Please complete the Claim Form to the best of your ability. **Note: You must provide your full name, your social security number, your gender, your date of birth, and your address to receive Class Benefits.** If you do not provide these items and you do not opt-out of the settlement, you will still be bound by the Settlement Agreement and its release even though you will not be eligible to receive any money from the settlement. If you do not have or know certain information that is asked for, other than your full name, gender, date of birth, social security number and address, you may leave parts of this Claim Form blank and submit this Claim Form anyway. The Special Master will make a good faith attempt to process the Claim Form by seeking additional information from you. Obviously, the more information you can provide, the more likely your claim can be effectively processed.

Please supply the following information, along with the Class Member or Claimant Information above:

Full Name of Class Member:	
Social Security Number of Class Member :	
Gender of Class Member:	
Date of Death of Class Member, if applicable:	
Telephone Number of Class Member:	
Date of Birth of Class Member:	
Address of Class Member:	
Contractor who installed, maintained or refurbished the travel trailer or park model trailer provided by FEMA (If you know it. Otherwise leave it blank and submit this Claim Form anyway.	
Vehicle Identification Number ("VIN") or Serial Number of the travel trailer or park model trailer provided by FEMA. Otherwise leave it blank and submit this Claim Form anyway.	

Description of any injuries you claim you suffered from or are related to formaldehyde exposure in the emergency housing unit. (If you claim injury from or related to formaldehyde exposure in the travel trailer or park model trailer.. Otherwise, write "not applicable" and submit this Claim Form anyway).

If you reside(d) or live(d) in a travel trailer or park model trailer, please provide the address & dates of residence

If you didn't actually reside in a travel trailer or park model trailer, please provide the following information:

The date(s) you claim your symptoms/injuries occurred:

Any information you have to support your claim:

The person to whom the FEMA trailer in which you

Claim to have suffered symptoms/injuries:

* Capitalized terms used in this Claim Form are defined in the Settlement Agreement, which can be found on www.femaformaldehydelitigation.com.

DOCUMENTS: Please attach the following documents to your Claim Form, if you have them: (1) documents reflecting that you made a permanent or temporary shelter out of the travel trailer or park model trailer provided by FEMA; (2) documents reflecting that such trailer was installed, maintained or refurbished by a Defendant; and (3) documents reflecting the VIN or serial number of the trailer, if you have any.

Even if you don't have these documents you may still qualify and you can submit the Claim Form anyway. Anything related that you do have may help the Special Master see if you qualify for Class Benefits. Please don't include any correspondence between you and your attorney.

CLASS MEMBER DECLARATION FORM

I certify that I have read this Claim Form; I believe I am a member of the Class, that I am eligible for Class Benefits; all of the information on this Claim Form is true and correct to the best of my knowledge; I have attached to, or enclosed with this Claim Form all documents that I have been able to locate; I have not assigned any of my rights in this Action or any Pending Action to anyone else.

Signature of Class Member

[PLEASE COMPLETE OTHER CLAIM FORM PROVIDED, IF YOU ALSO WISH TO PARTICIPATE IN THE "MANUFACTURER" SETTLEMENT]

If you are a representative filing this Claim Form on behalf of a Class Member, please have that Class Member sign the "Signature of Class Member" line, and in addition, please fill out the following information:

Claimant/Representative: _____
Address: _____
Phone Number: _____
Social Security No. _____
Date of Birth: _____
Relationship to Class Member: _____

Claim Forms and supporting documents must be postmarked by **October 12, 2012**.

Please mail to:

FEMA TRAILER LITIGATION CLAIMS ADMINISTRATOR
P.O. Box 82565
Baton Rouge, Louisiana 70884

Questions? Call 1-800-728-1628 TOLL FREE, OR VISIT www.femaformaldehydelitigation.com

FOLD INTO THIRDS AND RETURN

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

IN RE: FEMA TRAILER	)	MDL NO. 2:07-MD-1873
FORMALDEHYDE PRODUCT)	
LIABILITY LITIGATION	)	SECTION "N" (5)
)	
THIS DOCUMENT IS RELATED TO:	)	JUDGE ENGELHARDT
)	
<i>ALL CASES</i>	)	MAGISTRATE JUDGE CHASEZ

PRELIMINARY APPROVAL ORDER

Except as otherwise expressly provided below or as the context otherwise requires, all capitalized terms used in this Preliminary Approval Order shall have the meanings and/or definitions given them in the Settlement Agreement entered into by or on behalf of the PSC, the Class, and the Settling Defendants. The original of the Settlement Agreement is filed in the record of these proceedings.

Upon consideration of (i) the Joint Motion for Preliminary Approval of Proposed Class Settlement, filed by the Class, as represented by the PSC, and the Settlers, seeking certification of the Class as a temporary class for settlement purposes only and preliminary approval of the proposed settlement of the Action and all Pending Actions, (ii) the Settlement Agreement and all exhibits thereto, (iii) the memoranda and evidence submitted to the Court by the Parties in support of this motion, (iv) the record of this Action and the Pending Actions, (v) the representations, argument, and recommendation of counsel for the Parties, and (vi) the requirements of law, including, without limitation, Rule 23 of the Federal Rules of Civil Procedure, the Court finds, upon preliminary review, that (1) this Court has jurisdiction over the

subject matter and all Parties to this proceeding; (2) the requirements of Rule 23 of the Federal Rules of Civil Procedure for the certification of the proposed Class may be met so as to allow the Court to preliminarily certify the Class and hold a certification hearing on the date of the Fairness Hearing; (3) the proposed settlement is the result of arms-length negotiations between the Parties; (4) the proposed settlement is not the result of collusion; (5) the proposed settlement bears a probable, reasonable relationship to the claims alleged by the Plaintiffs and the litigation risks of the Settlers; and (6) the proposed settlement is within the range of possible judicial approval.

Further, at this juncture, the Court is exercising its discretion in temporarily certifying the Class for settlement purposes only and has not determined whether the Action could properly be maintained on behalf of a class for purposes of trial. The Court recognizes that the Released Parties have preserved all of their defenses and objections against and rights to oppose certification of the Class if the proposed settlement is not finally approved by the Court following the Fairness Hearing. Accordingly:

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that:

(1) **Jurisdiction.** The Court has jurisdiction over the subject matter and Parties to this proceeding.

(2) **Venue.** Venue is proper in this district.

(3) **Class Definition.** The following Class is temporarily certified for settlement purposes only pursuant to the Settlement Agreement and Rule 23(b)(3) of the Federal Rules of Civil Procedure:

- (a) All individuals who claim Damages and who are named as Plaintiffs in any and all of the Pending Actions as of the time this class settlement is submitted for Court approval at a Fairness Hearing; and
- (b) All individuals not included in subparagraph (a), who claim to have:
 - (i) been exposed to formaldehyde in an EHU that (1) was installed, maintained or refurbished by any Contractor; and (2) was provided by FEMA to persons displaced by Hurricanes Katrina and/or Rita; and
 - (ii) suffered or experienced, as of the date of the final Court approval of this class settlement, any discomfort, illness, sickness (medical, psychological or psychiatric), symptom, complaint, disability, or loss of any kind as a result of such exposure.

(4) **The Special Master.** The Court approves the nomination of Daniel Balhoff with Perry, Dampf, et al., as Special Master, pursuant to Rule 53 of the Federal Rules of Civil Procedure, to assist the Court, in cooperation and coordination with the PSC, for the following purposes: to: (i) review and evaluate Claims of Class Members in accordance with the criteria set forth in the Settlement Agreement (ii) establish a Class Benefit Formula to be approved by the Court and make proposed allocations for Class Members in connection therewith; (iii) deny Claims based on untimely or invalid submission of Claim Forms as set forth in the Settlement Agreement; (iv) seek the Court's assistance, in the Special Master's discretion, in obtaining any information necessary to properly evaluate a Claim Form; (v) submit to the Court a report on the allocations in (ii), along with recommendations for the Court's consideration in proceeding with the allocation and distribution process; (vi) engage such staff, deputies and experts as reasonably necessary and to conduct such hearings as may be necessary and appropriate to carry out this assignment; (vii) make payments from the Total Settlement Fund to Entitled Class Members; and (viii) conduct any other activities set forth in the Settlement Agreement for the Special Master; and (ix) such other acts and functions as may be necessary or appropriate to fulfill the duties and responsibilities as set forth herein, to assist the Court in further settlement negotiations, or as the

Court may direct. The fees of the Special Master shall be paid according to Section (III)(A) of the Settlement Agreement.

(5) **Named Plaintiffs.** The nomination by the PSC of the persons listed on Exhibit F to the Settlement Agreement to serve as representatives for the Class is hereby approved.

(6) **Designation of PSC as Class Counsel.** The PSC, consisting of the following counsel, is hereby designated as counsel for the Class:

Gerald E. Meunier
Justin I. Woods
Gainsburgh, Benjamin, David, Meunier & Warshauer, LLC
2800 Energy Centre
1100 Poydras Street
New Orleans, LA 70163

Anthony G. Buzbee
Buzee Law Firm
600 Travis, Suite 7300
Houston, Texas 77002

Robert M. Becnel
Law Offices of Robert M. Becnel
425 W. Airline Highway, Suite B
Laplace, Louisiana 70068

Raul R. Bencomo
Bencomo & Associates
639 Loyola Avenue
New Orleans, Louisiana 70113

Frank J. D'Amico, Jr.
Law Offices of Frank D'Amico
622 Baronne Street
New Orleans, Louisiana 70113

Matthew B. Moreland
Becnel Law Firm, LLC
106 W. Seventh Street
Reserve, Louisiana 70084

Dennis C. Reich
Reich & Binstock
4265 San Felipe, Suite 1000

Houston, Texas 77027

Mikal C. Watts
Watts, Guerra & Craft
Bank of America Plaza, Suite 100
300 Convent Street
San Antonio, Texas 78205

Robert C. Hilliard
Hilliard Munoz Guerra, L.L.P.
719 S. Shoreline Boulevard
Suite 500
Corpus Christi, Texas 78401

(7) **Class Findings.** For the purpose of the settlement of the Action and Pending Actions (and only for such purpose, and without an adjudication of the merits), after conducting a rigorous analysis of the requirements set forth in Fed. R.Civ. P. 23(b)(3) and taking into consideration factors including, but not limited to: (i) the opinions of the participants, including the PSC and Settlers' Counsel; (ii) the complexity, expense and likely duration of further litigation; (iii) the extent of discovery completed and the state of the proceedings; and (iv) the absence of any evidence that the proposed settlement is the product of fraud or collusion, the Court preliminarily finds that the requirements of the Federal Rules of Civil Procedure, the United States Constitution, and any other applicable law have been met in that:

- (a) The Class is sufficiently ascertainable from the PSC's records and other objective criteria, and the Class Members are so numerous that their joinder before the Court would be impracticable.
- (b) The commonality requirement of Fed. R.Civ. P. 23(b)(3) generally is satisfied when members of the proposed Class share at least one common factual or legal issue. Here, Plaintiffs alleged numerous questions of fact and law purportedly

common to the Class, including product liability claims and claims based on an alleged failure to warn of the dangers of long-term occupancy of travel trailers and injury claims as a result of formaldehyde exposure, all allegedly arising from the EHU installation, maintenance or refurbishment work done by Contractors. Considering the allegations of the Complaint, the Court preliminarily finds that the allegedly common questions of fact and law predominate over questions of fact and law affecting only individual members of the Class.

- (c) The Court preliminarily finds that the claims of the representative Plaintiffs are typical of the claims of the Class, and that the representative Plaintiffs and the PSC will fairly and adequately protect the interests of the Class, in that: (i) the interests of the named Plaintiffs and the nature of their alleged claims are consistent with those of the Class Members, (ii) there appear to be no conflicts between or among the named Plaintiffs and the Class Members, (iii) the named Plaintiffs have been and appear to be capable of continuing to be active participants in both the prosecution and the settlement of the Action, and (iv) the named Plaintiffs and the Class Members are represented by qualified, reputable counsel who are experienced in preparing and prosecuting large, complicated class actions, particularly those mass-tort type cases involving personal injury claims alleged in the Complaint.
- (d) The Court preliminarily finds that a resolution of the Action in the manner proposed by the Settlement Agreement is superior or equal to other available methods for a fair and efficient adjudication of the Action. The Court notes that as of this date, Plaintiffs and various defendants in the MDL have conducted three

bellwether jury trials to verdict, all of which have resulted in defense verdicts and have awarded no money or benefits to the bellwether plaintiffs. The Court also notes that, because the Action is being settled, rather than litigated, the Court need not consider manageability issues that might be presented by the trial of a nationwide class action involving the issues in this case. *See Amchem Prods., Inc. v. Windsor*, 117 S. Ct. 2231, 2248 (1997).

In making these preliminary findings, the Court has considered, among other factors, (i) the interest of Class Members in individually controlling the prosecution or defense of separate actions; (ii) the impracticability or inefficiency of prosecuting or defending separate actions; (iii) the extent and nature of any litigation concerning these claims already commenced; and (iv) the desirability of concentrating the litigation of the claims in a particular forum.

(8) **Preliminary Approval of Settlement.** The Settlement Agreement and the settlement set forth therein, and all exhibits attached thereto or to the Joint Motion, are preliminarily approved by the Court as being fair, reasonable and adequate, entered into in good faith, free of collusion to the detriment of the Class, and within the range of possible judicial approval, such that the terms and conditions thereof shall be considered by the Class. The Court thus preliminarily certifies the Class for settlement purposes under Fed. R.Civ. P. 23(b)(3). The Court finds that (i) the proposed settlement resulted from extensive arm's-length negotiations and was concluded only after the PSC conducted broad discovery in this MDL and tried three bellwether jury trials all of which ended in defense verdicts; and (ii) the proposed settlement evidenced by the Settlement Agreement is sufficiently fair, reasonable and adequate to warrant sending notice of the Action and the proposed settlement to the Class Members and holding a full hearing on the proposed settlement.

(9) **Notice to the Class.** The form and content of both the written notice to Class Members (the Class Notice Package) and the Publication Notice to Class Members are hereby approved. Such notices are fair and reasonable, and shall be disseminated to putative Class Members as due process and Rule 23 of the Federal Rules of Civil Procedure require in accordance with the Settlement Notice Plan. The cost of the Settlement Notice Plan (mailing the Class Notice Packages and the Publication Notice) shall be paid in accordance with Section (V.D) of the Settlement Agreement.

The Court finds that the Settlement Notice Plan and both the Class Notice Package and the Publication Notice to Class Members meet the requirements of Rule 23 of the Federal Rules of Civil Procedure and due process, constitute the best notice practicable under the circumstances, and shall constitute due and sufficient notice to all potential members of the Class. Such notices are reasonably calculated, under the circumstance, to apprise the Class Members: (a) of the pendency of this Action and the Pending Actions, (b) of their right to exclude themselves from the Class and the proposed Settlement, (c) that any judgment, whether favorable or not, will bind all Class Members who do not request exclusion, and (d) that any Class Member who does not request exclusion may object to the settlement and, if he or she desires, enter an appearance personally or through counsel. The Court further finds that the notices attached to the Settlement Notice Plan are written in plain English and are readily understandable by Class Members. In sum, the Court finds that the proposed notice texts and methodology are reasonable, that they constitute due, adequate and sufficient notice to all persons entitled to be provided with notice, and that they meet the requirements of federal law (including Fed. R.Civ. P. 23) and the United States Constitution, and any other applicable law.

The Court further finds that best notice practicable, for those Class Members known by the PSC to be represented by attorneys, shall be written notice to those Class Members' attorneys, rather than written notice to the Class Members themselves. The Class Members' attorneys are their agents, and such notice to their attorneys meets the requirements of federal law (including Fed. R. Civ. P. 23) and the United States Constitution, and any other applicable law.

No later than July 3, 2012, the PSC shall begin Publication Notice, both in newspapers and over the radio, as set forth in the Settlement Notice Plan. Publication Notice shall be completed by July 17, 2012. No later than July 3, 2012, the PSC shall mail the Class Notice Package to all persons on the List of Potential Class Members, or if such person is known by the PSC to be represented by an attorney, to the attorney for that Class Member. No later than July 24, 2012, the PSC shall file an affidavit with the Court attesting to the completion of Publication Notice and the completion of mailing the Class Notice Package to all persons or their attorneys on the List of Potential Class Members, as set forth herein.

(10) **Fairness Hearing.** A hearing to determine: (1) whether the Class should be finally certified as a class under Rules 23(b)(3) of the Federal Rules of Civil Procedure; and (2) whether the proposed Class Settlement is fair, reasonable and adequate, shall be conducted in Room C-351, United States Courthouse, United States District Court for the Eastern District of Louisiana, 500 Poydras Street, New Orleans, Louisiana, commencing on the 27th day of September, 2012.

(11) **Claims Process.** Any Class Member who wishes to receive Class Relief must sign and return a valid and timely Claim Form in compliance with the Claims Process set forth in the Settlement Agreement, postmarked no later than October 12, 2012. Any Class Member who

does not submit a valid and timely Claim Form in compliance with that Claims Process shall not be entitled to Class Relief, but nonetheless shall be barred by the Release and provisions of the Settlement Agreement and the Final Order and Judgment. As set forth in Section VI(F) of the Settlement Agreement, for any Plaintiff who previously produced a Plaintiff's Fact Sheet in this case, that Plaintiff's Fact Sheet will be accepted as that Plaintiff's Claim Form, provided that (1) such Plaintiff's Fact Sheet includes his or her full name, address, gender, date of birth, social security number, manufacturer, installation/maintenance/refurbishment contractor (if known) and dates of exposure, or provided that such information is given to the Special Master within thirty (30) days after the Claim Form Deadline, and (2) such Plaintiff provides the Special Master with proof that he or she was exposed to formaldehyde in an EHU installed, maintained, or refurbished by a Settlor within ninety (90) days after the Claim Form Deadline.

(12) **Class Member Objections to Settlement.** Any Class Member who does not file a timely request for exclusion from the Class may file an objection to the Settlement. Any Class Member who objects to any of the terms of the proposed settlements must mail to the Clerk of Court a concise written statement describing the specific reason(s) for his or her objections. The concise written statement of objections must be mailed, via United States mail, postage prepaid, to the following address:

Clerk of Court
United States District Court for the Eastern District of Louisiana
New Orleans Division
Hale Boggs Federal Building
United States Courthouse
500 Poydras Street, Rm. C-151
New Orleans, LA 70130
Attention: *"In Re: Fema Trailer Formaldehyde Product Liability Litigation,"*
MDL No. 2:07-MD-1873

The Class Member must also mail a copy of the objection to the following counsel:

David Kurtz
Baker Donelson
201 St. Charles Ave., Suite 3600
New Orleans, LA 70170

-and-

Gerald E. Meunier
Justin I. Woods
Gainsburgh, Benjamin, David, Meunier & Warshauer, LLC
2800 Energy Centre
1100 Poydras Street
New Orleans, LA 70163

The objection must be received by the Clerk of Court and the attorneys listed above no later than midnight of August 31, 2012. The concise written statement of objections must include: (i) the name, address, and telephone number of the Class Member, (ii) a statement of each objection being made, (iii) a detailed description of the legal authorities underlying each such objection, (iv) a statement of whether the objector intends to appear at the Fairness Hearing, (v) a list of witnesses whom the objector may call by live testimony, oral deposition testimony or affidavit during the Fairness Hearing, (vi) a description of the testimony to be offered, and (vii) a list of the exhibits which the objector may offer during the Fairness Hearing, along with copies of those exhibits.

The Special Master must be notified by the PSC or Settlers' Counsel within two (2) days of any objection properly mailed. The Special Master shall respond in writing to any timely filed written objection and shall schedule a hearing on the record whereby the objector and any counsel retained by the objector may present additional evidence in support of his or her objections. Any person filing the objection must appear in person at the hearing with and scheduled by the Special Master prior to the Fairness Hearing, at the date, time, and place set by the Special Master, and then, if the objection is not resolved, the objector must appear in person at the Fairness Hearing. Any objections which are not resolved in the hearing or hearings before

the Special Master will be considered by the Court at the time of the Fairness Hearing. The objector may hire his or her individual counsel, hired at the objector's expense, to appear with the objector at the Special Master's hearing and/or the Fairness Hearing.

No person shall be heard and no paper or brief submitted by any objector shall be received or considered by the Court unless such person has filed with the Clerk of Court and timely mailed to Gerald Meunier and David Kurtz, as provided above, the concise written statement of objections as described above, together with copies of any supporting materials, papers or briefs. If a witness is not identified in the concise written statement of objections, such witness shall not be permitted to object or appear at the Fairness Hearing. Any Class Member who does not file a written objection in the time and manner described above, or who fails to follow the instructions set forth in any written communication from the Special Master (including failure to appear for the Special Master hearing), shall be (i) deemed to have waived and forfeited any objections to the proposed settlements, (ii) foreclosed from raising any objection to the proposed settlements at the Fairness Hearing, and (iii) bound by all of the terms of the Settlement Agreement and by all proceedings, orders and judgments by the Court.

The Court, within its discretion and at the request of the PSC or Settlor's Counsel, may order the deposition prior to the Fairness Hearing of any Class Member (and any witness identified in the written objection) who has not filed a timely written request for exclusion and objects to the fairness, reasonableness or adequacy of this Agreement or the proposed settlement. If the objecting Class Member fails to appear for any such deposition order by the Court, the objection will not be considered by the Court. Any Class Member who fails to comply with the orders of the Court or provisions of this Section shall waive and forfeit any and all rights he or

she may have to appear separately and/or object, and shall be bound by all the terms of this Agreement and by all proceedings, orders and judgments in this Action.

If a Class Member hires an attorney to represent him or her at the Special Master hearing or at the Fairness Hearing, the attorney must (i) file a notice of appearance with the Clerk of Court; (ii) deliver a copy of that notice to Gerald Meunier and David Kurtz at the addresses set forth in section (19) herein; and (iii) otherwise comply with any order of the Court regarding depositions of objecting Class Members. The Court, Gerald Meunier and David Kurtz must receive such notices of appearance by August 31, 2012, or the attorney shall be barred from appearing at the Fairness Hearing.

Any Class Member who files and serves a timely, written objection pursuant to the terms herein and complies with the requirements of this paragraph may also appear at the Fairness Hearing either in person or through counsel retained at the Class Member's expense. Class Members or their attorneys intending to appear at the Fairness Hearing must deliver to Gerald Meunier and David Kurtz and file with the Court, at the addresses specified above, a notice of intention to appear, setting forth the case number and the name, address and telephone number of the Class Member (and, if applicable, the name of the Class Members' attorney). Notices of intention to appear must be received by the Clerk of Court, Gerald Meunier and David Kurtz by August 31, 2012. Any Class Member or attorney who does not timely file and serve a notice of intention to appear pursuant to the terms of this paragraph shall not be permitted to appear at the Fairness Hearing.

If any objection is deemed frivolous, the Court reserves the right to award appropriate costs and fees to Class Counsel and/or Settlor's Counsel.

Any Class Member who fails to comply with the orders of the Court, including the requirements set forth herein, shall waive and forfeit any and all rights he or she may have to appear separately and/or object, and shall be bound by all the terms of this Agreement and by all proceedings, orders and judgments in this Action.

(13) **Request for Exclusion.** Any putative Class Member may opt out of the Class by filing with the Clerk of Court a written request to do so, to the address provided in the Publication Notice and Class Notice Package, and to be postmarked by no later than August 17, 2012. The opt-out request must also be mailed to Gerald Meunier at the address provided in section (19) herein. The opt-out request must: (i) identify the Class Member's name, address and phone number, (ii) identify which Defendant(s) the Class Member has claims against, and (iii) state that the Class Member wishes to be excluded from the Class. A timely and valid request to opt out of the Class shall preclude such putative Class Member from participating in the proposed settlements, and such putative Class Member will be unaffected by the Settlement Agreement. Any putative Class Member who does not submit a timely and valid written request for exclusion shall be bound by all subsequent proceedings, orders and judgments in this matter, regardless of whether such putative Class Member is currently, or subsequently becomes, a plaintiff in any other lawsuit against any of the Released Parties asserting any of the Released Claims.

The PSC must provide a list of all Class Members who timely opted out of the settlement to Settlers' Counsel no later than 21 days prior to the Fairness Hearing. Such list shall include the name and address of each Class Member who timely opted out, along with identifying the Defendant(s) against whom the Class Member is making claims. The PSC shall also file that list with the Court at or before the Fairness Hearing.

(14) **Preliminary Injunction.** All Class Members, and anyone acting on their behalf or for their benefit, are hereby enjoined from filing, commencing, prosecuting, maintaining, intervening in, participating in (as class members or otherwise), or receiving any benefits or other relief from, any other lawsuit, arbitration, or administrative, regulatory or other proceeding or order in any jurisdiction, based on or relating to directly or indirectly, in whole or in part: (1) the Released Claims; (2) the allegations, facts, subjects or issues that have been, could have been, may be or could be set forth or raised in the Action or in any Pending Action; or (3) exposure to formaldehyde in any EHU installed, maintained or refurbished by a Settlor in this case. In addition, all persons are hereby preliminarily enjoined from filing, commencing, prosecuting or maintaining any other lawsuit as a class action (including by seeking to amend a pending complaint to include class allegations, or by seeking class certification in a pending action in any jurisdiction), a California Bus. and Prof. Code § 17200 action, a private attorney general action, or any other action on behalf of Class Members, if such other action is based on or relates to directly or indirectly, in whole or in part: (1) the Released Claims; (2) the allegations, facts, subjects or issues that have been, could have been, may be or could be set forth or raised in the Action or in any Pending Action; or (3) exposure to formaldehyde in any EHU installed, maintained or refurbished by a Settlor in this case. The Court finds that issuance of this preliminary injunction is necessary and appropriate in aid of the Court's jurisdiction over the Action.

(15) **Stay of Actions and Pending Actions.** The Commencement and/or prosecution of the Action and any and all Pending Actions or any new action (including discovery) by Class Members and third persons against any of the Released Parties, including any and all Claims for Contribution, Indemnity, and/or Subrogation, by, on behalf of or through any Class Members

and/or third persons, is hereby enjoined and stayed during the pendency of these settlement proceedings and until further ordered by this Court.

(16) **Termination of Settlement**. This Order shall become null and void, and shall be without prejudice to the rights of the Parties, all of whom shall be restored to their respective positions existing immediately before this Court entered this Order, if (i) the proposed settlement is not finally approved by the Court, or does not become final, pursuant to the terms of the Settlement Agreement; or (ii) the proposed settlement is terminated in accordance with the Settlement Agreement or does not become effective as required by the terms of the Settlement Agreement for any other reason. In such event, the proposed settlement and Settlement Agreement shall become null and void and be of no further force and effect, and neither the Settlement Agreement nor the Court's orders, including this Order, shall be used or referred to for any purpose whatsoever.

Individual Settlers are contributing individual amounts to their respective Settlement Funds, and there is no joint and several liability for the Settlement Fund(s).

(17) **No Use of Settlement**. Neither the Settlement Agreement, nor any of its terms or provisions, nor any of its exhibits, nor any of the negotiations or proceedings connected with it, nor this Preliminary Approval Order shall be construed as an admission or concession by the Settlers of the truth of any of the allegations in the Action, or any Pending Action, or of any liability, fault, or wrongdoing of any kind. This Order shall be of no force or effect if the settlement does not become final and shall not be construed or used as an admission, concession or declaration by or against any of the Companies of any fault, wrongdoing, breach or liability.

(18) **Continuance of Hearing**. The Court reserves the right to continue the Fairness Hearing without further written notice. If the Fairness Hearing is continued from the currently

scheduled date of September 27, 2012, information regarding a rescheduled Fairness Hearing will be posted on the settlement website.

(19) **Addresses.** All mailings to Gerald E. Meunier required herein shall be mailed to:

Gerald E. Meunier
Justin I. Woods
Gainsburgh, Benjamin, David, Meunier & Warshauer, LLC
2800 Energy Centre
1100 Poydras Street
New Orleans, LA 70163

All mailings to David Kurtz required herein shall be made to the following address:

David Kurtz
Baker Donelson
201 St. Charles Ave., Suite 3600
New Orleans, LA 70170

(20) **Class Benefit Formula.** The Special Master shall file with the Court his proposed Class Benefit Formula at least five (5) days prior to the Fairness Hearing.

(21) **Amendments to Settlement Agreement.** The terms and provisions of the Settlement Agreement may be amended by agreement of the Parties in writing and approval of the Court without further notice to Class Members, if such changes are consistent with this Order and do not limit the rights of Class Members.

Thus done and signed, this ____ day of _____, 2012, _____, Louisiana.

UNITED STATES DISTRICT JUDGE
EASTERN DISTRICT OF LOUISIANA

SETTLEMENT NOTICE PLAN

1. Dissemination of the Class Settlement Notice shall be the responsibility of the Special Master appointed by this Honorable Court.
2. The Notice of the settlement shall be disseminated in written form as follows:
 - a. By first class U.S. mail delivery of Exhibit E to the Settlement Agreement (Class Notice Package) to the last known address of potential Class Members (or to their attorneys, if known by the PSC). If Long Form Notices addressed specifically to Class Members are returned, the Special Master shall process the names of Class Members whose Class Notice Packages were returned through an appropriate federal, state or local public record locator service, to provide updated addresses for Class Members. If an updated address is located, the Special Master shall re-mail the Class Notice Package to the Class Members with the new address;
 - b. By first class mail delivery and electronic mail to all attorneys appearing as counsel of record in this matter who have in the past represented, or who presently represent, any potential Class Member;
 - c. By publishing of Exhibit "H" of the Settlement Agreement (Short Form Notice) in major newspapers serving the areas affected by Hurricanes Katrina and Rita. The Short Form Notice shall be used for the principal purpose of encouraging Class members to seek additional information. The Short Form Notice is designed to be simple but sufficiently comprehensive to inform Class members, prior to the Fairness Hearing, that there is a pending settlement, and further (i) inform Class members as to how they may obtain a

copy of the Class Notice Package; (ii) protect their rights regarding the settlement; (iii) request exclusion from the Class and the proposed settlement, if desired; (iv) object to any aspect of the proposed settlement; and (v) participate, if desired, in the Fairness Hearing. Finally, the Notice shall make clear the binding effect of the Settlement on all persons who do not timely request exclusion from the Class. The Short Form Notice publications will appear in newspapers which include the following:

- i. Galveston County Daily News, Galveston, TX;
- ii. Houston Chronicle, Houston, TX;
- iii. The Advocate, Baton Rouge, LA;
- iv. Times-Picayune, New Orleans, LA;
- v. Daily Advertiser, Lafayette, LA;
- vi. American Press, Lake Charles, LA;
- vii. The Sun Herald, Gulfport, MS; and
- viii. Press-Register, Mobile, AL

3. The parties propose that mailings of the Class Notice Package begin on or about July 3, 2012. Publication of the Short Form Notice shall begin on or about July 3, 2012 and shall be completed fourteen (14) days after initial publication. Publication of the Short Form Notice will occur twice (once in a daily edition and once in a Sunday edition) in the above-listed newspapers. The Special Master shall place the orders for publication of the Short Form Notice and personally review proofs thereof prior to publication to assure that the advertisements are suitable to serve the purposes herein stated.

4. The Special Master also shall submit to different media outlets in the affected areas for publication the attached Public Service Announcement (“PSA”, Exhibit “I”). The Special Master then shall monitor the publication of the PSA and shall forward the transcripts of any radio publications of the PSA to each Party.

This notification plan is designed to (i) provide the best practicable notice under the circumstances of this action and the terms of the Stipulation of Settlement; (ii) provide Class Members with adequate instructions and a variety of means to obtain information pertaining to their rights and obligations effectively; (iii) reach both those class Members for whom accurate addresses are known and those Class Members whose addresses have changed or are not currently known; and (iv) satisfy federal due process and other relevant standards.

Did you suffer symptoms or injuries as a result of exposure to formaldehyde in a Travel Trailer or Park Model Trailer provided by the United States Government and installed, maintained or refurbished by one of the below-listed Contractors following Hurricanes Katrina or Rita?

A legal settlement provides payments to people for exposure to and/or injuries from formaldehyde.

A court authorized this notice. This is not a solicitation from a lawyer.



If you claim exposure to formaldehyde in a Manufactured Home similar to this, you are not included in the Settlement

- A class settlement has been proposed to resolve hundreds of lawsuits seeking damages for exposure to or injuries from formaldehyde in Travel Trailers and Park Model Trailers installed, maintained or refurbished by certain Contractors.
- The settlement will pay money to those who suffered symptoms or injuries because of exposure to formaldehyde in such travel trailers and/or park model trailers and who submit valid claim forms.
- Your legal rights are affected whether you act, or don't act. Read this notice carefully.



These types of units are included in the Settlement

**QUESTIONS? CALL 1-800-728-1628 TOLL FREE, OR VISIT
WWW.FEMAFORMALDEHYDELITIGATION.COM**

Your Legal Rights and Options in this Settlement:	
Submit a Claim Form	The only way to ask for a payment.
Ask to be Excluded	Get no payment. The only option that allows you to sue the Defendants over the claims resolved by this settlement.
Object	Write to the Court about why you don't like the settlement. You still need to submit a Claim Form to ask for a payment.
Go to a Hearing	Ask to speak in Court about the fairness of the settlement. You still need to submit a Claim Form to ask for a payment.
Do Nothing	Get no payment. Give up rights.

- These rights and options—and the deadlines to exercise them—are explained in this notice.
- The Court in charge of this case still has to decide whether to approve the settlement. Money will be distributed if the Court does so, and after any appeals are resolved. Please be patient.

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Basic Information

1. Why was this notice issued?

A Court authorized this notice because you have a right to know about a proposed settlement of this class action, including the right to claim money, and about all of your options, before the Court decides whether to give "final approval" to the settlement. If the Court approves the settlement, and after any appeals are resolved, payments will be made to everyone who submitted a timely and valid Claim. This notice explains the lawsuit, the settlement, your legal rights, what benefits are available, who may be eligible for them, and how to get them.

Judge Kurt Engelhardt in the United States District Court for the Eastern District of Louisiana, is overseeing this class action. The case is known as *In Re: FEMA Trailer Formaldehyde Product Liability Litigation*, MDL No. 2:07-MD-1873, Section "N" (5). The people who sued are called the "Plaintiffs," and the companies they sued are called the "Defendants." This case is known as aMDL, which means that it groups together a number of cases that were originally filed in state and federal court in Alabama, Mississippi, Louisiana, and Texas. This Settlement will resolve all of those cases together against certain Defendants.

2. Which companies are part of the settlement?

The settlement includes the following Contractors, along with some of their insurers, as defendants and other Released Parties

Bechtel National, Inc.; CH2M HILL Constructors, Inc.; Fluor Enterprises, Inc.; Shaw Environmental, Inc.; Jacquet Construction Services; PRI/DJI, A Reconstruction Joint Venture; Project Resources, Inc.; American Radiation Services, Inc.; B & I Services, L.L.C.; Davis Professional Accounting Services, Inc. a/k/a Davis Professional Services, Inc.; Multi-Task, L.L.C.; DC Recovery Systems; MLU Services, Inc.; Smith Research Corporation; T-Mac, Inc.; TKTMJ, Inc.; and Del-Jen, Inc.

3. What is this lawsuit about?

This case came about after Hurricanes Katrina and Rita. Those hurricanes left people homeless in Alabama, Mississippi, Louisiana and Texas. The federal government provided housing, called Emergency Housing Units (“EHUs”), for people. The settling Defendants in this case installed, maintained or refurbished some of the EHUs provided. The Plaintiffs in this case allege that they were exposed to hazardous levels of formaldehyde the EHUs. Defendants deny these claims. This case applies only to those persons who claim to have suffered symptoms or injuries as a result of exposure to formaldehyde in a Travel Trailer or Park Model Trailer provided by FEMA and installed, maintained or refurbished by one of the Settling Defendants listed above in Section 2. If you claim to have suffered symptoms or injuries as a result of exposure to formaldehyde in a Manufactured Home, also called a mobile home, provided by FEMA, you are not included in this Class.

4. What is Formaldehyde?

Formaldehyde is a chemical found both indoors and outdoors. Even the human body creates formaldehyde. Some of the building materials used in an EHU release formaldehyde. Formaldehyde is a chemical that is sometimes used as an adhesive in the assembly of certain parts of Travel Trailers and Park Model Trailers.

5. Why is this a class action?

In a class settlement, one or more people called “Class Representatives” propose to settle claims on behalf of people who have similar claims, who are the “Class” or “Class Members.” One court resolves the issues for all Class Members, except for those who exclude themselves from the Class.

6. Why is there a settlement?

The Court did not decide in favor of the Plaintiffs or Defendants. Instead, both sides agreed to settle. That way, they avoid the costs and risks of a trial, and the people affected will get compensation. The Class Representatives and their attorneys think the settlement is best for all Class Members. The settlement does not mean that the Defendants and other Released Parties did anything wrong.

Who is in the Settlement?

To see if you can get benefits from this settlement, you first have to determine if you are a Class Member

7. How do I know if I am part of the settlement?

If you claim to have suffered injuries or symptoms as a result of exposure to formaldehyde in a Travel Trailer or Park Model Trailer, provided by the federal government following Hurricanes Katrina and/or Rita, you may be a Class Member. To be a Class Member, the Travel Trailer or Park Model Trailer must have been installed, maintained or refurbished by a Contractor listed above in Section 2. The paperwork you received from the federal government should include either the manufacturer of the Travel Trailer or Park Model Trailer, or the vehicle identification number, which will identify the manufacturer. To be a Class Member, the trailer in which you claim to have been exposed to formaldehyde must have been a Travel Trailer or Park Model Trailer, not a Manufactured Home.

8. I’m still not sure I’m included.

If you are not sure whether you are included in the Class, you may call the toll free number 1-800-728-1628 with questions. Also, even if you are not sure if you are included in the Class, you should submit a timely Claim Form if you do not wish to be excluded from the Class.

The Settlement Benefits—What You Get

9. What does the settlement provide?

This settlement, in the total amount of \$5,129,250.00, will provide money to Class Members who submit timely and valid Claim Forms. A Settlement Agreement, available at www.femaformaldehydelitigation.com or by calling 1-800-728-1628, describes all of the details about the proposed settlement.

10. How much will my payment be?

The money from the settlement will be distributed according to a Class Benefit Formula approved by the Court. **If you received any Medicare/Medicaid/TRICARE/Veteran's Administration/Indiana Health Services benefits, some or all of these amounts may be deducted from your settlement.**

How to Get a Payment—Submitting A Claim Form

11. How can I get a payment?.

To ask for a payment, you must complete and submit a Claim Form. A Claim Form is included with this Notice. You can also get a Claim Form at www.femaformaldehydelitigation.com or by calling 1-800-728-1628. Please read the instructions carefully, fill out the Claim Form and mail it, **postmarked by October 12, 2012**, to:

FEMA TRAILER LITIGATION CLAIMS ADMINISTRATOR
P.O. Box 82565

Baton Rouge, Louisiana 70884

12. When will I get my payment?

The payments will be mailed to Class Members who send in timely and valid Claim Forms, after the Court grants “final approval” of the settlement, and any appeals are resolved. If Judge Engelhardt approves the settlement after an upcoming hearing (*see* the section “The Court’s Fairness Hearing” below), there may be appeals. If there are any appeals, resolving them can take time. Please be patient.

13. What am I giving up to get a payment or stay in the Class?

If the settlement becomes final, you will be releasing the Defendants or other Released Parties who settled, for all the claims identified in Section IX of the Settlement Agreement. These are called “Released Claims.” The Settlement Agreement is available at www.femaformaldehydelitigation.com. The Settlement Agreement describes the Released Claims with specific descriptions, in necessarily accurate legal terminology, so read it carefully. Talk to your attorneys (*see* the section on “The Lawyers Representing You” below) or your own lawyer if you have questions about the Released Claims or what they mean.

Excluding Yourself From the Settlement

If you don't want a payment from this settlement, but you want to keep the right to sue the Defendants or other Released Parties about the issues in this case, then you must take steps to get out. This is called excluding yourself from—or is sometimes referred to as “opting out” of—the settlement Class.

14. How do I get out of the settlement?

To exclude yourself from the settlement, you must send a letter by mail saying that you want to be excluded from *In Re: FEMA Trailer Formaldehyde Product Liability Litigation*. You must include the case number (No. 2:07-MD-1873, Section “N” (5)), your full name, address, and telephone number, identify which defendant(s) you have claims against (the contractor which installed, maintained or refurbished your EHU), and sign the request. Your exclusion request will not be valid, and you will be bound by the settlement, if you do not include this information in your exclusion request. You must mail your request for exclusion so that it is received by **August 17, 2012**, to:

Gerald E. Meunier
Justin I. Woods
Gainsburgh, Benjamin, David, Meunier & Warshauer, LLC
2800 Energy Centre
1100 Poydras Street
New Orleans, LA 70163

You can't exclude yourself on the phone or at the website.

15. If I don't exclude myself, can I sue the Defendants or other Released Parties for the same thing later?

No. Unless you exclude yourself, you give up any right to sue the Defendants or other Released Parties for the claims that this settlement resolves. You must exclude yourself from this Class to start your own lawsuit. Remember, any exclusion requests must be received by **August 17, 2012**.

16. If I exclude myself, can I get a payment from this settlement?

No. If you exclude yourself, do not submit a Claim Form to ask for a payment.

The Lawyers Representing You

17. Do I have a lawyer in this case?

If you have hired a lawyer to represent you for claims in this litigation, please contact your lawyer for further information.

The Court appointed certain attorneys, known as the Plaintiffs' Steering Committee or “PSC,” to represent you and other Class Members. You do not have to pay them. They will be paid out of the Total Settlement Fund. If you want to be represented by your own lawyer, and have that lawyer appear in court for you in this case, you may hire one at your own expense.

Objecting To The Settlement

You can tell the Court if you don't agree with the settlement or some part of it.

18. How do I tell the Court if I don't like the settlement?

You can object to the settlement if you don't like some part of it. The Court will consider your views. To do so, you must send in a written objection in the case, *In Re: FEMA Trailer Formaldehyde Product Liability Litigation*, No. 2:07-MD-1873, Section "N" (5). You must include your full name, address, telephone number, and your signature. You must also include the specific reasons why you object to the settlement, any legal support or evidence to support your objection, and whether you or your attorney, or any other witness, will be attending the hearing, along with a description of any witness's testimony, and a list of any exhibits you may offer at the hearing along with copies of those exhibits. (See "The Court's Fairness Hearing" below). You must mail your objection so that it is received by **August 31, 2012**, to the three addresses listed below:

Court	PSC	Defense Counsel
Clerk of Court Eastern District of Louisiana, North Division Hale Boggs Federal Building United States Courthouse 500 Poydras Street, Room C-151 New Orleans, LA 70130	Gerald E. Meunier Justin I. Woods Gainsburgh, Benjamin, David, Meunier & Warshauer, LLC 2800 Energy Centre 1100 Poydras Street New Orleans, LA 70163	David Kurtz Baker Donelson 201 St. Charles Ave. Suite 3600 New Orleans, LA 70170

The Court may overrule your objection. If you want money from the settlement, even if you object to it, you must file a timely Claim Form.

19. What's the difference between objecting and asking to be excluded?

Objecting is telling the Court that you oppose approval of the settlement. You can object only if you stay in the Class. Excluding yourself is telling the Court that you don't want to be part of the Class. If you exclude yourself, you have no basis to object because the case no longer affects you.

20. Do I need to make an appearance to talk about my objection?

Once you file a timely and valid objection, the Special Master, who is someone the Court appointed to help with the settlement, will schedule a hearing to try to resolve your objection. You will receive a notice of the date, time and place of the hearing. You must attend this Special Master hearing for your objection to be heard at the Fairness Hearing.

The Court's Fairness Hearing

The Court will hold a hearing to decide whether to approve the settlement. You may attend and you may ask to speak, but you don't have to.

21. When and where will the Court decide whether to approval the settlement?

The Court has scheduled a Fairness Hearing on September 27, 2012, at the Courthouse for the Eastern District of Louisiana, Northern Division, Hale Boggs Federal Building, United States Courthouse, 500 Poydras Street, Room C-351, New Orleans, LA 70130. At this hearing, the Court will consider whether the settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. Judge Engelhardt will listen to people who have asked to speak about an objection according to Question 18 above. The Court may also decide how much to award the PSC as fees for representing the Class. At or after the hearing, the Court will decide whether to approve the settlement. We do not know how long this decision will take. The hearing may be moved to a different date without additional notice, so it is a good idea to check www.femaformaldehydelitigation.com for updated information.

22. Do I have to come to the hearing?

No. You do not have to attend the Fairness Hearing. The PSC will answer questions that Judge Engelhardt may have. But, you are welcome to come at your own expense. If you send an objection, you don't have to come to the Fairness Hearing to talk about it. As long as you filed and mailed your written objection on time, and as long as you attended the Special Master hearing according to Question 20 above, the Court will consider it. You may also pay your own lawyer to attend, but it's not necessary.

23. May I speak at the hearing?

If you submitted an objection to the settlement (*see* Question 18), you may ask the Court for permission to speak at the Fairness Hearing. To do so, you must send a letter saying that it is your "Notice of Intention to Appear in *In Re: FEMA Trailer Formaldehyde Product Liability Litigation*." Your Notice of Intention to Appear must be received no later than **August 31, 2012**, and must be sent to the addresses listed in question 18 along with the following information:

- name of the case (*In Re: FEMA Trailer Formaldehyde Product Liability Litigation*, No. 2:07-MD-1873, Section "N" (5));
- your full name, address, telephone number, and signature;
- detailed statement of the specific legal and factual basis for each objection;
- list of any witnesses you intend to call at the Fairness Hearing, and a description of the testimony to be offered; and
- list of exhibits and copies of all exhibits you intend to introduce at the Fairness Hearing.

If You Do Nothing

24. What happens if I do nothing at all?

If you do nothing, you'll get no payment from this settlement. And, unless you exclude yourself, you won't be able to sue the Defendants or other Released Parties for the claims resolved in this case.

Getting More Information

25. How do I get more information about the settlement?

This notice summarizes the proposed settlement. More details are in a Settlement Agreement, which is available at www.femaformaldehydelitigation.com or by calling 1-800-728-1628. If you have questions, visit the website, or call 1-800-728-1628 toll free.

EXHIBIT F

Class Representatives

Defendant(s)	Class Representative	Case Information
Bechtel National, Inc.	Nathaniel Fairley	<i>Knight, et al v. Bechtel National, Inc., et al</i> , E.D. La. No. 10-3128
CH2M Hill Constructors, Inc.	Nettie Haynes	<i>Blunt, et al v. Lakeside Park Homes, Inc., et al</i> , E.D. La. No. 09-4341
Fluor Enterprises, Inc.	Solomon Thompson	<i>Thompson, et al v. Stewart Park Homes, Inc., et al</i> , E.D. La. No. 09-4993
Shaw Environmental, Inc.	Geryal R. Davis	<i>Davis, et al v. Lakeside Park Homes, Inc., et al</i> , E.D. La. No. 09-5226
American Radiation Services, Inc.; B&I Services, LLC; Davis Professional Services, LLC; Multitask, LLC; DC Recovery Systems, Inc.; Jacquet Construction Services, LLC; MLU Services, Inc.; PRI/DJI; Del-Jen, Inc.; Project Resources, Inc.; Smith Research Corporation, Inc.; TKTMJ, Inc.; T-Mac, Inc.	Kim Robichaux	<i>Dace, et al. v. Four Winds International, et al</i> , E.D. La. No. 09-8676

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

IN RE: FEMA TRAILER	)	MDL NO. 2:07-MD-1873
FORMALDEHYDE PRODUCT)	
LIABILITY LITIGATION	)	SECTION "N" (5)
)	
THIS DOCUMENT IS RELATED TO:	)	JUDGE ENGELHARDT
)	
<i>ALL CASES</i>	)	MAGISTRATE JUDGE CHASEZ

FINAL ORDER AND JUDGMENT

TO BE SUBMITTED PENDING INSTRUCTIONS OF COURT

CONTRACTORS SETTLEMENT LEGAL NOTICE

Did you suffer symptoms or injuries as a result of exposure to formaldehyde in a Travel Trailer or Park Model Trailer provided by the United States Government and installed, maintained or refurbished by one of the below-listed Contractors following Hurricanes Katrina or Rita?

A legal settlement provides payments to people for exposure to and/or injuries from formaldehyde.

A court authorized this notice. This is not a solicitation from a lawyer.

A class settlement has been proposed to resolve hundreds of claims about travel trailers and park model trailers provided to people in Alabama, Mississippi, Louisiana, and Texas following Hurricanes Katrina and/or Rita. The settlement will pay money to those who claim to have been exposed to formaldehyde in such trailers.

The United States District Court for the Eastern District of Louisiana will have a hearing to decide whether to give final approval to the settlement so that payments can be made. The people included in the settlement class may submit Claim Forms to request a payment, exclude themselves from the settlement, object to the settlement, or ask to speak at the hearing. Get a detailed notice by calling toll free the number below, or by visiting the website below.

WHO'S INCLUDED?

If you claim to have suffered symptoms or injuries from exposure to formaldehyde from a Travel Trailer or Park Model Trailer provided by the federal government following Hurricanes Katrina and/or Rita, you may be a Class Member. To be a Class Member, your Travel Trailer or Park Model Trailer must have been installed, maintained or refurbished by a contractor listed below. The paperwork you received from the federal government should include either the manufacturer of the Travel Trailer, or the vehicle identification number, which will identify the manufacturer.



If you claim exposure to formaldehyde in a Manufactured Home, and not a Travel Trailer, you are not included in the Settlement.

WHO IS SUED (WHO ARE THE SETTLING DEFENDANTS)?

The Settlement includes the following installers, maintenance providers and refurbishers of the travel trailers:

Bechtel National, Inc.; CH2M HILL Constructors, Inc.; Fluor Enterprises, Inc.; Shaw Environmental, Inc.; Jacquet Construction Services; PRI/DJI, A Reconstruction Joint Venture; Project Resources, Inc.; American Radiation Services, Inc.; B & I Services, L.L.C.; Davis Professional Accounting Services, Inc. a/k/a Davis Professional Services, Inc.; Multi-Task, L.L.C.; DC Recovery Systems; MLU Services, Inc.; Smith Research Corporation; T-Mac, Inc.; TKTMJ, Inc.; and Del-Jen, Inc.

WHAT DOES THE SETTLEMENT PROVIDE?

The settlement with the above contractors, in the total amount of \$5,129,250.00, provides money to people who claim to

have suffered symptoms or injuries from exposure to formaldehyde in the Travel Trailers and Park Model Trailers installed, maintained, or refurbished by a contractor listed above. The amount of money will be determined by a Class Benefit Formula approved by the Court, after the deduction of fees from the Settlement Funds related to each of these contractors. If you have hired a lawyer to represent you for claims in this litigation, please contact them for further information. The Settlement Agreement, available at www.femaformaldehydelitigation.com or by calling 1-800-728-1628, has the details about the proposed settlement. If you received any Medicare or other government health benefits, some or all of these amounts may be deducted from your settlement.

HOW DO YOU ASK FOR A PAYMENT?

Call 1-800-728-1628 or go to www.femaformaldehydelitigation.com for a Claim Form, then fill it out, sign it, and mail it post - marked by **October 12, 2012**, to the address on the form.



YOUR OTHER OPTIONS.

If you don't want a payment from this settlement, and you don't want to be legally bound by it, you must exclude yourself by **August 17, 2012** or you won't be able to sue, or continue to sue, the Defendants about the claims in this case. If you ask to be excluded, you can't get a payment from this settlement. If you stay in the settlement, you may object to it by **August 31, 2012**. The detailed written notice available on the website below, or by calling the number below, explains how to exclude yourself or object.

The Court will hold a hearing in this case, called *In Re: FEMA Trailer Formaldehyde Product Liability Litigation*, No. 2:07-MDL-1873, Section "N" (5), on DATE to consider whether to approve the settlement and a request by the lawyers for fees, costs and expenses. You will not pay the lawyers representing the Class; they will be paid from the Total Settlement Fund. If the settlement is approved, the Contractors listed above will be released from all liability for the claims. The Settlement Agreement explains this fully. You or your own lawyer may ask to appear and speak at the hearing, at your own cost, but you don't have to. For more information call toll free or visit the website below.

PUBLIC SERVICE ANNOUNCEMENT TO BE BROADCAST ON RADIO STATIONS AIRING IN THE STATES WHERE FEMA PROVIDED TRAVEL TRAILERS and PARK MODEL TRAILERS AFTER HURRICANES KATRINA AND RITA.

Did you suffer symptoms or injuries as a result of exposure to formaldehyde in a Travel Trailer or Park Model Trailer provided by FEMA following Hurricanes Katrina and/or Rita? If so, then this public service announcement may apply to you.

Lawsuits have been brought on behalf of the persons who claim formaldehyde exposure in these Travel Trailers and Park Model trailers. A class settlement has been proposed to provide money for those who claim symptoms and injuries as a result of formaldehyde exposure.

If you think you may be a Class Member, call 1-800-728-1628 for a Claim Form, the Class Notice Package, or more information, or visit www.femaformaldehydelitigation.com. You must submit a Claim Form and all Claim Forms must be postmarked by October 12, 2012 for a Class Member to receive money. You also have the right to exclude yourself from the settlement, but must do so by August 17, 2012. If you do not exclude yourself, the settlement and its release will be binding on you. You may also object to the settlement or ask to appear in person or by counsel before the Court, but you must ask to do so by August 31, 2012.

This announcement has been approved and ordered by the United States District Court Judge Kurt Engelhardt.

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

**IN RE: FEMA TRAILER
FORMALDEHYDE
PRODUCT LIABILITY LITIGATION**

**MDL NO. 1873
SECTION "N-5"**

**JUDGE ENGELHARDT
MAG. JUDGE CHASEZ**

THIS DOCUMENT IS RELATED TO ALL CASES

**MEMORANDUM OF LAW IN SUPPORT OF
JOINT UNOPPOSED MOTION FOR PRELIMINARY APPROVAL
OF PROPOSED CLASS SETTLEMENT**

The Plaintiffs' Steering Committee ("PSC"), on behalf of the Class¹ and jointly with the Settling Contractor Defendants (hereinafter "Defendants"), submit this Memorandum of Law in Support of the First Amended Joint Motion for Preliminary Approval of Proposed Class Settlement.

I. FACTUAL AND PROCEDURAL BACKGROUND

After the landfalls of Hurricanes Katrina and Rita, the homes of thousands of people who resided along the Gulf Coast were rendered uninhabitable, leaving these people homeless. The Federal Emergency Management Agency ("FEMA") provided housing for these people, in part by acquiring emergency housing units ("EHUs") hauled, installed, and, in some cases, maintained by the Defendants. Plaintiffs in this lawsuit are those people who resided in travel trailers provided by FEMA after Hurricanes Katrina and Rita and installed, maintained or

¹ Any capitalized term used herein shall have the meaning set forth in the "Definitions" section of the Stipulation of Settlement filed as Exhibit 1 to the Joint Motion for Preliminary Approval of Proposed Class Settlement, of which this Memorandum of Law is being filed in support.

refurbished by the Defendants. Plaintiffs allege they have been injured from exposure to formaldehyde in those homes. Defendants deny these allegations.

This Multi-District Litigation proceeding (“MDL”) has been pending for several years. It originally began as hundreds of individual cases filed in state and federal courts throughout Louisiana, Alabama, Mississippi and Texas. Those individual actions were removed and transferred into the MDL in October, 2007. Plaintiffs have filed a number of individual lawsuits against the Settling Defendants that are included in the MDL. These lawsuits are referred to as the “Pending Actions.”

The Parties have engaged in substantial field testing, discovery, document exchanges, and several years of motion practice. Two significant events have occurred in this case leading to the present settlement arrangement: (1) this Court denied certification of a litigated class action; and (2) the Parties have conducted three bellwether trials, all of which have resulted in defense verdicts.

A. The Class Certification Denial.

Plaintiffs moved for certification of a litigated class on October 24, 2008. This Court denied that litigated class action certification on December 29, 2008, citing several bases for its decision, including variations in the four states’ laws, the various possible causes of Plaintiffs’ injuries, and the different manufacturers and products involved in this case. (Rec. Doc. 1014.) For the reasons set forth herein, those concerns are not present in this settled class action.

B. The Bellwether Trials.

The Parties have conducted three bellwether jury trials, all of which resulted in defense verdicts. (*See* Ex. 1.) There is currently one appeal pending from previous bellwether trial verdicts. (Ex. 2, Declaration of Gerald Meunier ¶ 6.)

C. The Negotiated Settlement.

Due to the denial of a litigated class and the total defense results of the three bellwether trials, along with over 100 depositions taken and 40,000 pages of documents exchanged between the Parties, the Parties have obtained sufficient information to reasonably assess the merits of their respective claims and defenses. (Meunier Decl. ¶ 3.) In the wake of the extensive work completed by the Parties, the results of the bellwether trials, and the appeals therefrom, the Parties undertook negotiations for a global settlement of the Pending Actions.

At the request of the Parties, the Court Ordered a sequence of mediations with the Settling Defendants mediated by Court-appointed mediator, John Perry and his partner, Daniel Balhoff, in the litigation “to facilitate settlement discussions in connection with Plaintiffs’ claims against Defendants Shaw Environmental, Inc., Fluor Enterprises, Inc., CH2M Hill Constructors, Inc., Bechtel National Inc., and any other third-party installation/maintenance contractors and ‘procurement’ parties” and for the purposes of exploring the potential for global settlement. (Rec. Doc. 22206.) John Perry and Daniel Balhoff were heavily involved in all stages of the settlement negotiations. The Parties reached settlements with each of the Settling Contractor Defendants between April and May of 2012 after in some cases months of negotiating. Settlement negotiations were adversarial and conducted at arms-length. “Counsel for both sides vigorously represented their clients’ interests during the negotiations.” (Ex. 3, Declaration of Daniel J. Balhoff ¶ 2.)

The Parties have spent a substantial amount of time negotiating the compromise set forth in the Settlement Agreement. The consensus of the Parties is that the certification of a settlement class,² the immediate payment of the proposed Settlement Amount for each group of Settling

² Defendants continue to deny that certification of a litigated class is appropriate.

Defendants, and the Court's supervision thereof is likely to result in the greatest benefit to the Class Members, as well as ensuring peace and finality in this matter to the Parties involved.

II. SUMMARY OF PROPOSED CLASS SETTLEMENT

Subject to the Court's Final Order and Judgment following notice to the Class and a Fairness Hearing, the Settlement Agreement provides, *inter alia*, that: (1) each group of Settling Contractor Defendants will pay separate Settlement Amounts for the settlement of all Released Claims; (2) a Special Master, jointly designated by the Parties and paid by the PSC, shall determine the availability of Class Relief to each Class Member, based on the Special Master's evaluation of the Claim Form and other materials submitted by the Claimant and according to the Class Benefit Formula; (3) the Special Master shall determine each Class Representative's Award, with Court approval; (4) each Class Representative's Award shall be paid out of the appropriate Settlement Fund(s); (5) all attorneys' fees for any PSC or non-PSC attorney, or any other attorney representing a Class Member, shall be subject to approval by the Court, and paid out of the appropriate Settlement Fund(s); (6) there shall be a reserve established for all of the fees and expenses that are to be deducted from the appropriate Settlement Fund(s), including but not limited to attorneys' and Special Master fees, and that reserve shall be 48% of the Settlement Fund(s), such that the total of all fees and expenses to be deducted from the Settlement Fund(s) shall not exceed 48% of the Total Settlement Fund(s); (7) the Parties shall move this Court to transfer from its Registry funds representing the Settlement Funds into a Disbursing Account promptly following final approval.

III. THE PROPOSED CLASS SETTLEMENT MERITS PRELIMINARY APPROVAL

Pursuant to Federal Rule of Civil Procedure 23(e), a district court has broad discretion to approve a class action settlement if the settlement is fair, adequate and reasonable. *Ayers v.*

Thompson, 358 F.3d 356, 368 (5th Cir. 2004). Moreover, in the Fifth Circuit, a strong judicial policy favors the resolution of class disputes through settlement. *Parker v. Anderson*, 667 F.2d 1204, 1209 (5th Cir. 1982) (“*Parker*”). This judicial policy is due in part to the fact that “[p]articularly in class action suits, there is an overriding public interest in favor of settlement.” *Cotton v. Hinton*, 559 F.2d 1326, 1331 (5th Cir. 1977) (“*Cotton*”).

A. The proposed settlement is fair, adequate and reasonable.

Courts in the Fifth Circuit apply a six-factor test to evaluate the fairness, adequacy and reasonableness of a class settlement: (1) whether evidence exists that the settlement was obtained by fraud or collusion; (2) the complexity, expense and likely duration of the litigation; (3) the stage of the litigation and available discovery; (4) the probability that plaintiffs will prevail on the merits; (5) the range of possible recovery and certainty of damages; and (6) the opinions of class counsel, class representatives, and absent class members. *Newby v. Enron Corp.*, 394 F.3d 296, 301 (5th Cir. 2004) (“*Newby*”) (citing *Reed v. Gen. Motors Corp.*, 703 F.2d 170, 172 (5th Cir. 1983) (“*Reed*”).

When considering the six *Reed* factors, “the court should keep in mind the strong presumption in favor of finding a settlement fair.” *Purdie v. Ace Cash Express, Inc.*, No. Civ.A. 301CV1754L, 2003 WL 22976611, at *4 (N.D.Tex. Dec. 11, 2003). Courts in the Fifth Circuit should adhere to this fairness presumption “especially when doing so will result in significant economies of judicial resources – absent evidence weighing against approval.” *Klein v. O’Neal, Inc.*, 705 F.Supp.2d 632, 650 (N.D.Tex. 2010) (“*Klein*”).

Applying the *Reed* factors to this case, the class settlement merits preliminary approval. Upon entry of a Preliminary Approval Order, the Parties will implement the Settlement Notice Plan attached as Exhibit D to the Stipulation of Settlement. Class Members will have the opportunity to opt out of the settlement and to express their opinions regarding the Settlement

Agreement at a Fairness Hearing. After the Fairness Hearing, the Court should apply the six *Reed* factors to determine whether to issue a Final Order and Judgment approving the settlement. *See Newby*, 394 F.3d at 301.

1. **No fraud or collusion exists.**

“A strong presumption exists in favor of settlement if the district court determines that the settlement resulted from arms-length negotiations between experienced counsel and was not tainted by fraud or collusion.” *Turner v. Murphy Oil USA*, 472 F.Supp.2d 830, 844 (E.D.La. 2007) (“*Turner*”). In the absence of any evidence of actual fraud or collusion between class counsel and defense counsel, a court may presume that no fraud or collusion occurred. *Klein*, 705 F.Supp.2d at 651. This is particularly true where, as here, the proposed settlement is “the culmination of several years of pretrial proceedings, motion practice, and forceful negotiations by the class plaintiffs and defendants.” *Id.*; (*see also* Meunier Decl. ¶ 3). There is no evidence of fraud or collusion in this case. All counsel have vigorously represented their respective clients’ interests throughout this litigation, including the negotiation process. (Meunier Decl. ¶¶ 3-4, 6; Balhoff Decl. ¶ 2.)

On April 8, 2010, the Court appointed John Perry as Mediator in this litigation “for the purpose[] of exploring the potential for global settlement as to any and all other defendant manufacturers in the MDL” (Rec. Doc. 13236.) Mr. Perry, or his partner Daniel Balhoff, has met with the parties in person and by phone numerous times since being appointed on July 18, 2011. Mr. Balhoff has attested that “[s]ettlement negotiations were conducted at arms-length.” (Balhoff Decl. ¶ 2.) As the declarations of the PSC and the mediator make clear, the Settlement Agreement is the product of hard-fought litigation, not the result of fraud or collusion. These statements of the mediator weigh heavily in favor of approving the settlement. *See, e.g.*,

Klein, 705 F.Supp.2d at 651 (in support of the approval of a products liability class action settlement, the district court noted the mediator’s statements regarding the hard fought negotiations and arms-length bargaining between the parties); *D’Amato v. Deutsche Bank*, 236 F.3d 78, 85 (2d Cir. 2001) (in affirming class action settlement approval, the Second Circuit noted that the district court had appointed a special master to assist in the settlement process and that the special master testified that the negotiations were “bona fide, at times contentious, and all counsel involved were capable.”) (citation omitted).

2. **Continued litigation would be complex, expensive and protracted.**

Where, as here, it is apparent that continuing the litigation will require a substantial financial and time commitment from the parties, the reasonableness of approving a negotiated settlement is heightened. *See Klein*, 705 F. Supp.2d at 651; (Meunier Decl. ¶ 6 (attesting that Plaintiffs have already been taxed with Defendants’ costs for the three bellwether trials)). “The public interest favoring settlement is especially apparent in the class action context where claims are complex and may involve a large number of parties, which otherwise could lead to years of protracted litigation and sky-rocketing expenses.” *Turner*, 472 F.Supp.2d at 843. Given the vast number of plaintiffs and the large number of defendants, this mass tort litigation could go on for years if not settled. The three bellwether trials have been expensive, and resulted in no relief whatsoever to Plaintiffs. (*See Meunier Decl. ¶ 6.*) Both sides of this case intend to appeal if either does not prevail at trial, thereby prolonging the time and expense of litigation. (*Id.* ¶ 6; Ex. 4, Declaration of M. David Kurtz ¶ 3.) In contrast, approval of the settlement will permit Class Members to recover damages much sooner than would be possible following an uncertain, expensive and protracted trial and appellate process. *See Klein*, 705 F.Supp.2d at 653. Therefore, the second *Reed* factor favors the preliminary approval of the Settlement Agreement.

3. The stage of proceedings is appropriate for evaluating settlement.

Formal discovery need not be complete in order for the parties to be in a position to accurately evaluate the fairness of a class settlement. *Newby*, 394 F.3d at 306; *Turner*, 472 F.Supp.2d at 847; *Batchelder v. Kerr-McGee Corp.*, 246 F.Supp.2d 525, 528 (N.D.Miss. 2003) (“*Batchelder*”). The Fifth Circuit has held that discovery is not necessary, provided that the interests of the class have not been prejudiced by the settlement negotiations, and substantial factual bases exist on which to premise settlement. *Newby*, 394 F.3d at 306.

The standard set forth by the Fifth Circuit in *Newby* has been more than met in this case. The Parties in the FEMA litigation have exchanged thousands of documents, taken over 100 depositions, and conducted three bellwether trials. (Meunier Decl. ¶¶ 3, 6.) Additionally, the three bellwether trials have resulted in defense verdicts. (*Id.* ¶ 6.) The time is right for settlement.

4. The probabilities of success favor approval of settlement.

The Parties have conducted three bellwether trials, and all have ended in defense verdicts. Given the results of the bellwether trials conducted to date, the Plaintiffs face a significant risk of recovering nothing. *See In re Dell, Inc.*, No. A-06-CA-726-SS, 2010 WL 2371834, at *6 (W.D.Tex. June 11, 2010) (approving class settlement and noting that the Plaintiffs’ case was “no doubt in dire straits,” with the Plaintiffs “facing a significant risk the Class Members would recover nothing at all”). Defendants face a long, expensive battle and the uncertainties inherent in a jury trial. Regardless of who prevails at trial, lengthy and expensive appeals can be expected. *See id.*; (Meunier Decl. ¶ 6; Kurtz Decl. ¶ 3). All of these factors favor preliminary approval of the Settlement Agreement. *Dell*, 2010 WL 2371834, at *6.

5. The range of possible recovery favors settlement.

The fifth *Reed* factor requires a court to determine “the value of the settlement in light of the potential for recovery.” *In re Shell Oil Refinery*, 155 F.R.D. 552, 563 (E.D.La. 1993). To assess the fairness of a class settlement, a court should consider “whether the settlement’s terms fall within a reasonable range of recovery, given the likelihood of the plaintiffs’ success on the merits.” *Turner*, 472 F.Supp.2d at 849-50. When considering the possible range of recovery, a court should keep in mind that “compromise is the essence of a settlement.” *Id.* at 850 (quoting *Cotton*, 559 F.2d at 1330)). “[I]nherent in compromise is a yielding of absolutes and an abandoning of highest hopes.” *Klein*, 705 F.Supp.2d at 649 (citing *Cotton*, 559 F.2d at 1330). Thus, “[a] proposed settlement need not obtain the largest conceivable recovery for the class to be worthy of approval; it must simply be fair and adequate considering all the relevant circumstances.” *Klein*, 705 F.Supp.2d at 649; *see also Pettway v. Am.Cast Iron Pipe Co.*, 576 F.2d 1157, 1214 n.69 (5th Cir. 1978) (“[C]ompromise is the essence of settlement, and the settlement need not accord the plaintiff class every benefit that might have been gained after full trial.”).

As one court has explained:

The Court should consider the vagaries of litigation and compare the significance of immediate recovery by way of the compromise to the mere possibility of relief in the future, after protracted and expensive litigation. In this respect, ‘[i]t has been held proper to take the bird in the hand instead of a prospective flock in the bush.’

In re Shell Oil Refinery, 155 F.R.D. at 560 (quoting *Oppenlander v. Standard Oil Co.*, 64 F.R.D. 597, 624 (D.Colo. 1974) (quoting *State of West Virginia v. Chas. Pfizer & Co.*, 314 F.Supp. 710, 743 (S.D.N.Y. 1970))).

Given the results of the three bellwether trials, this Court need not consider an unrealistic high end of recovery in which all class members would recover significant damages. *See In re Educational Testing Service Praxis Principles of Learning and Teaching: Grades 7-12*

Litigation, 447 F.Supp.2d 612, 622 (E.D.La. 2006) (“In considering the range of possible recovery, the Court need not consider recoveries that are beyond the range of the most minimal probability. Thus, engaging in an exercise that posits on the high end a recovery in which all class members would recover significant . . . damages is too unrealistic to be useful.”).

One Court in a recent settlement also involving victims of Hurricanes Katrina and Rita noted that “[w]hile the individual payments contemplated under the Settlement Agreement are potentially modest, they avoid the need for any further litigation . . . by individual class members.” *Ridgely v. F.E.M.A.*, Civ. No. 07-2146, 2010 WL 5140833, at *2 (E.D.La. Dec. 13, 2010). That same balance is present here. The value of the proposed settlement is fair and reasonable in light of the strong possibility of no recovery and the aforementioned risks of proceeding to trial. (Meunier Decl. ¶¶ 7-8; Balhoff Decl. ¶ 3.)

6. The opinion of the PSC favors settlement.

Counsel are the court’s main source of information about the fairness, adequacy and reasonableness of a class settlement. *Turner*, 472 F.Supp.2d at 852. As a result, “[t]he Fifth Circuit has repeatedly stated that the opinion of class counsel should be accorded great weight.” *Klein*, 705 F.Supp.2d at 649; *see also Newby*, 394 F. 3d at 309 (“[T]he weight the district court attached to the opinions of class counsel, relative to those of the [] Objectors, was justified in light of their superior sophistication.”); *Cotton*, 559 F.2d at 1330 (“[T]he trial court is entitled to rely upon the judgment of experienced counsel for the parties.”). “Class counsel’s opinion should be presumed reasonable because they are in the best position to evaluate fairness due to an intimate familiarity with the lawsuit.” *Turner*, 472 F.Supp.2d at 852.

The members of the PSC are experienced class action attorneys, with substantial experience both litigating and settling class actions. (Meunier Decl. ¶ 2.) After years of

litigating this case, including the exchange of thousands of documents, the taking of over 100 depositions, extensive motion practice, and participation in an arms-length and adversarial negotiation process, the PSC has concluded the proposed settlement is fair, adequate and reasonable for the Class. (*Id.* ¶¶ 3-4, 6-8, 10.)

B. Certification of the settlement Class is proper.

The Parties seek certification of a Class for settlement purposes only, pursuant to Federal Rules of Civil Procedure 23(a) and 23(b)(3). The proposed settlement Class meets the applicable requirements of Rules 23(a) and (b)(3). This Court’s December 29, 2008 Order concluded that various substantial barriers existed to certifying this case as a litigated class. In this settlement context, those barriers have been removed.³

1. The settlement Class meets the numerosity requirement.

Rule 23(a)(1) requires that members of a class be so numerous that it would be impracticable to join them individually. *Pederson v. La. State Univ.*, 213 F.3d 858, 868 (5th Cir. 2000). In this case, there are over two thousand (2,000) individual Pending Actions filed against these Defendants by Class Members, involving approximately 40,000 plaintiffs. Thus, the

³This Court has the authority under Federal Rule 23 to revisit the decision to deny class certification. Rule 23(c)(1)(C) states: “An order that . . . denies class certification may be altered or amended before final judgment.” This subsection of Rule 23 gives a federal district court authority to revisit the class certification issue for settlement purposes. The committee notes to the 2003 Amendments further state: “A court that is not satisfied that the requirements of Rule 23 have been met should refuse certification *until they have been met.*” These notes further support the notion that a court’s decision to deny class certification can be revisited. In *In re Phenylpropanolamine (PPA) Product Liability Litigation*, 227 F.R.D. 553, 564 (W.D. Wash. 2004) (“PPA”), the court, in approving a class action settlement in a products liability action, noted that it had “already declined to certify litigation classes” in the MDL. The Fifth Circuit specifically has recognized that a district court may later alter its decision to deny certification pursuant to Rule 23(c)(1). *Calderon v. Presidio Valley Farmers Association*, 863 F. 2d 384, 389 (5th Cir. 1989).

numerosity requirement has been met. *Mullen v. Treasure Chest Casino LLC*, 186 F.3d 620, 624 (5th Cir. 1999) (class of 100 and 150 satisfies numerosity requirement).⁴

This Court's December 29, 2008 Order ("2008 Order") held that Plaintiffs failed to show numerosity was met for each of the four subclasses requested (a subclass for each state involved – Louisiana, Alabama, Mississippi, and Texas). As the Court noted in its 2008 Order, to establish numerosity a class representative must present some evidence or reasonable estimate of the number of class members. (Rec, Doc. 1014 at 9.) This Court concluded that Plaintiffs had not yet established numerosity as to each of the four subclasses sought therein. (*Id.* at 10.) At the time, Plaintiffs sought four subclasses for each of the four states in which Plaintiffs resided in EHUs – Louisiana, Alabama, Mississippi and Texas – because of the variation in laws of those states.

For a settlement class, however, differing state laws are not relevant. *See In re Serzone Products Liability*, 231 F.R.D. 221, 240 (S.D.W.Va. 2005) ("*Serzone*") (in approving a class settlement in litigation of a product liability nationwide class action, the court noted that while the litigated class presented individual issues such as "different state laws," in the context of settlement, such an issue was "rendered irrelevant"); *see also PPA*, 227 F.R.D. at 563 (approving class action settlement and noting that "different state laws would have more import in the context of litigation than in settlement").

Here, therefore, no subclasses for each state are sought in this settlement class. Plaintiffs can now establish that the Class consists of at least 40,000 members and clearly meets the numerosity requirement.

2. The settlement class meets the commonality requirement.

⁴ This Court previously denied class certification for litigation purposes, in part, because Plaintiffs failed to establish numerosity for each of the four subclasses they sought at the time. No such subclasses are sought in this settlement class, and thus that reasoning does not apply here.

The commonality requirement of Rule 23(a)(2) is not a demanding test. Commonality is fulfilled when the resolution of at least one issue will affect all or substantially all of the putative class members. *Mullen*, 186 F.3d at 625. All of the plaintiffs in this case allege injuries due to formaldehyde exposure. *See PPA*, 227 F.R.D. at 561 (holding that commonality is met for settlement purposes in part because “[a]ll members of the Class allege injuries from the ingestion of a Dexatrim product containing PPA”). All members of the Class allege negligent installation, maintenance or refurbishment of the EHUs involved.

Every class member faces the same hurdle with regard to liability. Additionally, the Special Master will submit to the Court a Class Benefit Formula, and will consider therein any significant variation in symptoms suffered by a class member.

3. The settlement class meets the typicality and adequacy of representation requirements.

Like commonality, the typicality requirement of Rule 23(a)(3) is not demanding. *Stirman v. Exxon Corp.*, 280 F.3d 554, 562 (5th Cir. 2002) (quoting *James v. City of Dallas*, 254 F.3d 551, 571 (5th Cir. 2001)). A class representative’s claims are typical of the proposed class when his or her claims and legal theories arise from a singular nucleus of operative facts as the claims and legal theories of absent class members. *Mullen*, 186 F.3d at 625; *see also Forbush v. J.C. Penney Co., Inc.*, 994 F.2d 1101, 1106 (5th Cir. 1993). In this case, the Class Representatives’ claims in this settlement class are typical of the Class because, again, all claims in this case have the same standard of care.

Rule 23(a)(4)’s adequacy requirement requires a court to consider: (1) whether the class representatives have interests that conflict with the class, (2) whether the class representatives will vigorously pursue the litigation on behalf of the class, and (3) whether class counsel are

competent, qualified, experienced and able to conduct the litigation. *Stirman*, 280 F.3d at 563; *James*, 254 F.3d at 571.

In this case, the interests of the Class Representatives are sufficiently aligned with those of the Class, and they have vigorously pursued this litigation. (Meunier Decl. ¶¶ 3-6; Balhoff Decl. ¶ 2.) The PSC meets the adequacy requirement because it is comprised of competent and experienced class action attorneys, and because it has secured and submitted a fair and adequate settlement for the Court's preliminary approval. *Parker*, 667 F.2d at 1211; (Meunier Decl. ¶¶ 2, 3-4, 6).

The 2008 Order held that Plaintiffs failed to show typicality and adequacy of representation because of the factual variations as to each individual regarding causation and injury. (Rec. Doc. 1014 at 17, 21-22.) The Court also held that typicality was lacking because different state laws governed Plaintiffs' manufacturer liability claims, individual issues of specific medical causation were dominant, and Plaintiffs resided in different models of EHUs. (*Id.* at 15-17.) As shown above, however, the Class Benefit Formula resolves these issues. The 2008 Order found that class counsel was adequate but that the class representatives were not adequate because their claims were not typical. (*Id.* at 20-21.) Again, the Class Benefit Formula resolves these adequacy issues. *See also PPA*, 227 F.R.D. at 561 (in approving class settlement of a product liability class action, holding that the claims of class representatives who asserted different injuries were nonetheless typical because they were "reasonably co-extensive" with those of other class members).

As to adequacy of representation, there is no "futures" problem of the sort identified in *Amchem Prods., Inc. v. Windsor*, 521 U.S. 591, 625-28, 117 S. Ct. 2231 (1997) (affirming the Third Circuit's vacating a class settlement in part because the interests of those class members

with current asbestos injuries conflicted with those of class members who had no current injuries but possibly would in the future). All proposed class members claim both current injury and fear of future disease. Thus, there is no *Amchem* “futures” problem with this proposed settlement. *See PPA*, 227 F.R.D. at 562 (in approving class action settlement in products liability case, the court concluded there was no *Amchem* “futures” problem “because there is no scientific evidence of latent injuries from the ingestion of PPA,” and thus “there is no class of potential future claimants, as in *Amchem*”); *Serzone*, 231 F.R.D. at 238 (“in contrast [to *Amchem*], there is no scientific evidence of latent or progressive liver injuries arising from the ingestion of Serzone nor does the class have to accommodate future claimants”).

4. The settlement class meets the predominance requirement.

A class may be certified as a Rule 23(b)(3) class if the court finds that (1) questions of law or fact common to the class predominate over individualized questions, and (2) a class action is superior to other available methods for the fair and efficient adjudication of the dispute. FED. R. CIV. P. 23(b)(3). Unlike a litigated class, manageability is not an issue. *See Amchem*, 521 U.S. at 620 (“[A] district court need not inquire whether the case, if tried, would present intractable management problems, for the proposal is that there be no trial” (internal citation omitted)).

The predominance inquiry tests whether a proposed class is cohesive enough to warrant adjudication by representation. *Serzone*, 231 F.R.D. at 239. Because there is no trial of a settlement class, individualized questions, such as specific medical causation or the application of different state laws to class members from different states, do not destroy class cohesion and thus are not barriers to class certification. *Id.* at 240; *PPA*, 227 F.R.D. at 562-63; *Klein*, 705

F.Supp.2d at 668-69. Here, predominance is also met because there is one medical causation question applicable to all claims, namely whether formaldehyde exposure caused injury.

The 2008 Order held that Plaintiffs failed to show predominance due to numerous individualized factors: (a) the case involves hundreds of models of homes manufactured by dozens of different manufacturers; (b) each plaintiff's habits, such as how often they open windows or use air conditioning, vary greatly; (c) each plaintiff's alleged exposure to formaldehyde from sources other than their EHU vary greatly; (d) some plaintiffs may be smokers and thus have a cause of injury other than formaldehyde exposure; (e) each plaintiff's injury is unique. (D.E. 1014 at 24-27.) The 2008 Order also found that individualized issues of different state laws, specific medical causation, and EHU models would predominate over common issues. (*Id.* at 25-27.) As shown above, the variation in state laws is not an issue for this settlement class, and the Special Master will consider a Class Benefit Formula to accommodate any extreme variation in medical condition. Moreover, because there will be no trial of the proposed settlement Class, the individualized questions identified in the 2008 Order do not destroy class cohesion and thus are not barriers to class certification. *See Serzone*, 231 F.R.D. at 240; *PPA*, 227 F.R.D. at 562-63; *Klein*, 705 F.Supp.2d at 668-69.

5. The settlement class meets the superiority requirement.

The superiority inquiry tests whether resolving a dispute on a class basis will “achieve economies of time, effort, and expense, and promote...uniformity of decision as to persons similarly situated, without sacrificing procedural fairness or bringing about other undesirable results.” *Serzone*, 231 F.R.D. at 240 (quoting *Amchem*, 521 U.S. at 615). Settling this case as a class action will achieve significant economies of time, effort and expense for the Class and for

the Court. *See Serzone*, 231 F.R.D. at 240. Litigating the claims in individual lawsuits would consume many more judicial resources. *See id.*

The Parties have conducted three bellwether trials. Each trial has taken approximately 11 days, with each involving thousands of hours of preparation. Plaintiffs have been taxed with Defendants' costs for those three bellwether trials (a total of almost \$500,000.00). There is currently one appeal pending from those trials. (Meunier Decl. ¶ 6.) Another appeal was resolved in the negotiation of a Memorandum of Understanding with one of the Settling Defendants herein. (*Id.*)

Approving this settlement will end the excessive bleeding of costs by both sides in litigation that has dealt the Plaintiffs one blow after another. Distribution of the Total Settlement Fund(s) will give Plaintiffs some immediate relief after years of fruitless litigation. *See PPA*, 227 F.R.D. at 563-64 (in approving class action settlement, court noted that several defense verdicts had been reached in state court PPA cases and that "mass tort litigation places an unusual strain on court dockets," and that each individual claim, "absent the settlement, could result in costly, time-consuming proceedings").

The 2008 Order held that Plaintiffs failed to show superiority due to the variations in applicable state law, the dozens of class representatives who would want to testify on their own individual behalf; the dozens of defendant manufacturers who would want to offer their own witnesses, and the potential resulting jury confusion. (D.E. 1014 at 30-31.)

All of these issues are now moot in the settlement context. The fact that the proposed Class is now a settlement class "moots concern that trial would present intractable problems of management." *Serzone*, 231 F.R.D. at 237. Indeed, the fact that the Court has previously declined to certify a litigation class actually favors the approval of this settlement Class. *See*

PPA, 227 F.R.D. at 564. If the settlement is not approved, each Class Member's claim will have to be adjudicated on an individual basis, placing a tremendous strain on the judicial system. *Id.*; *see also Strong v. Bellsouth Telecomms. Inc.*, 137 F.3d 844, 847 (5th Cir. 1998) (Fifth Circuit impliedly accepted settlement class certified after district court denied class certification for litigation purposes).

Finally, several federal courts have approved the settlement of mass tort class actions involving personal injuries, despite the problems that these cases would have posed for a litigated class. *See, e.g., In re Diet Drugs Prods. Liab. Litig.*, 385 F.3d 386 (3d Cir. 2004); *In re Orthopedic Bone Screw Prods. Liab. Litig.*, 176 F.R.D. 158 (E.D.Penn. 1997); *Batchelder*, 246 F.Supp.2d 525 (alleging creosoting process from a plant contaminated the groundwater and released harmful vapors, mist and dust into the community); *Olden v. Gardner*, 294 F. App'x 210 (6th Cir. 2008) (holding that district court did not abuse its discretion in finding class settlement to be fair and reasonable, in case alleging personal injury and property damage from a cement plant producing and emitting cement kiln dust); *Joel v. Giuliani*, 218 F.3d 132 (2d Cir. 2000) (affirming district court's approval of class settlement in case brought by children who had suffered severe abuse and neglect in the child welfare system).

The Rule 23 requirements for this settlement class have been met.

CONCLUSION

The proposed settlement is fair, adequate and reasonable to the Class, and the proposed settlement Class complies with the applicable requirements of Rule 23. As a result, the Court should grant its preliminary approval to the Settlement Agreement.

Respectfully submitted:

**FEMA TRAILER FORMALDEHYDE PRODUCT
LIABILITY LITIGATION**

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CERTIFICATE OF SERVICE

I hereby certify that on May 29, 2012, I electronically filed the foregoing with the Clerk of Court by using the CM/ECF system which will send a notice of electronic filing to all counsel of record who are CM/ECF participants. I further certify that I mailed the foregoing document and the notice of electronic filing by first-class mail to all counsel of record who are non-CM/ECF participants.

s/Justin I. Woods
JUSTIN I. WOODS, # 24713

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA
NEW ORLEANS DIVISION

EXHIBIT
1

IN RE: FEMA TRAILER
FORMALDEHYDE
PRODUCT LIABILITY LITIGATION

MDL NO. 1873
SECTION "N-5"

JUDGE ENGELHARDT
MAG. JUDGE CHASEZ

THIS DOCUMENT IS RELATED TO:
Age, et al v. Gulf Stream Coach, Inc., et al, No. 09-2892

JURY VERDICT FORM

A. GULF STREAM COACH, INC. ("GULF STREAM")

1. Do you find that the Gulf Stream trailer occupied by Alana Alexander
("Alexander") and Christopher Cooper ("Cooper") was unreasonably dangerous in
its construction or composition?

Yes _____ No

[PROCEED TO QUESTION NO. 2]

2. Do you find that the Gulf Stream trailer occupied by Alexander and Cooper was
unreasonably dangerous in its design?

Yes _____ No

[PROCEED TO QUESTION NO. 3]

3. Do you find that the Gulf Stream trailer occupied by Alexander and Cooper was unreasonably dangerous because an adequate warning about the trailer was not provided?

Yes _____ No

[IF YOU ANSWERED ANY OF QUESTION NUMBERS 1, 2, or 3 "YES", PROCEED TO QUESTION NO. 4. IF YOU ANSWERED EACH AND ALL QUESTION NUMBERS 1, 2, AND 3 "NO", PROCEED TO PART B, QUESTION 7]

4. Do you find that any unreasonably dangerous condition of the trailer existed at the time it left Gulf Stream's control?

Yes _____ No _____

[IF YOU ANSWERED QUESTION NUMBER 4 "YES", PROCEED TO QUESTION NO. 5. IF YOU ANSWERED QUESTION NUMBER 4 "NO", PROCEED TO PART B, QUESTION 7]

5. Do you find that Christopher Cooper sustained injury to which Gulf Stream substantially contributed, as a result of any unreasonably dangerous condition of the trailer?

Yes _____ No _____

[PROCEED TO QUESTION NO. 6]

6. Do you find that Alana Alexander sustained injury to which Gulf Stream substantially contributed, as a result of any unreasonably dangerous condition of the trailer?

Yes _____ No _____

[PROCEED TO QUESTION NO. 7]

B. FLUOR ENTERPRISES, INC. ("FLUOR")

7. Do you find that Fluor was negligent in regard to its actions or inactions concerning the hauling and/or installing of the trailer occupied by Alexander and Cooper?

Yes _____ No

[IF YOU ANSWERED QUESTION NO. 7 "YES", PROCEED TO QUESTION NO. 8. IF YOU ANSWERED QUESTION NO. 7 "NO", PROCEED TO PART C, QUESTION 10, WITHOUT REGARD TO THE PARENTHETICAL INSTRUCTIONS BETWEEN C AND QUESTION NO. 10]

8. Do you find that Christopher Cooper sustained injury to which Fluor substantially contributed, as a result of the negligence of Fluor in its actions or inactions concerning the hauling and/or installing of the trailer occupied by Alexander and Cooper?

Yes _____ No _____

[PROCEED TO QUESTION NO. 9]

9. Do you find that Alana Alexander sustained injury to which Fluor substantially contributed, as a result of the negligence of Fluor in its actions or inactions concerning the hauling and/or installing of the trailer occupied by Alexander and Cooper?

Yes _____ No _____

[PROCEED TO PART C, QUESTION NO. 10]

C. ALLOCATION OF FAULT/DAMAGES

[IF YOU ANSWERED EACH AND ALL OF QUESTION NOS. 5, 6, 8, and 9, "NO", DO NOT ANSWER ANY MORE QUESTIONS. PLEASE SIGN AND DATE THIS JURY VERDICT FORM, AND ADVISE THE COURT SECURITY OFFICER THAT YOU HAVE REACHED A VERDICT. OTHERWISE, PROCEED TO QUESTION NO. 10 IF YOU ANSWERED QUESTIONS NOS. 5 OR 8 "YES." IF YOU ANSWERED BOTH QUESTION NOS. 5 AND 8 "NO," PROCEED TO QUESTION 11.]

- 10. For Christopher Cooper, please allocate on a percentage basis the degree of fault, if any, which you attribute to each of the following parties and non-parties. Please be careful to enter "0" or leave blank where you have found no fault on the part of a party in your previous answers. All numerical percentages you enter in this question should add up to a total of 100%:**

Defendant Gulf Stream Coach, Inc. 0 %
(If you answered "no" to Question Nos. 1, 2, and 3; or if you answered "no" to Question No. 4, you must put a zero in this blank)

Defendant Fluor Enterprises, Inc. 0 %
(If you answered "no" to Question Nos. 7 or 8, you must put a zero in this blank)

Plaintiff Alana Alexander 0 %

United States (FEMA) 0 %

Person or Entity Other Than Defendants, FEMA, or Alexander (maintenance contractor and/or installer sub-contractors only) 0 %

100% (TOTAL)

[PROCEED TO QUESTION NO. 11 IF YOU ANSWERED QUESTIONS NOS. 6 OR 9 "YES." IF YOU ANSWERED BOTH QUESTION NOS.6 AND 9 "NO," PROCEED TO QUESTION 12 ONLY IF YOU ANSWERED QUESTION NO.

10. OTHERWISE, PLEASE SIGN AND DATE THIS JURY VERDICT FORM, AND ADVISE THE COURT SECURITY OFFICER THAT YOU HAVE REACHED A VERDICT.]

11. For Alana Alexander, please allocate on a percentage basis the degree of fault, if any, which you attribute to each of the following parties and non-parties. Please be careful to enter "0" or leave blank where you have found no fault on the part of a party in your previous answers. All numerical percentages you enter in this question should add up to a total of 100%:

**Defendant Gulf Stream Coach, Inc.
(If you answered "no" to Question Nos. 1, 2, and 3; or if you answered "no" to Question No. 4, you must put a zero in this blank)**

0 %

**Defendant Fluor Enterprises, Inc.
(If you answered "no" to Question Nos. 7 or 9, you must put a zero in this blank)**

0 %

Plaintiff Alana Alexander

0 %

United States (FEMA)

0 %

Person or Entity Other Than Defendants, FEMA, or Alexander (maintenance contractor and/or installer sub-contractors only)

0 %

100% (TOTAL)

[PROCEED TO QUESTION NO. 12]

12. What amount of damages, if any, do you find should be awarded with respect to each of the following claims:

Past, present and future physical pain and suffering of Christopher Cooper: \$ 0

Past, present and future mental anguish and emotional distress of Christopher Cooper: \$ 0

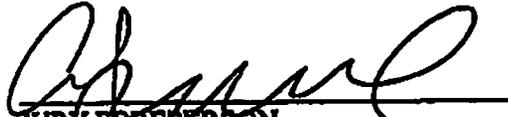
Past, present and future medical expenses (including medical monitoring) for Christopher Cooper: \$ 0

Loss or impairment of life's pleasures for Christopher Cooper: \$ 0

Past, present and future mental anguish and emotional distress of Alana Alexander: \$ 0

Loss of consortium for Alana Alexander \$ 0

Date 9/24/09



JURY FOREPERSON
CHARLES SMALLWOOD

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA
NEW ORLEANS DIVISION**

**IN RE: FEMA TRAILER
FORMALDEHYDE
PRODUCT LIABILITY LITIGATION**

MDL NO. 1873

SECTION "N-5"

**JUDGE ENGELHARDT
MAG. JUDGE CHASEZ**

**THIS DOCUMENT IS RELATED TO:
Wright v. Forest River/Shaw
Member Case No. 09-2977**

JURY VERDICT FORM

A. FOREST RIVER, INC. ("FOREST RIVER")

1. Do you find that the Forest River trailer occupied by Lyndon Wright ("Wright")
was unreasonably dangerous in its construction or composition?

Yes _____ No X

[PROCEED TO QUESTION NO. 2]

2. Do you find that the Forest River trailer occupied by Wright was unreasonably
dangerous in its design?

Yes _____ No X

[PROCEED TO QUESTION NO. 3]

3. Do you find that the Forest River trailer occupied by Wright was unreasonably dangerous because an adequate warning about the trailer was not provided?

Yes _____ No

[IF YOU ANSWERED ANY OF QUESTION NUMBERS 1, 2, or 3 "YES", PROCEED TO QUESTION NO. 4. IF YOU ANSWERED EACH AND ALL OF QUESTION NUMBERS 1, 2, AND 3 "NO", PROCEED TO PART B, QUESTION 6]

4. Do you find that any unreasonably dangerous condition of the trailer existed at the time it left Forest River's control?

Yes _____ No _____

[IF YOU ANSWERED QUESTION NUMBER 4 "YES", PROCEED TO QUESTION NO. 5. IF YOU ANSWERED QUESTION NUMBER 4 "NO", PROCEED TO PART B, QUESTION 6]

5. Do you find that Wright sustained injury to which Forest River substantially contributed, as a result of any unreasonably dangerous condition of the trailer?

Yes _____ No _____

[PROCEED TO PART B, QUESTION NO. 6]

B. SHAW ENVIRONMENTAL, INC. ("SHAW")

6. Do you find that Shaw was negligent in regard to its actions or inactions concerning the hauling and/or installing of the trailer occupied by Wright?

Yes _____ No

[IF YOU ANSWERED QUESTION NO. 6 "YES", PROCEED TO QUESTION NO. 7. IF YOU ANSWERED "NO" TO QUESTION NO. 6, BUT "YES" TO ANY OF QUESTION NOS. 1, 2, OR 3, AND "YES" TO QUESTION NO. 5, PROCEED DIRECTLY TO QUESTION NO. 8, WITHOUT REGARD TO THE

PARENTHETICAL INSTRUCTIONS BETWEEN PART C AND QUESTION NO. 8. IF YOU ANSWERED "NO" TO EACH AND ALL OF QUESTION NOS. 1-3 AND 6, PLEASE SIGN AND DATE THIS JURY VERDICT FORM, AND ADVISE THE COURT SECURITY OFFICER THAT YOU HAVE REACHED A VERDICT.]

- 7. Do you find that Wright sustained injury to which Shaw substantially contributed, as a result of the negligence of Shaw in its actions or inactions concerning the hauling and/or installing of the trailer occupied by Wright?**

Yes_____ No_____

[PROCEED TO PART C BELOW]

C. ALLOCATION OF FAULT/DAMAGES

[IF YOU ANSWERED BOTH QUESTION NOS. 5 and 7, "NO", DO NOT ANSWER ANY MORE QUESTIONS. PLEASE SIGN AND DATE THIS JURY VERDICT FORM, AND ADVISE THE COURT SECURITY OFFICER THAT YOU HAVE REACHED A VERDICT. OTHERWISE, PROCEED TO QUESTION NO. 8]

- 8. Please allocate on a percentage basis the degree of fault, if any, which you attribute to each of the following parties and non-parties. Please be careful to enter "0" or leave blank where you have found no fault on the part of a party in your previous answers. All numerical percentages you enter in this question should add up to a total of 100%:**

Defendant Forest River, Inc. _____%
(If you answered "no" to all of Question Nos. 1, 2, and 3; or if you answered "no" to Question Nos. 4 or 5, you must put a zero in this blank)

Defendant Shaw Environmental, Inc. _____%
(If you answered "no" to Question Nos.

6 or 7, you must put a zero in this blank)

Plaintiff Lyndon Wright _____%

United States (FEMA) _____%

Person or Entity Other Than Defendants,
FEMA, or Wright (maintenance and
deactivation contractors or MDCs) _____%
100% (TOTAL)

[PROCEED TO QUESTION NO. 9]

9. What amount of damages, if any, do you find should be awarded with respect to each of the following claims:

Past, present and future physical pain and suffering
of Lyndon Wright: \$ _____

Past, present and future mental anguish and emotional
distress of Lyndon Wright: \$ _____

Future medical expenses for Lyndon Wright: \$ _____

Loss or impairment of life's pleasures
for Lyndon Wright: \$ _____

Date 3/29/2010


JURY FOREPERSON

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

SECTION "N-5"

**JUDGE ENGELHARDT
MAG. JUDGE CHASEZ**

**THIS DOCUMENT IS RELATED TO:
Castanel v. Recreation By Design, LLC
Member Case No. 09-3251**

JURY VERDICT FORM

A. LIABILITY

1. Do you find that the RBD trailer occupied by Castanel was unreasonably dangerous in its design?
Yes _____ No X

[PROCEED TO QUESTION NO. 2]

2. Do you find that the RBD trailer occupied by Castanel was unreasonably

dangerous because an adequate warning about the trailer was not provided?

Yes _____ No

[IF YOU ANSWERED EITHER OF QUESTION NUMBERS 1 OR 2 "YES", PROCEED TO QUESTION NO. 3. IF YOU ANSWERED BOTH OF QUESTION NUMBERS 1 AND 2 "NO", PLEASE SIGN AND DATE THIS JURY VERDICT FORM, AND ADVISE THE COURT SECURITY OFFICER THAT YOU HAVE REACHED A VERDICT.]

3. Do you find that any unreasonably dangerous condition of the trailer existed at the time it left RBD's control?

Yes _____ No _____

[IF YOU ANSWERED QUESTION NUMBER 3 "YES", PROCEED TO PART B, QUESTION NO. 4. IF YOU ANSWERED QUESTION NUMBER 3 "NO", PLEASE SIGN AND DATE THIS JURY VERDICT FORM, AND ADVISE THE COURT SECURITY OFFICER THAT YOU HAVE REACHED A VERDICT.]

B. DAMAGES

4. Do you find that Castanel sustained injury to which RBD substantially contributed, as a result of any unreasonably dangerous condition of the trailer?

Yes _____ No _____

[IF YOU ANSWERED QUESTION NUMBER 4 "YES", PROCEED TO PART C, QUESTION NO. 5. IF YOU ANSWERED QUESTION NUMBER 4 "NO", PLEASE SIGN AND DATE THIS JURY VERDICT FORM, AND ADVISE THE COURT SECURITY OFFICER THAT YOU HAVE REACHED A VERDICT.]

C. ALLOCATION OF FAULT/DAMAGES

5. Please allocate on a percentage basis the degree of fault, if any, which you attribute to each of the following parties and non-parties. All numerical percentages you enter in this question should add up to a total of 100%:

Defendant Recreation By Design, LLC	_____ %
Plaintiff Earline Castanel	_____ %
Shaw Environmental, Inc.	_____ %
United States (FEMA)	_____ %
	100% (TOTAL)

[PROCEED TO QUESTION NO. 6]

6. What amount of damages, if any, do you find should be awarded with respect to each of the following claims:

Past, present and future physical pain and suffering of Earline Castanel:	\$ _____
Past, present and future mental anguish and emotional distress of Earline Castanel:	\$ _____
Past medical expenses for Earline Castanel	\$ _____
Loss or impairment of life's pleasures for Earline Castanel:	\$ _____

[PLEASE SIGN AND DATE THIS JURY VERDICT FORM, AND ADVISE THE COURT SECURITY OFFICER THAT YOU HAVE REACHED A VERDICT.]

Date 5/24/10

Maureen Catalano
JURY FOREPERSON

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA

IN RE: FEMA TRAILER
FORMALDEHYDE
PRODUCT LIABILITY LITIGATION

MDL NO. 1873

SECTION "N-5"

JUDGE ENGELHARDT
MAG. JUDGE CHASEZ

THIS DOCUMENT IS RELATED TO ALL CASES

DECLARATION OF GERALD MEUNIER

COMES NOW Gerald Meunier, being of sound mind and lawful age, and subject to the penalties for perjury deposes and states as follows:

1. My name is Gerald Meunier. I am a member of the Plaintiffs' Steering Committee ("PSC"), and am Plaintiffs' Co-Liaison Counsel, as appointed by the Court, in this case. I have personal knowledge of the matters declared herein.

Qualifications and Experience as Class Counsel

2. I have been involved in the following mass tort /class actions in varying roles (as indicated) and I have extensive experience in the resolution of class action matters that have proven beneficial to class members:

- I. Court-appointed member of Plaintiffs' Steering Committee in *In Re: Chinese-Manufactured Drywall Products Liability Litigation*, MDL No. 2047, U.S. District Court, E.D. La [multi-district litigation against numerous manufacturers, distributors, etc. based on damage and injury from defective drywall made in China].
- II. Plaintiffs' common benefit counsel working with Court-appointed Committee in *In Re: Oil Spill by the Oil Rig "Deepwater Horizon" in the Gulf of Mexico, on April 20, 2010*, MDL No. 10-2179, U.S. District Court, E.D. La [multi-district litigation against BP entities, etc. following explosion and oil spill in the Gulf of Mexico].

- III. Court-appointed Plaintiffs' Liaison Counsel for Levee cases and Court-appointed member of the Levee PSLC in *In Re: Katrina Canal Breaches*, No. 05-4181, U.S. District Court, E.D. La.; Court-appointed Plaintiffs' Liaison Counsel in the levee breach cases only [consolidated litigation arising out of flooding from Hurricane Katrina].
- IV. Court-appointed member of Plaintiffs' Steering Committee in *In Re: Vioxx, Products Liability Litigation*, MDL No. 1657, U.S. District Court, E.D. La. [multi-district litigation against Merck, the manufacturer of Vioxx; settlement].
- V. Court-appointed member of Plaintiffs' Steering Committee in *Patrick Joseph Turner, et al v. Murphy Oil USA, Inc.*, U.S. District Court, E.D. La. [litigation against Murphy Oil as a result of an oil spill that occurred during Hurricane Katrina; settlement].
- VI. Court-appointed liaison counsel in federal court, and co-lead counsel of Plaintiffs' Legal Committee in *In Re: Chemical Release at Bogalusa*, 22nd Judicial District Court (Parish of Washington) [class action; explosion of tank car and chemical release in Bogalusa, Louisiana; verdict for plaintiffs in common issues trial, 2003; settlement].
- VII. Court-appointed class counsel in *Susan Blades, et al vs. Illinois Central Railroad Company d/b/a Canadian National Railroad/Illinois Central Railroad*, U.S. District Court, E.D. La. [class action; train derailment; settlement].
- VIII. Lead counsel for plaintiffs in mass tort case of *In Re: St. Louis Encephalitis Outbreak in Ouachita Parish*, 4th Judicial District Court (Monroe, Louisiana) [case for victims of St. Louis encephalitis outbreak, Ouachita Parish; settlement].
- IX. Court-appointed co-liaison counsel in *In Re: Industrial Life Insurance Litigation*, U. S. District Court, E. D. La. [national class action/mass joinder against various life insurance companies for racially discriminatory practices in charging premiums].
- X. Court-appointed Special Master in *Custom Bus Litigation*, U.S. District Court, E.D. La. [mass tort; multiple deaths and injuries from crash of Casino bus; settlement].
- XI. Court-appointed Special Master in *In Re: Chippewa Street Spill*, 19th Judicial District Court (Parish of East Baton Rouge) [class action; chemical spill; settlement].
- XII. Member of Claimants' Committee in *In re: Complaint of Clearsky Shipping Corp., as Owner, and Cosco (H.K.) Shipping Company Limited, as Owner of the M/V BRIGHT FIELD, for Exoneration from or Limitation of Liability*, United States District Court, E.D. La., C.A. #96-4099, [case involving collision between the vessel BRIGHT FIELD and Poydras Street wharf/New Orleans Riverwalk; settlement].
- XIII. Court-appointed class counsel in *Lailhengue v. Mobil Oil*, 34th Judicial District Court (Parish of St. Bernard) [class action; refinery explosion case; settlement].

- XIV. Court-appointed class counsel in *Andry v. Murphy Oil*, 34th Judicial District Court (Parish of St. Bernard) [class action; refinery explosion case; settlement].
- XV. Court-appointed class counsel in *Kaiser Plant Explosion at Kaiser*, 23rd Judicial District Court (Parish of St. James) [class action; plant explosion; settlement].

Relevant and Significant Factors in Settlement of Claims

3. Substantial testing of EHUs, discovery, document production, motion practice and bellwether trials now have been completed in this Multi-District Litigation [MDL]. The Parties have conducted over 100 depositions. Defendants have produced over 40,000 thousand pages of documents. The Parties have engaged in extensive motion practice addressing common issues. The PSC firms also have conducted several bellwether jury trials, all of which have resulted in defense verdicts. As such, the PSC is in a reasonable position to assess the factual and legal merits and weakness of the Plaintiffs' claims and Defendants' defenses.

4. The Court appointed a mediator, John Perry, to assist with a possible resolution of this case against contractor defendants. The Court's Special Master, Dan Balhoff, also has assisted in the mediation of settlement discussions. One or more members of the PSC, myself included, have met with these mediators and opposing counsel on numerous occasions. The settlement negotiations with counsel for these defendants have been at arms' length, adversarial, and characterized by the vigorous presentation of opposing positions in the litigation.

5. Plaintiffs are faced with burden of proof issues with respect to medical causation in these toxic exposure cases. The required proof that a demonstrated level of formaldehyde caused injury ordinarily entails the cost of expert testimony. Virtually all travel trailers at issue have been reclaimed by FEMA and no longer are available for testing. In addition, a number of Plaintiffs were smokers, or had pre-existing medical issues that potentially contributed to their alleged injuries, independent of formaldehyde exposure. The types of injuries that have been

alleged by plaintiffs in this MDL range from transient or temporary ailments such as minor eye, throat and skin irritation to more serious ailments such as the exacerbation or onset of asthma (or other severe respiratory ailments) and severe dermatitis. Risk and fear of cancer claims, as well as claims of cancer, also are alleged. The range of possible recovery for any individual would depend upon the health effects experienced, the individual sensitivity of a Plaintiff to formaldehyde, the length of exposure to formaldehyde and the level of exposure, and the ability of one or more qualified experts to satisfy the requirement of medical causation.

6. Given this Court's denial of a litigated class action in these proceedings, each plaintiff will need to try his or her case separately as an alternative to settlement. Each trial likely will last more than a few days, and involve hundreds of hours of preparation by the parties. Plaintiffs have been taxed with Defendants' costs in certain bellwether trials in which the defendant(s) prevailed. Moreover, with each bellwether trial, an appellate phase is virtually inevitable because of the importance of the final disposition of common, triable issues. There is currently one appeal pending from previous bellwether trial verdicts. The Plaintiffs are appealing as to *Batson* issues and jury instructions in the *Alana Alexander, et al vs. Gulf Stream Coach, et al* bellwether trial.

7. As a result of the extensive litigation now completed or in progress, including motion practice, discovery and bellwether trials, the PSC and all plaintiffs' counsel have become aware of: (a) the merits of the complaints or the lack thereof; (b) the relative strengths and weaknesses of the Plaintiffs' claims, including the issues of manufacturer liability and damages; (c) the time, expense and effort necessary to maintain and conclude the Actions and the Pending Actions; (d) the possibilities of success weighed against the possibilities of loss; (e) the range of potential judgment values, if any should be awarded; (f) the legal complexities of the contested

issues in the Action and the Pending Actions; (h) the risks inherent in protracted litigation; (i) the magnitude of benefits to be gained from an immediate settlement, in light of both the maximum potential of a favorable outcome and the attendant expense and likelihood of an unfavorable outcome; (j) the strong possibility of no recovery by any potential Class Members whatsoever in light of the past results of the bellwether trials; and (k) the fairness of benefits to or from an immediate settlement under all of the foregoing considerations. The PSC has evaluated these considerations fully and fairly, for the benefit of all plaintiffs.

8. In light of the foregoing, the PSC believes that the establishment of the proposed Settlement Fund, and the management thereof under the supervision of the Court, more likely will result in the greatest benefit to the potential Class Members in the Action and the Pending Actions, as compared to the prosecution of the pending claims and continued litigation activity in the trial court.

9. Because of the relatively modest size of the prospective settlement fund, the benefit to each participant may vary only slightly, subject to the analysis and recommendations of the Special Master. Each claimant will be asked to provide certain information that will establish eligibility for settlement benefits as a class member.

Affiant's Conclusion and Opinion as to Proposed Settlement

10. Comparing the benefits of the proposed settlement to Class Members with the less certain range of possible recoveries and significant litigation risks, it is my conclusion and opinion that the proposed settlement is fair, adequate and reasonable for the Class and the Class Members.

11. It additionally is my conclusion and opinion that, given the dispersion of class members following Hurricane Katrina and their temporary occupancy in FEMA EHUs, the best

and most practicable written notice to class members known to be represented by counsel would be written notification to their counsel on their behalf.

This done the 25th day of May, 2012, New Orleans, Louisiana.



GERALD E. MEUNIER

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

**IN RE: FEMA TRAILER
FORMALDEHYDE
PRODUCT LIABILITY LITIGATION**

MDL NO. 1873

SECTION "N-5"

**JUDGE ENGELHARDT
MAG. JUDGE CHASEZ**

THIS DOCUMENT IS RELATED TO ALL CASES

DECLARATION OF DANIEL J. BALHOFF

COMES NOW Daniel J. Balhoff, being of sound mind and lawful age, and subject to the penalties for perjury deposes and states as follows:

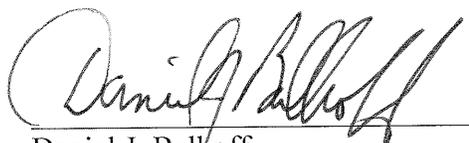
1. My name is Daniel J. Balhoff. I am one of two Court-Appointed Mediators in the above-captioned case. I have personal knowledge of the matters declared herein.
2. I and my partner, John Perry, Jr., were appointed by the Court to assist the parties in exploring the potential for a global settlement among the defendants who installed, maintained, or refurbished the travel trailers (the "Defendants") at issue in this case and the plaintiffs who have sued those Defendants (the "Plaintiffs"). John Perry and I were involved in all stages of the settlement negotiations. John Perry met privately and jointly, with counsel for the plaintiffs and the defendants in New Orleans, Louisiana. There were multiple meetings with counsel and client representatives present. There were also a number of conference calls with mediation participants (Plaintiffs and Defendants) for the purpose of discussing various aspects of settlement. The parties reached settlements with each of the Defendants during the spring of 2012. Settlement negotiations were

conducted at arms-length. Counsel for both sides vigorously represented their clients' interests during the negotiations.

3. Based on my review of the facts, evidence and history, the settlement reached between Plaintiffs and Defendants is fair, adequate and reasonable, particularly in light of the following:

- a. The Court denied Plaintiffs' motion for a litigated class action on December 29, 2008, citing, amongst other reasons, the variations in state laws in issue, the various possible causes of Plaintiffs' injuries, and the different manufacturers and products involved in this case. This ruling required each Plaintiff's case to be determined individually, thus increasing the complexity, expense and likely duration of the litigation. This litigated class certification denial weighs heavily in favor of the negotiated settlement, as these cases involve complex scientific proof, which is expensive for both sides and involves substantial time and resources.
- b. The Plaintiffs are faced with significant burden of proof issues with respect to causation. For example, for each Plaintiffs' case the Plaintiff must fund individual destructive testing of the manufactured home to prove the sources and levels of formaldehyde. For many Plaintiffs, the manufactured home no longer exists or can no longer be located. Further, many individual Plaintiffs faced causation problems due to the fact that they were smokers or had independent bases separate from formaldehyde exposure for their health issues.
- c. The Parties have already tried three bellwether trials, all of which have resulted in defense verdicts.

Dated: 5/29/12


Daniel J. Balhoff

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA

IN RE: FEMA TRAILER
FORMALDEHYDE PRODUCTS
LIABILITY LITIGATION

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MDL NO. 07-1873
SECTION N(5)
JUDGE ENGELHARDT
MAGISTRATE CHASEZ

**THIS DOCUMENT RELATES TO:
ALL CASES**

STATE OF LOUISIANA

PARISH OF ORLEANS

AFFIDAVIT

Before, me, the undersigned notary public came:

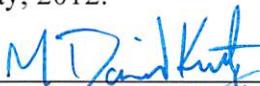
M. David Kurtz

who, after being duly sworn, did say:

1. My name is M. David Kurtz. I am a shareholder with the law firm of Baker Donelson Bearman Caldwell & Berkowitz, P.C.
2. I was appointed as Liaison Counsel for the Contractor Defendants in the MDL proceeding referenced above. The matters in this affidavit are based on my personal knowledge.

3. In this litigation, issues of both fact and law are strenuously contested as between the plaintiffs, on the one hand, and the defendants generally, on the other hand. Defendants would likely seek JNOV and/or appeal and/or otherwise vigorously oppose by all appropriate means any adverse verdict that might be obtained by any plaintiff in any matter now or formerly before this Court in the captioned MDL proceeding.

New Orleans, Louisiana, this 25th day of May, 2012.



M. DAVID KURTZ

Sworn and Subscribed before me,
This 25th day of May, 2012.



NOTARY PUBLIC
STEVEN F. GRIFFITH, JR.
NOTARY PUBLIC
Parish of Orleans, State of Louisiana
LSBA 37232
My Commission is issued for Life.

UNITED STATES DISTRICT COURT

EASTERN DISTRICT OF LOUISIANA

IN RE: FEMA TRAILER	)	MDL NO. 2:07-MD-1873
FORMALDEHYDE PRODUCT)	
LIABILITY LITIGATION	)	SECTION "N" (5)
)	
THIS DOCUMENT IS RELATED TO:	)	JUDGE ENGELHARDT
)	
<i>ALL CASES</i>	)	MAGISTRATE JUDGE CHASEZ

PRELIMINARY APPROVAL ORDER

Except as otherwise expressly provided below or as the context otherwise requires, all capitalized terms used in this Preliminary Approval Order shall have the meanings and/or definitions given them in the Settlement Agreement entered into by or on behalf of the PSC, the Class, and the Settling Defendants. The original of the Settlement Agreement is filed in the record of these proceedings.

Upon consideration of (i) the Joint Motion for Preliminary Approval of Proposed Class Settlement, filed by the Class, as represented by the PSC, and the Settlers, seeking certification of the Class as a temporary class for settlement purposes only and preliminary approval of the proposed settlement of the Action and all Pending Actions, (ii) the Settlement Agreement and all exhibits thereto, (iii) the memoranda and evidence submitted to the Court by the Parties in support of this motion, (iv) the record of this Action and the Pending Actions, (v) the representations, argument, and recommendation of counsel for the Parties, and (vi) the requirements of law, including, without limitation, Rule 23 of the Federal Rules of Civil Procedure, the Court finds, upon preliminary review, that (1) this Court has jurisdiction over the

subject matter and all Parties to this proceeding; (2) the requirements of Rule 23 of the Federal Rules of Civil Procedure for the certification of the proposed Class may be met so as to allow the Court to preliminarily certify the Class and hold a certification hearing on the date of the Fairness Hearing; (3) the proposed settlement is the result of arms-length negotiations between the Parties; (4) the proposed settlement is not the result of collusion; (5) the proposed settlement bears a probable, reasonable relationship to the claims alleged by the Plaintiffs and the litigation risks of the Settlers; and (6) the proposed settlement is within the range of possible judicial approval.

Further, at this juncture, the Court is exercising its discretion in temporarily certifying the Class for settlement purposes only and has not determined whether the Action could properly be maintained on behalf of a class for purposes of trial. The Court recognizes that the Released Parties have preserved all of their defenses and objections against and rights to oppose certification of the Class if the proposed settlement is not finally approved by the Court following the Fairness Hearing. Accordingly:

IT IS HEREBY ORDERED, ADJUDGED AND DECREED that:

(1) **Jurisdiction.** The Court has jurisdiction over the subject matter and Parties to this proceeding.

(2) **Venue.** Venue is proper in this district.

(3) **Class Definition.** The following Class is temporarily certified for settlement purposes only pursuant to the Settlement Agreement and Rule 23(b)(3) of the Federal Rules of Civil Procedure:

- (a) All individuals who claim Damages and who are named as Plaintiffs in any and all of the Pending Actions as of the time this class settlement is submitted for Court approval at a Fairness Hearing; and
- (b) All individuals not included in subparagraph (a), who claim to have:
 - (i) been exposed to formaldehyde in an EHU that (1) was installed, maintained or refurbished by any Contractor; and (2) was provided by FEMA to persons displaced by Hurricanes Katrina and/or Rita; and
 - (ii) suffered or experienced, as of the date of the final Court approval of this class settlement, any discomfort, illness, sickness (medical, psychological or psychiatric), symptom, complaint, disability, or loss of any kind as a result of such exposure.

(4) **The Special Master.** The Court approves the nomination of Daniel Balhoff with Perry, Dampf, et al., as Special Master, pursuant to Rule 53 of the Federal Rules of Civil Procedure, to assist the Court, in cooperation and coordination with the PSC, for the following purposes: to: (i) review and evaluate Claims of Class Members in accordance with the criteria set forth in the Settlement Agreement (ii) establish a Class Benefit Formula to be approved by the Court and make proposed allocations for Class Members in connection therewith; (iii) deny Claims based on untimely or invalid submission of Claim Forms as set forth in the Settlement Agreement; (iv) seek the Court's assistance, in the Special Master's discretion, in obtaining any information necessary to properly evaluate a Claim Form; (v) submit to the Court a report on the allocations in (ii), along with recommendations for the Court's consideration in proceeding with the allocation and distribution process; (vi) engage such staff, deputies and experts as reasonably necessary and to conduct such hearings as may be necessary and appropriate to carry out this assignment; (vii) make payments from the Total Settlement Fund to Entitled Class Members; and (viii) conduct any other activities set forth in the Settlement Agreement for the Special Master; and (ix) such other acts and functions as may be necessary or appropriate to fulfill the duties and responsibilities as set forth herein, to assist the Court in further settlement negotiations, or as the

Court may direct. The fees of the Special Master shall be paid according to Section (III)(A) of the Settlement Agreement.

(5) **Named Plaintiffs.** The nomination by the PSC of the persons listed on Exhibit F to the Settlement Agreement to serve as representatives for the Class is hereby approved.

(6) **Designation of PSC as Class Counsel.** The PSC, consisting of the following counsel, is hereby designated as counsel for the Class:

Gerald E. Meunier
Justin I. Woods
Gainsburgh, Benjamin, David, Meunier & Warshauer, LLC
2800 Energy Centre
1100 Poydras Street
New Orleans, LA 70163

Anthony G. Buzbee
Buzee Law Firm
600 Travis, Suite 7300
Houston, Texas 77002

Robert M. Becnel
Law Offices of Robert M. Becnel
425 W. Airline Highway, Suite B
Laplace, Louisiana 70068

Raul R. Bencomo
Bencomo & Associates
639 Loyola Avenue
New Orleans, Louisiana 70113

Frank J. D'Amico, Jr.
Law Offices of Frank D'Amico
622 Baronne Street
New Orleans, Louisiana 70113

Matthew B. Moreland
Becnel Law Firm, LLC
106 W. Seventh Street
Reserve, Louisiana 70084

Dennis C. Reich
Reich & Binstock
4265 San Felipe, Suite 1000

Houston, Texas 77027

Mikal C. Watts
Watts, Guerra & Craft
Bank of America Plaza, Suite 100
300 Convent Street
San Antonio, Texas 78205

Robert C. Hilliard
Hilliard Munoz Guerra, L.L.P.
719 S. Shoreline Boulevard
Suite 500
Corpus Christi, Texas 78401

(7) **Class Findings.** For the purpose of the settlement of the Action and Pending Actions (and only for such purpose, and without an adjudication of the merits), after conducting a rigorous analysis of the requirements set forth in Fed. R.Civ. P. 23(b)(3) and taking into consideration factors including, but not limited to: (i) the opinions of the participants, including the PSC and Settlers' Counsel; (ii) the complexity, expense and likely duration of further litigation; (iii) the extent of discovery completed and the state of the proceedings; and (iv) the absence of any evidence that the proposed settlement is the product of fraud or collusion, the Court preliminarily finds that the requirements of the Federal Rules of Civil Procedure, the United States Constitution, and any other applicable law have been met in that:

- (a) The Class is sufficiently ascertainable from the PSC's records and other objective criteria, and the Class Members are so numerous that their joinder before the Court would be impracticable.
- (b) The commonality requirement of Fed. R.Civ. P. 23(b)(3) generally is satisfied when members of the proposed Class share at least one common factual or legal issue. Here, Plaintiffs alleged numerous questions of fact and law purportedly

common to the Class, including product liability claims and claims based on an alleged failure to warn of the dangers of long-term occupancy of travel trailers and injury claims as a result of formaldehyde exposure, all allegedly arising from the EHU installation, maintenance or refurbishment work done by Contractors. Considering the allegations of the Complaint, the Court preliminarily finds that the allegedly common questions of fact and law predominate over questions of fact and law affecting only individual members of the Class.

- (c) The Court preliminarily finds that the claims of the representative Plaintiffs are typical of the claims of the Class, and that the representative Plaintiffs and the PSC will fairly and adequately protect the interests of the Class, in that: (i) the interests of the named Plaintiffs and the nature of their alleged claims are consistent with those of the Class Members, (ii) there appear to be no conflicts between or among the named Plaintiffs and the Class Members, (iii) the named Plaintiffs have been and appear to be capable of continuing to be active participants in both the prosecution and the settlement of the Action, and (iv) the named Plaintiffs and the Class Members are represented by qualified, reputable counsel who are experienced in preparing and prosecuting large, complicated class actions, particularly those mass-tort type cases involving personal injury claims alleged in the Complaint.
- (d) The Court preliminarily finds that a resolution of the Action in the manner proposed by the Settlement Agreement is superior or equal to other available methods for a fair and efficient adjudication of the Action. The Court notes that as of this date, Plaintiffs and various defendants in the MDL have conducted three

bellwether jury trials to verdict, all of which have resulted in defense verdicts and have awarded no money or benefits to the bellwether plaintiffs. The Court also notes that, because the Action is being settled, rather than litigated, the Court need not consider manageability issues that might be presented by the trial of a nationwide class action involving the issues in this case. *See Amchem Prods., Inc. v. Windsor*, 117 S. Ct. 2231, 2248 (1997).

In making these preliminary findings, the Court has considered, among other factors, (i) the interest of Class Members in individually controlling the prosecution or defense of separate actions; (ii) the impracticability or inefficiency of prosecuting or defending separate actions; (iii) the extent and nature of any litigation concerning these claims already commenced; and (iv) the desirability of concentrating the litigation of the claims in a particular forum.

(8) **Preliminary Approval of Settlement.** The Settlement Agreement and the settlement set forth therein, and all exhibits attached thereto or to the Joint Motion, are preliminarily approved by the Court as being fair, reasonable and adequate, entered into in good faith, free of collusion to the detriment of the Class, and within the range of possible judicial approval, such that the terms and conditions thereof shall be considered by the Class. The Court thus preliminarily certifies the Class for settlement purposes under Fed. R.Civ. P. 23(b)(3). The Court finds that (i) the proposed settlement resulted from extensive arm's-length negotiations and was concluded only after the PSC conducted broad discovery in this MDL and tried three bellwether jury trials all of which ended in defense verdicts; and (ii) the proposed settlement evidenced by the Settlement Agreement is sufficiently fair, reasonable and adequate to warrant sending notice of the Action and the proposed settlement to the Class Members and holding a full hearing on the proposed settlement.

(9) **Notice to the Class.** The form and content of both the written notice to Class Members (the Class Notice Package) and the Publication Notice to Class Members are hereby approved. Such notices are fair and reasonable, and shall be disseminated to putative Class Members as due process and Rule 23 of the Federal Rules of Civil Procedure require in accordance with the Settlement Notice Plan. The cost of the Settlement Notice Plan (mailing the Class Notice Packages and the Publication Notice) shall be paid in accordance with Section (V.D) of the Settlement Agreement.

The Court finds that the Settlement Notice Plan and both the Class Notice Package and the Publication Notice to Class Members meet the requirements of Rule 23 of the Federal Rules of Civil Procedure and due process, constitute the best notice practicable under the circumstances, and shall constitute due and sufficient notice to all potential members of the Class. Such notices are reasonably calculated, under the circumstance, to apprise the Class Members: (a) of the pendency of this Action and the Pending Actions, (b) of their right to exclude themselves from the Class and the proposed Settlement, (c) that any judgment, whether favorable or not, will bind all Class Members who do not request exclusion, and (d) that any Class Member who does not request exclusion may object to the settlement and, if he or she desires, enter an appearance personally or through counsel. The Court further finds that the notices attached to the Settlement Notice Plan are written in plain English and are readily understandable by Class Members. In sum, the Court finds that the proposed notice texts and methodology are reasonable, that they constitute due, adequate and sufficient notice to all persons entitled to be provided with notice, and that they meet the requirements of federal law (including Fed. R.Civ. P. 23) and the United States Constitution, and any other applicable law.

The Court further finds that best notice practicable, for those Class Members known by the PSC to be represented by attorneys, shall be written notice to those Class Members' attorneys, rather than written notice to the Class Members themselves. The Class Members' attorneys are their agents, and such notice to their attorneys meets the requirements of federal law (including Fed. R. Civ. P. 23) and the United States Constitution, and any other applicable law.

No later than July 3, 2012, the PSC shall begin Publication Notice, both in newspapers and over the radio, as set forth in the Settlement Notice Plan. Publication Notice shall be completed by July 17, 2012. No later than July 3, 2012, the PSC shall mail the Class Notice Package to all persons on the List of Potential Class Members, or if such person is known by the PSC to be represented by an attorney, to the attorney for that Class Member. No later than July 24, 2012, the PSC shall file an affidavit with the Court attesting to the completion of Publication Notice and the completion of mailing the Class Notice Package to all persons or their attorneys on the List of Potential Class Members, as set forth herein.

(10) **Fairness Hearing.** A hearing to determine: (1) whether the Class should be finally certified as a class under Rules 23(b)(3) of the Federal Rules of Civil Procedure; and (2) whether the proposed Class Settlement is fair, reasonable and adequate, shall be conducted in Room C-351, United States Courthouse, United States District Court for the Eastern District of Louisiana, 500 Poydras Street, New Orleans, Louisiana, commencing on the 27th day of September, 2012.

(11) **Claims Process.** Any Class Member who wishes to receive Class Relief must sign and return a valid and timely Claim Form in compliance with the Claims Process set forth in the Settlement Agreement, postmarked no later than October 12, 2012. Any Class Member who

does not submit a valid and timely Claim Form in compliance with that Claims Process shall not be entitled to Class Relief, but nonetheless shall be barred by the Release and provisions of the Settlement Agreement and the Final Order and Judgment. As set forth in Section VI(F) of the Settlement Agreement, for any Plaintiff who previously produced a Plaintiff's Fact Sheet in this case, that Plaintiff's Fact Sheet will be accepted as that Plaintiff's Claim Form, provided that (1) such Plaintiff's Fact Sheet includes his or her full name, address, gender, date of birth, social security number, manufacturer, installation/maintenance/refurbishment contractor (if known) and dates of exposure, or provided that such information is given to the Special Master within thirty (30) days after the Claim Form Deadline, and (2) such Plaintiff provides the Special Master with proof that he or she was exposed to formaldehyde in an EHU installed, maintained, or refurbished by a Settlor within ninety (90) days after the Claim Form Deadline.

(12) **Class Member Objections to Settlement.** Any Class Member who does not file a timely request for exclusion from the Class may file an objection to the Settlement. Any Class Member who objects to any of the terms of the proposed settlements must mail to the Clerk of Court a concise written statement describing the specific reason(s) for his or her objections. The concise written statement of objections must be mailed, via United States mail, postage prepaid, to the following address:

Clerk of Court
United States District Court for the Eastern District of Louisiana
New Orleans Division
Hale Boggs Federal Building
United States Courthouse
500 Poydras Street, Rm. C-151
New Orleans, LA 70130
Attention: *"In Re: Fema Trailer Formaldehyde Product Liability Litigation,"*
MDL No. 2:07-MD-1873

The Class Member must also mail a copy of the objection to the following counsel:

David Kurtz
Baker Donelson
201 St. Charles Ave., Suite 3600
New Orleans, LA 70170

-and-

Gerald E. Meunier
Justin I. Woods
Gainsburgh, Benjamin, David, Meunier & Warshauer, LLC
2800 Energy Centre
1100 Poydras Street
New Orleans, LA 70163

The objection must be received by the Clerk of Court and the attorneys listed above no later than midnight of August 31, 2012. The concise written statement of objections must include: (i) the name, address, and telephone number of the Class Member, (ii) a statement of each objection being made, (iii) a detailed description of the legal authorities underlying each such objection, (iv) a statement of whether the objector intends to appear at the Fairness Hearing, (v) a list of witnesses whom the objector may call by live testimony, oral deposition testimony or affidavit during the Fairness Hearing, (vi) a description of the testimony to be offered, and (vii) a list of the exhibits which the objector may offer during the Fairness Hearing, along with copies of those exhibits.

The Special Master must be notified by the PSC or Settlers' Counsel within two (2) days of any objection properly mailed. The Special Master shall respond in writing to any timely filed written objection and shall schedule a hearing on the record whereby the objector and any counsel retained by the objector may present additional evidence in support of his or her objections. Any person filing the objection must appear in person at the hearing with and scheduled by the Special Master prior to the Fairness Hearing, at the date, time, and place set by the Special Master, and then, if the objection is not resolved, the objector must appear in person at the Fairness Hearing. Any objections which are not resolved in the hearing or hearings before

the Special Master will be considered by the Court at the time of the Fairness Hearing. The objector may hire his or her individual counsel, hired at the objector's expense, to appear with the objector at the Special Master's hearing and/or the Fairness Hearing.

No person shall be heard and no paper or brief submitted by any objector shall be received or considered by the Court unless such person has filed with the Clerk of Court and timely mailed to Gerald Meunier and David Kurtz, as provided above, the concise written statement of objections as described above, together with copies of any supporting materials, papers or briefs. If a witness is not identified in the concise written statement of objections, such witness shall not be permitted to object or appear at the Fairness Hearing. Any Class Member who does not file a written objection in the time and manner described above, or who fails to follow the instructions set forth in any written communication from the Special Master (including failure to appear for the Special Master hearing), shall be (i) deemed to have waived and forfeited any objections to the proposed settlements, (ii) foreclosed from raising any objection to the proposed settlements at the Fairness Hearing, and (iii) bound by all of the terms of the Settlement Agreement and by all proceedings, orders and judgments by the Court.

The Court, within its discretion and at the request of the PSC or Settlor's Counsel, may order the deposition prior to the Fairness Hearing of any Class Member (and any witness identified in the written objection) who has not filed a timely written request for exclusion and objects to the fairness, reasonableness or adequacy of this Agreement or the proposed settlement. If the objecting Class Member fails to appear for any such deposition order by the Court, the objection will not be considered by the Court. Any Class Member who fails to comply with the orders of the Court or provisions of this Section shall waive and forfeit any and all rights he or

she may have to appear separately and/or object, and shall be bound by all the terms of this Agreement and by all proceedings, orders and judgments in this Action.

If a Class Member hires an attorney to represent him or her at the Special Master hearing or at the Fairness Hearing, the attorney must (i) file a notice of appearance with the Clerk of Court; (ii) deliver a copy of that notice to Gerald Meunier and David Kurtz at the addresses set forth in section (19) herein; and (iii) otherwise comply with any order of the Court regarding depositions of objecting Class Members. The Court, Gerald Meunier and David Kurtz must receive such notices of appearance by August 31, 2012, or the attorney shall be barred from appearing at the Fairness Hearing.

Any Class Member who files and serves a timely, written objection pursuant to the terms herein and complies with the requirements of this paragraph may also appear at the Fairness Hearing either in person or through counsel retained at the Class Member's expense. Class Members or their attorneys intending to appear at the Fairness Hearing must deliver to Gerald Meunier and David Kurtz and file with the Court, at the addresses specified above, a notice of intention to appear, setting forth the case number and the name, address and telephone number of the Class Member (and, if applicable, the name of the Class Members' attorney). Notices of intention to appear must be received by the Clerk of Court, Gerald Meunier and David Kurtz by August 31, 2012. Any Class Member or attorney who does not timely file and serve a notice of intention to appear pursuant to the terms of this paragraph shall not be permitted to appear at the Fairness Hearing.

If any objection is deemed frivolous, the Court reserves the right to award appropriate costs and fees to Class Counsel and/or Settlor's Counsel.

Any Class Member who fails to comply with the orders of the Court, including the requirements set forth herein, shall waive and forfeit any and all rights he or she may have to appear separately and/or object, and shall be bound by all the terms of this Agreement and by all proceedings, orders and judgments in this Action.

(13) **Request for Exclusion.** Any putative Class Member may opt out of the Class by filing with the Clerk of Court a written request to do so, to the address provided in the Publication Notice and Class Notice Package, and to be postmarked by no later than August 17, 2012. The opt-out request must also be mailed to Gerald Meunier at the address provided in section (19) herein. The opt-out request must: (i) identify the Class Member's name, address and phone number, (ii) identify which Defendant(s) the Class Member has claims against, and (iii) state that the Class Member wishes to be excluded from the Class. A timely and valid request to opt out of the Class shall preclude such putative Class Member from participating in the proposed settlements, and such putative Class Member will be unaffected by the Settlement Agreement. Any putative Class Member who does not submit a timely and valid written request for exclusion shall be bound by all subsequent proceedings, orders and judgments in this matter, regardless of whether such putative Class Member is currently, or subsequently becomes, a plaintiff in any other lawsuit against any of the Released Parties asserting any of the Released Claims.

The PSC must provide a list of all Class Members who timely opted out of the settlement to Settlers' Counsel no later than 21 days prior to the Fairness Hearing. Such list shall include the name and address of each Class Member who timely opted out, along with identifying the Defendant(s) against whom the Class Member is making claims. The PSC shall also file that list with the Court at or before the Fairness Hearing.

(14) **Preliminary Injunction.** All Class Members, and anyone acting on their behalf or for their benefit, are hereby enjoined from filing, commencing, prosecuting, maintaining, intervening in, participating in (as class members or otherwise), or receiving any benefits or other relief from, any other lawsuit, arbitration, or administrative, regulatory or other proceeding or order in any jurisdiction, based on or relating to directly or indirectly, in whole or in part: (1) the Released Claims; (2) the allegations, facts, subjects or issues that have been, could have been, may be or could be set forth or raised in the Action or in any Pending Action; or (3) exposure to formaldehyde in any EHU installed, maintained or refurbished by a Settlor in this case. In addition, all persons are hereby preliminarily enjoined from filing, commencing, prosecuting or maintaining any other lawsuit as a class action (including by seeking to amend a pending complaint to include class allegations, or by seeking class certification in a pending action in any jurisdiction), a California Bus. and Prof. Code § 17200 action, a private attorney general action, or any other action on behalf of Class Members, if such other action is based on or relates to directly or indirectly, in whole or in part: (1) the Released Claims; (2) the allegations, facts, subjects or issues that have been, could have been, may be or could be set forth or raised in the Action or in any Pending Action; or (3) exposure to formaldehyde in any EHU installed, maintained or refurbished by a Settlor in this case. The Court finds that issuance of this preliminary injunction is necessary and appropriate in aid of the Court's jurisdiction over the Action.

(15) **Stay of Actions and Pending Actions.** The Commencement and/or prosecution of the Action and any and all Pending Actions or any new action (including discovery) by Class Members and third persons against any of the Released Parties, including any and all Claims for Contribution, Indemnity, and/or Subrogation, by, on behalf of or through any Class Members

and/or third persons, is hereby enjoined and stayed during the pendency of these settlement proceedings and until further ordered by this Court.

(16) **Termination of Settlement.** This Order shall become null and void, and shall be without prejudice to the rights of the Parties, all of whom shall be restored to their respective positions existing immediately before this Court entered this Order, if (i) the proposed settlement is not finally approved by the Court, or does not become final, pursuant to the terms of the Settlement Agreement; or (ii) the proposed settlement is terminated in accordance with the Settlement Agreement or does not become effective as required by the terms of the Settlement Agreement for any other reason. In such event, the proposed settlement and Settlement Agreement shall become null and void and be of no further force and effect, and neither the Settlement Agreement nor the Court's orders, including this Order, shall be used or referred to for any purpose whatsoever.

Individual Settlers are contributing individual amounts to their respective Settlement Funds, and there is no joint and several liability for the Settlement Fund(s).

(17) **No Use of Settlement.** Neither the Settlement Agreement, nor any of its terms or provisions, nor any of its exhibits, nor any of the negotiations or proceedings connected with it, nor this Preliminary Approval Order shall be construed as an admission or concession by the Settlers of the truth of any of the allegations in the Action, or any Pending Action, or of any liability, fault, or wrongdoing of any kind. This Order shall be of no force or effect if the settlement does not become final and shall not be construed or used as an admission, concession or declaration by or against any of the Companies of any fault, wrongdoing, breach or liability.

(18) **Continuance of Hearing.** The Court reserves the right to continue the Fairness Hearing without further written notice. If the Fairness Hearing is continued from the currently

scheduled date of September 27, 2012, information regarding a rescheduled Fairness Hearing will be posted on the settlement website.

(19) **Addresses.** All mailings to Gerald E. Meunier required herein shall be mailed to:

Gerald E. Meunier
Justin I. Woods
Gainsburgh, Benjamin, David, Meunier & Warshauer, LLC
2800 Energy Centre
1100 Poydras Street
New Orleans, LA 70163

All mailings to David Kurtz required herein shall be made to the following address:

David Kurtz
Baker Donelson
201 St. Charles Ave., Suite 3600
New Orleans, LA 70170

(20) **Class Benefit Formula.** The Special Master shall file with the Court his proposed Class Benefit Formula at least five (5) days prior to the Fairness Hearing.

(21) **Amendments to Settlement Agreement.** The terms and provisions of the Settlement Agreement may be amended by agreement of the Parties in writing and approval of the Court without further notice to Class Members, if such changes are consistent with this Order and do not limit the rights of Class Members.

Thus done and signed, this ____ day of _____, 2012, _____, Louisiana.

UNITED STATES DISTRICT JUDGE
EASTERN DISTRICT OF LOUISIANA