

TRUST DISTRIBUTION PROCEDURES
FOR
RED RIVER TALC PERSONAL INJURY TRUST

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TRUST DISTRIBUTION PROCEDURES

These Trust Distribution Procedures (these “**TDP**”) provide the means for resolving all Channeled Talc Personal Injury Claims as provided in and required by the Prepackaged Chapter 11 Plan of Reorganization of the Debtor dated [•] (the “**Plan**”), and the Talc Personal Injury Trust Agreement attached thereto as Exhibit K (the “**Trust Agreement**”).

The Plan and the Trust Agreement establish the Red River Talc Personal Injury Trust (the “**Trust**”). The trustee(s) of the Trust (the “**Trustees**”) shall implement and administer these TDP in accordance with the Trust Agreement.

Article 1 **INTRODUCTION AND OVERVIEW**

1.1 Purpose

These TDP have been adopted pursuant to the Plan and Trust Agreement and are intended to provide reasonable assurance that the Trust will evaluate, value, and pay similar Channeled Talc Personal Injury Claims in substantially the same manner, and otherwise comply with the requirements of a trust set forth in section 524(g) of the Bankruptcy Code. To achieve this goal, these TDP set forth procedures for (i) processing, evaluating, resolving, and paying Direct Claims through the Expedited Review Process, the Individual Review Process, or the Quickpay Review Process and (ii) liquidating and paying Indirect Claims. These TDP are designed to be consistent with characteristics known to be relevant to the valuation of Channeled Talc Personal Injury Claims in the tort system, including disease type and age at diagnosis, and/or the theories promulgated by plaintiffs’ experts in the MDL, including time since last talc use.

1.2 Vesting of Rights

Except as expressly provided herein, nothing in these TDP shall be deemed to create a substantive right for the holder of any Channeled Talc Personal Injury Claim. To the extent these TDP provide rights and benefits to holders of Channeled Talc Personal Injury Claims, such rights and benefits shall vest in such holders as of the Effective Date.

1.3 Exclusivity

These TDP shall be the sole and exclusive method by which a party may seek allowance and payment of a Channeled Talc Personal Injury Claim (other than a Master Settlement Agreement Claim or a Judgment Claim).

1.4 General Principles

These TDP are founded on the following principles: (i) the efficient resolution of all Channeled Talc Personal Injury Claims (including both Direct Claims and Indirect Claims) and equitable valuation of all similarly situated Channeled Talc Personal Injury Claims; (ii) clear and objective qualification and valuation criteria; (iii) clear and reliable evidentiary requirements;

(iv) a rigorous review and evaluation process requiring the Trustees to determine the appropriate values for Direct Claims in accordance with these TDP and applicable law; (v) independence of the Trust and the Trustees; (vi) administrative transparency; and (vii) fraud detection and prevention.

Article 2

INTERPRETATION AND DEFINITIONS

2.1 Interpretation

The terms of the Plan and Confirmation Order shall prevail if there is any discrepancy between the terms of the Plan or Confirmation Order and the terms of these TDP.

2.2 Definitions

- (1) **“Acceptance and Release”** shall mean the document pursuant to which the holder of an Allowed Claim accepts an offer from the Trust for payment of such Allowed Claim and provides the requisite releases required as a condition of payment as described in Section 7.2.1(A) (in the case of Direct Claims) or Section 8.1.3 (in the case of Indirect Claims).
- (2) **“Adjusted Scheduled Point Value”** shall mean, with respect to any Direct Claim evaluated under the Expedited Review Process, the claim-specific Point Value of such Direct Claim resulting from adjustment of the Initial Scheduled Point Value of such Direct Claim, as determined in accordance with Section 5.3.3.
- (3) **“ADR Procedures”** shall mean the alternative dispute resolution procedures set forth in Section 6.1.2.
- (4) **“Allowed Claim”** shall mean (a) a Direct Claim that has been determined to satisfy the Expedited Review Criteria under Section 4.6.4, the Individual Review Criteria under Section 4.6.5, or the Quickpay Review Criteria under Section 4.6.6, as applicable, or (b) an Indirect Claim that has been determined to satisfy the Indirect Claim Review Criteria under Section 8.1.2.
- (5) **“Allowed Claim Amount”** shall mean: (a) with respect to a Direct Claim evaluated under the Expedited Review Process, the dollar value determined by multiplying (i) the Cash Value of a Point by (ii) the Final Scheduled Point Value of such Direct Claim as determined pursuant to Section 5.3; (b) with respect to a Direct Claim evaluated under the Individual Review Process, the dollar value determined by multiplying (i) the Cash Value of a Point by (ii) the Final Scheduled Point Value of such Direct Claim as determined pursuant to Section 5.4; (c) with respect to a Direct Claim evaluated under the Quickpay Review Process, the dollar value determined pursuant to Section 5.5; and (d) with respect to an Indirect Claim, the dollar value determined pursuant to Section 8.1.2.

- (6) **“Allowed Claim Notice”** shall mean a written notice delivered by the Trustees to a Direct Claimant or an Indirect Claimant informing such Direct Claimant or Indirect Claimant that her Direct Claim or Indirect Claim, as applicable, has become an Allowed Claim and indicating the proposed Allowed Claim Amount.
- (7) **“Allowed Judgment Amount”** shall have the meaning set forth in Section 6.1.3.
- (8) **“Atypical Use Factor”** shall have the meaning set forth in Section 5.3.4.
- (9) **“Auditor”** shall mean ~~[•] and/or any other Auditor subsequently~~ any auditor appointed by the Trustees, with the consent of the TAC and the FCR, pursuant to the Trust Agreement and these TDP.
- (10) **“Bankruptcy Code”** shall have the meaning set forth in the Plan.
- (11) **“Bankruptcy Court”** shall have the meaning set forth in the Plan.
- (12) **“Cash Value of a Point”** shall mean the dollar value assigned to a point by the Trustees in accordance with Section 7.1.2.
- (13) **“Channeled Talc Personal Injury Claims”** shall have the meaning set forth in the Plan.
- (14) **“Claim Submission Deadline”** shall mean: (a) with respect to a Direct Claim, the applicable deadline to submit such Direct Claim to the Trust under Section 4.4; and (b) with respect to an Indirect Claim, the deadline to submit an Indirect Claim to the Trust under Section 8.1.1.
- (15) **“Claim Submission Form”** shall mean the form that Direct Claimants must complete and submit to the Trust pursuant to the Claim Submission Procedures for Direct Claims adopted by the Trustees as set forth in Section 4.5.
- (16) **“Claim Submission Materials”** shall mean, with respect to a Direct Claim, all evidence and other materials submitted to the Trust in support of such Direct Claim, including the information and documentation required to be so submitted pursuant to Section 4.5.4.
- (17) **“Claim Submission Procedures”** shall mean: (a) with respect to a Direct Claim, the procedures for the submission of Direct Claims to the Trust adopted by the Trustees as set forth in Section 4.5; and (b) with respect to an Indirect Claim, the procedures for the submission of Indirect Claims to the Trust adopted by the Trustees as set forth in Section 8.1.
- (18) **“Claim Submission Requirements”** shall have the meaning set forth in Section 4.5.4.
- (19) **“Claimant’s Jurisdiction”** shall mean, with respect to a Direct Claim, either (a) the jurisdiction in which such Direct Claim was filed against the Debtor

and/or any Debtor Corporate Party in the tort system prior to the Petition Date or (b) if such Direct Claim was not filed against the Debtor and/or any Debtor Corporate Party in the tort system prior to the Petition Date, then at the relevant Direct Claimant's election (i) the jurisdiction in which such Direct Claimant resided on the Date of Relevant Diagnosis; (ii) the jurisdiction in which such Direct Claimant resides at the time she submits her Direct Claim to the Trust; or (iii) the principal jurisdiction in which such Direct Claimant engaged in Regular Perineal Use of J&J Talc Products.

- (20) **"Claims Administrator"** shall mean [ARCHER Systems, LLC]¹ and/or any other qualified party subsequently appointed pursuant to the Plan, Trust Agreement, and these TDP to assist the Trustees in processing, reviewing, administering, and evaluating claims submitted pursuant to these TDP.
- (21) **"Claims Processor"** shall mean [•] which shall be engaged by the Claims Administrator with the consent of the Trustees, the TAC, and the FCR to assist in the development of procedures and protocols to implement these TDP effectively and efficiently, and/or any other qualified party subsequently engaged by the Claims Administrator with the consent of the Trustees, the TAC, and the FCR for such purpose pursuant to the Plan, the Trust Agreement, and these TDP.
- (22) **"Common Benefit Fund"** shall mean the common benefit fund established pursuant to Case Management Order No. 7(A) entered by the United States District Court for the District of New Jersey in the MDL.
- (23) **"Confirmation Order"** shall have the meaning set forth in the Plan.
- (24) **"Confirmed Claim"** shall mean any Submitted Claim which the Trustees determine with the assistance of the Claims Administrator has satisfied the Preliminary Evaluation Criteria under Section 4.6.2.
- (25) **"Cross-Trust Audit Program"** shall mean the audit program developed and implemented by the Trust pursuant to Section 9.1.1.
- (26) **"Date of First Diagnosis"** shall mean, with respect to a Direct Claim, the date on which the relevant Direct Claimant received the original pathologic diagnosis for Ovarian Cancer or Gynecological Cancer that she alleges was caused by her use of J&J Talc Products.
- (27) **"Date of Relevant Diagnosis"** shall mean, with respect to a Direct Claim, the date on which the relevant Direct Claimant received either (i) the original pathologic diagnosis for Ovarian Cancer or Gynecological Cancer or (ii) a diagnosis of a recurrence of such Ovarian Cancer or Gynecological Cancer after remission, whichever is the basis of such Direct Claim.

¹ Subject to competitive pricing and due diligence.

- (28) “**Debtor**” shall have the meaning set forth in the Plan.
- (29) “**Debtor Corporate Party**” shall have the meaning set forth in the Plan.
- (30) “**Deferral Request**” shall have the meaning set forth in Section 4.5.3.
- (31) “**Deficiency Notice**” shall have the meaning set forth in Section 4.5.5.
- (32) “**Diagnostic Adjustment**” shall mean the percentage by which the Initial Scheduled Point Value determined pursuant to Section 5.3.2 is to be adjusted to account for the claim-specific disease subtype as set forth in Section 5.3.3.
- (33) “**Direct Claim**” shall mean any Channeled Talc Personal Injury Claim that is a Direct Talc Personal Injury Claim.
- (34) “**Direct Claimant**” shall mean any holder of a Direct Claim. For the avoidance of doubt, to the extent that a Direct Claim is being asserted by the estate, legal counsel, relative, assignee, or other representative of an injured or deceased individual, the term Direct Claimant shall refer to (a) such estate, legal counsel, relative, assignee, or other representative, (b) such injured or deceased individual, or (c) both, as the context requires.
- (35) “**Direct Talc Personal Injury Claim**” shall have the meaning set forth in the Plan.
- (36) “**Disallowed Claim**” shall mean: (a) any Direct Claim that (i) pursuant to Section 4.5.5, is not entitled to progress to a Preliminary Evaluation, (ii) pursuant to Section 4.6.2, is not entitled to become a Confirmed Claim, or (iii) is a Confirmed Claim but is not entitled to become an Allowed Claim pursuant to Section 4.6.4, Section 4.6.5, Section 4.6.6, or Section 6.1.3; or (b) any Indirect Claim that is not entitled to become an Allowed Claim pursuant to Article 8.
- (37) “**Disallowed Claim Notice**” shall mean a written notice delivered by the Trustees to a Direct Claimant or an Indirect Claimant informing such Direct Claimant or Indirect Claimant that the applicable Direct Claim or Indirect Claim has become a Disallowed Claim.
- (38) “**Effective Date**” shall have the meaning set forth in the Plan.
- (39) “**Exigent Financial Hardship**” means the financial status of a Direct Claimant that leads the Trustees or the Individual Review Claims Panel to determine that (a) the Direct Claimant needs financial assistance on an immediate basis based on the Direct Claimant’s expenses and all sources of available income, and (b) there is a causal connection between the Direct Claimant’s dire financial condition and the Direct Claimant’s talc-related disease.

- (40) **“Existing Direct Claims”** shall mean all Direct Claims with a Date of First Diagnosis prior to the Petition Date.
- (41) **“Expedited Review Criteria”** shall mean the criteria that must be satisfied in order for a Confirmed Claim evaluated under the Expedited Review Process to become an Allowed Claim, as set forth in Section 4.6.4.
- (42) **“Expedited Review Process”** shall mean the claims-evaluation process in which a Direct Claim is evaluated as described in Section 4.6.4.
- (43) **“FCR”** shall mean Randi S. Ellis or such successor future claims representative appointed in accordance with the Plan, the Trust Agreement, and these TDP.
- (44) **“FIFO Payment Queue”** shall mean, with respect to a particular Review Track, the first-in-first-out processing queue for the payment of Direct Claims that become Allowed Claims under such Review Track, as described in Section 7.6.1.
- (45) **“FIFO Processing Queue”** shall mean, with respect to a particular Review Track, the first-in-first-out processing queue for the evaluation of Submitted Claims under such Review Track, as described in Section 4.5.1.
- (46) **“Final Scheduled Point Value”** shall mean (a) with respect to any Direct Claim evaluated under the Expedited Review Process, the final claim-specific Point Value of such Direct Claim resulting from further adjustment of the Adjusted Scheduled Point Value of such Direct Claim, as determined in accordance with Section 5.3.4 and Section 5.3.5, and (b) with respect to any Direct Claim evaluated under the Individual Review Process, the final claim-specific Point Value of such Direct Claim, as determined in accordance with Section 5.4.2.
- (47) **“Fraudulent Claim Submission”** has the meaning set forth in Section 4.6.3.
- (48) **“Fraudulent Claimant”** has the meaning set forth in Section 4.6.3.
- (49) **“Future Direct Claims”** shall mean all Direct Claims that are not Existing Direct Claims.
- (50) **“Gynecological Claim”** shall mean any Direct Claim involving allegations that the relevant Direct Claimant developed a Gynecological Cancer.
- (51) **“Gynecological Cancer”** has the meaning set forth in the Plan.
- (52) **“Identifying Information”** shall mean with respect to any Direct Claim: (a) the relevant Direct Claimant’s (i) full legal name, (ii) date of birth, (iii) physical and email address (if applicable), and (iv) social security number; and (b) the name, email address, and physical address of the law firm and attorney serving as the relevant Direct Claimant’s representative (if any). For the avoidance of doubt, to the extent that a Direct Claim is being asserted by the estate, legal counsel,

relative, assignee, or other representative of an injured or deceased individual, Identifying Information shall refer to the foregoing information for both (A) such estate, legal counsel, relative, assignee, or other representative and (B) such injured or deceased individual, in each case to the extent applicable.

- (53) “**Indirect Claim**” means any Channeled Talc Personal Injury Claim that is an Indirect Talc Personal Injury Claim.
- (54) “**Indirect Claim Judicial Review Election Deadline**” shall have the meaning set forth in Section 8.2.
- (55) “**Indirect Claim Judicial Review Election Notice**” shall have the meaning set forth in Section 8.2.
- (56) “**Indirect Claim Review Criteria**” shall mean the criteria that an Indirect Claim must satisfy in order to become an Allowed Claim, as set forth in Section 8.1.2.
- (57) “**Indirect Claimant**” means a holder of an Indirect Claim.
- (58) “**Indirect Talc Personal Injury Claim**” shall have the meaning set forth in the Plan.
- (59) “**Individual Review Claims Panel**” shall have the meaning set forth in Section 4.6.5(A).
- (60) “**Individual Review Criteria**” shall mean the criteria that must be satisfied for a Confirmed Claim evaluated under the Individual Review Process to become an Allowed Claim, as set forth in Section 4.6.5.
- (61) “**Individual Review Process**” shall mean the claims-evaluation process in which a Direct Claim is evaluated as described in Section 4.6.5.
- (62) “**Initial Cash Value of a Point**” shall have the meaning set forth in Section 7.1.2(A).
- (63) “**Initial Scheduled Point Value**” shall mean, with respect to a Direct Claim evaluated under the Expedited Review Process, the initial Point Value of such Direct Claim, as determined in accordance with Section 5.3.2.
- (64) “**Initial Submission Acceptance Date**” shall mean the date on which the Trust first begins to accept the submission of Channeled Talc Personal Injury Claims.
- (65) “**J&J**” means Johnson & Johnson, a New Jersey corporation.
- (66) “**J&J Talc Products**” shall mean all products formulated, manufactured, distributed, and/or sold by the Debtor and/or any Debtor Corporate Party

containing talcum powder, including Johnson's Baby Powder and Johnson & Johnson's Shower to Shower.

- (67) “**Judgment Claim**” shall have the meaning set forth in the Plan.
- (68) “**Length of Perineal Use Factor**” shall have the meaning set forth in Section 5.3.4.
- (69) “**Lien Resolution Administrator**” shall mean [•] and/or any other qualified party subsequently appointed pursuant to the Plan, Trust Agreement, and these TDP to assist in the resolution of Direct Claimants' relevant medical liens.
- (70) “**LLT**” shall have the meaning set forth in the Plan.
- (71) “**Master Settlement Agreement Claim**” shall have the meaning set forth in the Plan.
- (72) “**Master Settlement Agreements**” shall have the meaning set forth in the Plan.
- (73) “**Maximum Value**” shall mean: (a) with respect to any Direct Claim evaluated under the Expedited Review Process, three times (3x) the amount determined by multiplying (i) the Cash Value of a Point by (ii) the Final Scheduled Point Value of such Direct Claim; and (b) with respect to any Direct Claim evaluated under the Individual Review Process, three times (3x) the amount determined by multiplying the (i) Cash Value of a Point by (ii) the Underlying Scheduled Point Value of such Direct Claim.
- (74) “**Maximum Years of Regular Perineal Use**” shall have the meaning set forth in Section 5.3.4.
- (75) “**MDL**” shall mean *In re: Johnson & Johnson Talcum Powder Products Marking, Sales Practices and Products Liability Litigation* (D.N.J.) (MDL No. 2738).
- (76) “**Mediator**” shall have the meaning set forth in Section 6.1.2.
- (77) “**Medical Risk Factor**” shall have the meaning set forth in Section 5.3.4.
- (78) “**Net Award Amount**” shall mean, with respect to a Direct Claim, the total Allowed Claim Amount of such Direct Claim, less amounts payable upon the resolution of the issues set forth in Section 7.3, Section 7.4 and Section 7.5.
- (79) “**Non-J&J Talc Products**” shall mean products containing talcum powder that are not J&J Talc Products.
- (80) “**Non-J&J Talc Use Factor**” shall have the meaning set forth in Section 5.3.4.

- (81) **“Other Disease Talc Personal Injury Claims”** shall have the meaning set forth in the Plan.
- (82) **“Ovarian Cancer”** shall have the meaning set forth in the Plan.
- (83) **“Ovarian Cancer Claim”** shall mean any Direct Claim involving allegations that the relevant Direct Claimant developed Ovarian Cancer.
- (84) **“Petition Date”** shall have the meaning set forth in the Plan.
- (85) **“Plan”** shall have the meaning set forth in the preamble.
- (86) **“Plan Support Agreements”** shall mean those certain Plan Support Agreements, dated on or after January 1, 2024, executed by LLT, J&J, and law firms representing certain holders of Channeled Talc Personal Injury Claims, as such agreements may have been and may be amended, modified, or supplemented pursuant to the terms thereof.
- (87) **“Point Value”** shall mean, with respect to a Direct Claim, the value of such Direct Claim expressed as a number of points, as determined in accordance with Article 5.
- (88) **“Preliminary Evaluation”** shall mean the preliminary evaluation of Submitted Claims described in Section 4.6.2, pursuant to which the Trustees with the assistance of the Claims Administrator shall determine whether a Submitted Claim constitutes a Confirmed Claim.
- (89) **“Preliminary Evaluation Criteria”** shall mean the criteria that Submitted Claims must satisfy in order to become a Confirmed Claim, as set forth in Section 4.6.2.
- (90) **“Protected Party”** shall have the meaning set forth in the Plan.
- (91) **“Quickpay Review Criteria”** shall mean the criteria that must be satisfied for a Confirmed Claim evaluated under the Quickpay Review Process to become an Allowed Claim, as set forth in Section 4.6.6.
- (92) **“Quickpay Review Process”** shall mean the claims-evaluation process in which a Direct Claim is evaluated as described in Section 4.6.6.
- (93) **“Reconsideration Decision Notice”** shall have the meaning set forth in Section 6.1.1(D).
- (94) **“Reconsideration Denial Notice”** shall have the meaning set forth in Section 6.1.1(D).

- (95) “**Reconsideration Grant Notice**” shall have the meaning set forth in Section 6.1.1(D).
- (96) “**Reconsideration Request**” shall mean a written request submitted to the Trust by a Direct Claimant that the Trustees or Individual Review Claim Panel, as applicable, reconsider a Disallowed Claim Notice, a Secondary Election Activation Notice, or, solely with respect to Direct Claims that become Allowed Claims under the Expedited Review Process or the Individual Review Process, an Allowed Claim Notice, as set forth in Section 6.1.1 and Section 6.2, as applicable.
- (97) “**Regular J&J Talc Perineal Use**” shall mean a Direct Claimant’s Regular Perineal Use of J&J Talc Products.
- (98) “**Regular Non-J&J Talc Perineal Use**” shall mean a Direct Claimant’s Regular Perineal Use of Non-J&J Talc Products.
- (99) “**Regular Perineal Use**” shall mean, with respect to the use of J&J Talc Products or Non-J&J Talc Products, as applicable, a Direct Claimant’s consistent use thereof on her own perineal area after puberty for a minimum of four (4) consecutive years, established by sworn testimony or affidavit.
- (100) “**Reorganized Debtor**” shall have the meaning set forth in the Plan.
- (101) “**Review Criteria**” shall mean: (a) with respect to a Direct Claim, the Expedited Review Criteria, the Individual Review Criteria, or the Quickpay Review Criteria, as applicable, and (b) with respect to an Indirect Claim, the Indirect Claim Review Criteria.
- (102) “**Review Tracks**” shall mean, collectively, the Expedited Review Process, the Individual Review Process, and the Quickpay Review Process.
- (103) “**Secondary Election**” shall have the meaning set forth in Section 4.5.4.
- (104) “**Secondary Election Activation Notice**” shall have the meaning set forth in Section 4.6.5(B).
- (105) “**Submitted Claim**” shall mean any Direct Claim that has been submitted to the Trust and determined by the Trustees with the assistance of the Claims Administrator to have been submitted with substantially complete information and documentation under Section 4.5.4.
- (106) “**TAC**” shall mean the Talc Trust Advisory Committee appointed and serving in accordance with the Plan and the Trust Agreement.
- (107) “**TDP**” shall have the meaning set forth in the preamble.

- (108) “**Time Since Last Use Factor**” shall have the meaning set forth in Section 5.3.4.
- (109) “**Trust**” shall have the meaning set forth in the preamble.
- (110) “**Trust Agreement**” shall have the meaning set forth in the preamble.
- (111) “**Trustees**” shall have the meaning set forth in the preamble.
- (112) “**Underlying Scheduled Point Value**” shall mean, with respect to any Direct Claim evaluated under the Individual Review Process, the initial claim-specific Point Value of such Direct Claim, as determined in accordance with Section 5.4.1.
- (113) “**Years of Regular J&J Talc Perineal Use**” shall have the meaning set forth in Section 5.3.

Article 3 **TDP ADMINISTRATION**

3.1 General Administration

3.1.1 Coordination

The Trustees shall implement these TDP to resolve any and all Channeled Talc Personal Injury Claims pursuant to the Plan and Trust Agreement with the assistance of the Claims Administrator and the Claims Processor.

The Trustees, the Claims Administrator, and the Claims Processor shall consult and coordinate with each other to promptly develop and implement comprehensive systems and processes intended to (i) provide the Trustees with all information necessary to implement these TDP, (ii) streamline the Claim Submission Procedures, (iii) ensure maximally efficient evaluation of the Channeled Talc Personal Injury Claims and, where applicable, Reconsideration Requests, (iv) ensure proper application of the Review Criteria and the audit provisions contained herein, (v) limit the use of the Trust’s assets to uses permitted by the Plan, and (vi) promote prompt payment of Allowed Claims.

3.1.2 Consultation and Consent

The Trustees shall implement these TDP to resolve any and all Channeled Talc Personal Injury Claims pursuant to the Plan and Trust Agreement in consultation with the TAC and the FCR.

The Trustees shall not proceed with any matter that expressly requires consultation with or consent of the TAC, the FCR, the Reorganized Debtor, or J&J under these TDP unless and until the applicable procedures for such consultation or consent set forth in Section 7.1 of the Trust Agreement have been complied with.

3.2 Review of Costs

The Trustees shall seek to ensure that the costs incurred by the Trust with respect to evaluating and investigating the validity of Claim Submission Materials submitted by a Direct Claimant are necessary and reasonable in light of the obligations of the Trust under the Plan, the Trust Agreement, and these TDP. Nothing herein, however, shall prevent the Trustees from either (i) contesting the validity of any Direct Claim, whatever the costs, or (ii) declining to accept Claim Submission Materials from sources determined to be deceptive, fraudulent, or otherwise unreliable.

The Trustees shall periodically, and at least annually, review the cost of evaluating and investigating Claim Submission Materials submitted by Direct Claimants and take steps to reduce such costs where feasible and appropriate, while still ensuring that the Trust's obligations under the Plan, the Trust Agreement, and these TDP are appropriately satisfied.

3.3 Publication of Claim Submission Procedures

Within sixty (60) days following entry of the Confirmation Order, the Trustees shall publish detailed Claim Submission Procedures required by these TDP to the Trust's website. Publication of the Claim Submission Procedures shall occur no later than sixty (60) days prior to the Initial Submission Acceptance Date.

3.4 Adoption of Procedures for Notice of Trust Determinations

Following entry of the Confirmation Order, the Trustees shall, with the assistance of the Claims Administrator and the Claims Processor, develop procedures for providing notices, including, without limitation, Allowed Claim Notices, Deficiency Notices, Disallowed Claim Notices, Reconsideration Decision Notices, Reconsideration Denial Notices, Reconsideration Grant Notices, and Secondary Election Activation Notices, with respect to determinations made pursuant to these TDP and, with the consent of the TAC and the FCR, adopt such procedures.

3.5 Adoption of Procedures for Execution and Delivery of Acceptance and Release

Following entry of the Confirmation Order, the Trustees shall, with the assistance of the Claims Administrator and the Claims Processor, develop procedures for the execution and delivery of an Acceptance and Release by a Direct Claimant or Indirect Claimant that decides to accept an offer of payment from the Trust as described in Section 7.2.1(A) (in the case of Direct Claims) or Section 8.1.3 (in the case of Indirect Claims) and, following consultation with the Reorganized Debtor and J&J and with the consent of the TAC and the FCR, adopt such procedures. Such procedures shall make the Acceptance and Release available for completion and execution electronically via Adobe Sign, DocuSign, or a similar electronic signature program or other simplified and expedient means. Any Acceptance and Release provided with an Allowed Claim Notice as described in Section 7.2.1(A) (in the case of Direct Claims) or Section 8.1.3 (in the case of Indirect Claims) shall be in a form adopted by the Trustees with the consent of the Reorganized Debtor, J&J, the TAC, and the FCR.

3.6 Potential Adoption of Procedures for Other Disease Talc Personal Injury Claims

These TDP provide detailed procedures for processing, evaluating, valuing, and paying Ovarian Cancer Claims and Gynecological Claims. The TDP are also intended to provide Direct Claimants with Other Disease Talc Personal Injury Claims an opportunity for consideration and evaluation of such Other Disease Talc Personal Injury Claims. For such consideration and evaluation of Other Disease Talc Personal Injury Claims, a Direct Claimant must first provide the Trust with the following:

- (1) a disease diagnosis acceptable to the Trustees, the TAC, and the FCR and accompanied by evidence establishing that such diagnosis occurred at least ten (10) years following such Direct Claimant's first use of J&J Talc Products;
- (2) medical records sufficient to demonstrate that such Direct Claimant was treated for the diagnosed disease;
- (3) detailed evidence of such Direct Claimant's use of J&J Talc Products, established by sworn testimony or affidavit;
- (4) a medical report or affidavit by a board-certified medical doctor, doctor of osteopathy, oncologist, or pathologist with qualified expertise to diagnose the disease that is being asserted establishing such Direct Claimant's exposure to J&J Talc Products as a contributing factor in causing the disease identified in the diagnosis, which report or affidavit shall include citation to peer-reviewed medical or scientific literature recognizing a causal association between talc exposure and the diagnosed disease asserted;
- (5) evidence acceptable to the Trustees, the TAC, and the FCR that the medical or scientific community recognizes a causal link between exposure to J&J Talc Products and the diagnosed disease asserted; and
- (6) evidence acceptable to the Trustees, the TAC, and the FCR establishing that such Direct Claimant had no significant occupational or industrial exposure (whether direct or bystander) to asbestos.

If, based upon the foregoing, the Trustees, the TAC, and the FCR are satisfied that a Direct Claimant has presented an Other Disease Talc Personal Injury Claim that would be cognizable and valid in the tort system, the Trustees shall, in conjunction with the Claims Administrator and the Claims Processor, develop procedures for processing, evaluating, valuing, and paying Other Disease Talc Personal Injury Claims asserting the relevant disease and, with the consent of the TAC and the FCR, adopt such procedures; *provided, however*, that in no event may the Trust offer payment of more than one thousand dollars and zero cents (\$1,000.00) to resolve any such Other Disease Talc Personal Injury Claim. In the event that the Trustees, the TAC, and the FCR cannot agree on (i) whether a Direct Claimant has presented an Other Disease Talc Personal Injury Claim that would be cognizable and valid in the tort system or (ii) procedures for

processing, evaluating, valuing, and paying any Other Disease Talc Personal Injury Claim, the Bankruptcy Court shall resolve any such dispute.

Article 4

ALLOWANCE PROCESS FOR DIRECT CLAIMS

4.1 Single Direct Claim Limitation

A Direct Claimant may submit no more than one Direct Claim to the Trust, and may recover from the Trust only in respect of such Direct Claim.

4.2 Treatment of Previously Resolved Direct Claims

4.2.1 Direct Claims Previously Released and Paid

Any Direct Claimant who previously submitted a release and received payment in full with respect to her Direct Claim may not receive any payment from the Trust. Promptly following the Effective Date, the Reorganized Debtor will provide the Trust with a list of all Direct Claimants who submitted a release and received payment in full with respect to Direct Claims prior to the Effective Date.

4.2.2 Direct Claims Subject to the Terms of a Master Settlement Agreement

For any Direct Claim that is subject to the terms of a Master Settlement Agreement as of the Petition Date, the following limitations apply:

- (i) If there has not yet been a final determination between the parties to such Master Settlement Agreement or by the special master appointed pursuant to such Master Settlement Agreement regarding whether such Direct Claim qualifies for settlement and compensation pursuant to the terms of such Master Settlement Agreement, then the relevant Direct Claimant may not submit such Direct Claim to the Trust for evaluation and resolution pursuant to these TDP;
- (ii) If there has been a final determination between the parties to such Master Settlement Agreement or by the special master appointed pursuant to such Master Settlement Agreement that such Direct Claim qualifies for settlement and compensation pursuant to the terms of such Master Settlement Agreement, then (a) the relevant Direct Claimant may not submit such Direct Claim to the Trust for evaluation and resolution pursuant to these TDP and may not receive any payment from the Trust and (b) such Direct Claim may be resolved and paid only pursuant to the terms of such Master Settlement Agreement; and
- (iii) If there has been a final determination between the parties to such Master Settlement Agreement or by the special master appointed pursuant to such Master Settlement Agreement that the Direct Claim does not or cannot qualify for settlement and compensation pursuant to the terms of such

Master Settlement Agreement, then the relevant Direct Claimant may submit such Direct Claim to the Trust for evaluation and resolution pursuant to these TDP.

For the avoidance of doubt, if any Direct Claim was subject to the terms of a Master Settlement Agreement but, prior to the Petition Date, such Direct Claim was withdrawn from consideration pursuant to the terms of such Master Settlement Agreement by the applicable Direct Claimant's law firm and a different Direct Claim was substituted in place thereof under the terms of such Master Settlement Agreement, then the Direct Claimant whose Direct Claim was withdrawn from consideration may submit her Direct Claim to the Trust for evaluation and resolution pursuant to these TDP.

The limitation set forth in clause (ii) above shall apply regardless of whether any individual Direct Claimant: (i) has accepted her settlement allocation under the applicable Master Settlement Agreement; (ii) has finalized the resolution of her Direct Claim pursuant to the terms of the Master Settlement Agreement, including through the submission of her legally binding and enforceable individual release agreement and/or compliance with any other settlement administration requirements set forth in the Master Settlement Agreement; (iii) has resolved any and all medical or other liens associated with her Direct Claim; and/or (iv) has actually received payment in respect of her Direct Claim.

Promptly following the Effective Date and monthly thereafter, the Reorganized Debtor will provide the Trust with a list of all Direct Claimants who have Direct Claims that, as of the Effective Date are, or following the Effective Date become, subject to the terms of a Master Settlement Agreement, indicating for each such Direct Claim that: (i) there has been no final determination regarding whether such Direct Claim qualifies for settlement and compensation under a Master Settlement Agreement; (ii) there has been a final determination that such Direct Claim qualifies for settlement and compensation under a Master Settlement Agreement; (iii) there has been a final determination that such Direct Claim does not or cannot qualify for settlement and compensation under a Master Settlement Agreement; or (iv) such Direct Claim has been withdrawn from consideration for settlement and compensation under a Master Settlement Agreement.

4.2.3 Individual Direct Claims Previously Rejected or Dismissed

Any individual who filed a Direct Claim in any state or federal court prior to the Petition Date and whose Direct Claim was thereafter dismissed with prejudice shall not be eligible to recover any payment whatsoever from the Trust.

Direct Claims which were filed in any state or federal court prior to the Petition Date and thereafter dismissed without prejudice may be submitted to the Trust for evaluation pursuant to these TDP, but, during such evaluation, such Direct Claims shall be subject to such heightened scrutiny as the Trustees with the assistance of the Claims Administrator deem appropriate.

Direct Claims which were individually submitted to J&J, the Debtor, and/or any other Debtor Corporate Party for settlement consideration prior to the Petition Date but were rejected by J&J, the Debtor, and/or such other Debtor Corporate Party may be submitted to the Trust for

evaluation and resolution pursuant to these TDP. For the avoidance of doubt, nothing in this paragraph shall apply to Direct Claims that were subject to the terms of a Master Settlement Agreement as of or prior to the Petition Date, which Direct Claims are addressed in Section 4.2.2.

4.2.4 Direct Claims Subject to Final Judgment

(A) Favorable Final Judgment

Any individual who filed a Direct Claim in any state or federal court and whose Direct Claim was adjudicated and resulted in a final, non-appealable favorable judgment (*e.g.*, a jury verdict for money damages) prior to the Effective Date shall not be eligible to recover any payment whatsoever from the Trust and any such Judgment Claim shall be the responsibility of the relevant judgment debtor. In the event that the relevant judgment debtor is the Debtor, J&J, or any other Debtor Corporate Party, the Debtor, J&J, or such other Debtor Corporate Party, as applicable, shall indemnify and hold the Trust harmless from such Judgment Claim. For the avoidance of doubt, nothing contained in the Plan will impair the rights of such individual to seek to enforce and collect on such Judgment Claim against any judgment debtor. For the avoidance of doubt, this Section 4.2.4(A) shall not apply to any Direct Claim subject to litigation pursuant to Section 6.1.3.

(B) Unfavorable Final Judgment

Any individual who filed a Direct Claim in any state or federal court and whose Direct Claim was adjudicated and resulted in a final, non-appealable unfavorable judgment (*e.g.*, a defense verdict) prior to the Effective Date shall not be eligible to recover any payment whatsoever from the Trust.

4.2.5 Direct Claims Subject to Appealable Judgment

Any individual who filed a Direct Claim in any state or federal court and whose Direct Claim was adjudicated and resulted in a favorable judgment subject to appeal as of the Effective Date shall not be eligible to recover any payment whatsoever from the Trust and any such Judgment Claim and the defense of any appeal thereof shall be the responsibility of the relevant judgment debtor. In the event that the relevant judgment debtor is the Debtor, J&J, or any other Debtor Corporate Party, the Debtor, J&J, or such other Debtor Corporate Party, as applicable, shall indemnify and hold the Trust harmless from such Judgment Claim and the defense of any appeal thereof. For the avoidance of doubt, nothing contained in the Plan will impair the rights of such individual to seek to enforce and collect on such Judgment Claim against any judgment debtor, including through the defense or prosecution of appellate litigation related to such Judgment Claim. For the avoidance of doubt, this Section 4.2.5 shall not apply to any Direct Claim subject to litigation pursuant to Section 6.1.3 hereof.

4.3 Claim Submission Materials

All Claim Submission Materials must be signed under the pains and penalties of perjury. Direct Claimants may sign all Claim Submission Materials electronically via Adobe Sign, DocuSign, or a similar electronic signature program or other simplified and expedient means,

and Direct Claimants shall not be required to have any Claim Submission Materials notarized. The submission of deceptive or fraudulent Claim Submission Materials to the Trust may violate the criminal laws of the United States, including the criminal provisions applicable to Bankruptcy Crimes, 18 U.S.C. § 152, and may subject those responsible to criminal prosecution.

4.4 Claim Submission Deadlines

4.4.1 Deadline to Submit Existing Direct Claims

Existing Direct Claims must be submitted to the Trust prior to the date that is one hundred twenty (120) days after the Initial Submission Acceptance Date, which date shall be posted on the Trust's website no later than the date that is thirty (30) days prior thereto. If a Direct Claimant fails to submit her Existing Direct Claim within this time period, such Direct Claimant shall be deemed to have waived the right to submit her Existing Direct Claim or otherwise seek compensation from the Trust.

4.4.2 Effect of Statutes of Limitations

(A) Existing Direct Claims Previously Filed in Tort System

For each Existing Direct Claim submitted to the Trust that was filed in the tort system against the Debtor and/or any other Protected Party prior to the Petition Date, to be considered timely and therefore eligible to pursue compensation via the procedures set forth in these TDP, the Existing Direct Claim must have been timely filed in the tort system under the applicable federal or state statutes of limitations that were in effect at the time the Direct Claim was filed in the tort system.

(B) Unfiled Existing Direct Claims

For each Existing Direct Claim submitted to the Trust that was not filed in the tort system against the Debtor and/or any other Protected Party prior to the Petition Date, to be considered timely and therefore eligible to pursue compensation via the procedures set forth in these TDP, the Direct Claim must not be time-barred under the applicable federal or state statutes of limitations. The applicable federal or state statutes of limitations shall be deemed to have begun running as of May 19, 2020, the date that J&J publicly announced the discontinuation of the sale of talc-containing products.

(C) Tolling and Timeliness

(i) Existing Direct Claims

The running of the applicable statute of limitations with respect to any Existing Direct Claim shall be considered tolled as of the earliest of: (a) the Petition Date; (b) the actual filing of such Existing Direct Claim against the Debtor and/or any other Protected Party in the tort system prior to the Petition Date; or (c) the date specified in any tolling agreement between the relevant Direct Claimant and the Debtor, J&J, or any other Debtor Corporate Party; *provided, however*, that such tolling was still in effect as of the Petition Date. Any Existing Direct Claim that meets any of these three tolling provisions shall be treated as timely filed so long as (i) the Direct

Claim was not barred by the applicable federal or state statute of limitations at the time of the relevant tolling event, and (ii) the Direct Claim is submitted to the Trust within one hundred twenty (120) days after the Initial Submission Acceptance Date.

(ii) Future Direct Claims

Any Future Direct Claim shall be treated as timely if it is submitted to the Trust: (a) within three (3) years of the Initial Submission Acceptance Date, (b) within two (2) years of the Date of First Diagnosis, or (c) within applicable state statutes of limitations, whichever is later.

4.5 Claim Submission Procedures

The Claim Submission Procedures for Direct Claims shall be developed by the Trustees with the assistance of the Claims Administrator and Claims Processor and adopted by the Trustees with the consent of the TAC and the FCR. The Claim Submission Procedures for Direct Claims shall include, but not be limited to, the following:

4.5.1 FIFO Processing

For processing purposes, the Trust shall order all Direct Claims in a particular Review Track on a first-in-first-out basis in the order each Direct Claim is submitted to the Trust, except as otherwise provided herein.

For all Direct Claims submitted to the Trust on or before the date that is one hundred and twenty (120) days after the Initial Submission Acceptance Date, a Direct Claim's position in the applicable FIFO Processing Queue shall be determined based on the earliest of: (i) the date on which the law firm representing the relevant Direct Claimant first identified such Direct Claimant in Exhibit A to a Plan Support Agreement (or any earlier plan support agreement executed by LLT, J&J, and such law firm) or in a supplement to such an Exhibit A delivered in accordance with the terms of a Plan Support Agreement (or any earlier plan support agreement executed by LLT, J&J, and such law firm); (ii) the date prior to the Petition Date that a Direct Claim was filed by the relevant Direct Claimant against the Debtor or any other Protected Party in any state or federal court; (iii) the date prior to the Petition Date that a Direct Claim was filed by the relevant Direct Claimant against another defendant in any state or federal court, if, at the time, such Direct Claim was subject to a tolling agreement with the Debtor or any Debtor Corporate Party; (iv) the date a ballot was properly submitted in respect of such Direct Claim in connection with the solicitation of votes on the Plan; and (v) the date such Direct Claim is submitted to the Trust.

For all Direct Claims where the position in the applicable FIFO Processing Queue is based on the date the Direct Claim is submitted to the Trust, such Direct Claim's position in the applicable FIFO Processing Queue shall be determined based on the date that such Direct Claim was properly and completely submitted to the Trust. If any Direct Claims are submitted to the Trust on the same date, a Direct Claim's position in the applicable FIFO Processing Queue vis-à-vis such other Direct Claims shall be determined based on the Date of Relevant Diagnosis with respect to each Direct Claim, with the earlier Date of Relevant Diagnosis having priority over the later Date of Relevant Diagnosis. In the event that two or more such Direct Claims are submitted to the Trust on the same date and also have the same Date of Relevant Diagnosis, the

priority of such Direct Claims in the FIFO Processing Queue shall be determined based on the dates of birth of the relevant Direct Claimants, with the earlier dates of birth receiving priority over later dates of birth.

4.5.2 Withdrawal of Submitted Claims

A Direct Claimant may, at any time after submitting her Direct Claim to the Trust, but prior to receiving a Disallowed Claim Notice or an Allowed Claim Notice, withdraw her Submitted Claim by providing written notice to the Trust. The related Direct Claimant shall retain the right to re-submit her Direct Claim after such withdrawal; *provided, however*, that any such re-submitted Direct Claim shall be evaluated the same as any new Submitted Claim and shall be unaffected by the prior submission of such Direct Claim to the Trust, except that (i) during its evaluation, such Direct Claim shall be subject to such heightened scrutiny as the Trustees with the assistance of the Claims Administrator deem appropriate and (ii) the Direct Claim's place in the FIFO Processing Queue shall be determined based on the most recent date that the Direct Claim was submitted to the Trust (*i.e.*, the Direct Claim is moved to the end of the applicable FIFO Processing Queue upon its re-submission). The one hundred and twenty (120) day deadline to submit an Existing Direct Claim pursuant to Section 4.4.1 shall apply to any Existing Direct Claim submitted by the Direct Claimant, including a Submitted Claim that was previously withdrawn.

4.5.3 Deferral of Submitted Claims

A Direct Claimant is entitled to defer processing of her Submitted Claim for up to three (3) years from the date the Direct Claim was submitted to the Trust (a "**Deferral Request**") so long as the Deferral Request is received by the Trust in writing pursuant to any procedures adopted by the Trust for such requests (i) within thirty (30) days after the date the Direct Claims was submitted to the Trust and (ii) in any event, before the Trustees provide a Disallowed Claim Notice, Deficiency Notice, or an Allowed Claim Notice to the Direct Claimant. A Direct Claimant may rescind the Deferral Request at any time by informing the Trust in writing pursuant to any procedures adopted by the Trust for such notices, and the Direct Claim shall thereupon be returned to its original place in the applicable FIFO Processing Queue. A Direct Claimant may make only one Deferral Request.

The Trust shall approve any properly submitted Deferral Request; *provided, however*, that the Trust may only defer a Submitted Claim for a maximum of three (3) years from the date the Direct Claim was submitted to the Trust. Any Direct Claimant who makes a Deferral Request shall retain her original place in the applicable FIFO Processing Queue.

4.5.4 Claim Submission Requirements

Any Direct Claimant who wishes to submit her respective Direct Claim to the Trust must satisfy the following requirements with respect to information and documentation in order to show that the Direct Claim should be processed pursuant to these TDP. Every Direct Claimant seeking compensation from the Trust must provide to the Trust the following information and documentation at the time her Direct Claim is submitted to the Trust (the "**Claim Submission Requirements**"):

- (1) Citizenship/Residency: Proof that the Direct Claimant (and, to any extent applicable, the minor, incapacitated or deceased individual represented by such Direct Claimant) is a United States citizen or a lawful permanent resident of the United States (or is otherwise lawfully residing in the United States), which proof may be in the form of sworn testimony or affidavit and may be included as part of the Claims Submission Form;
- (2) Claimant Information: All claimant information required under the Claim Submission Procedures for Direct Claims adopted by the Trustees as set forth herein, including the Direct Claimant's Identifying Information;
- (3) Claim Submission Form: A properly completed Claim Submission Form, which shall include complete information for where notices to the Direct Claimant should be sent and where payments to the Direct Claimant should be sent (including if such payments should be sent directly to counsel for the Direct Claimant); the Claim Submission Form shall also include a requirement that the Direct Claimant elect whether to proceed under the Expedited Review Process, Individual Review Process, or Quickpay Review Process, a requirement that a Direct Claimant electing the Individual Review Process also indicate such Direct Claimant's preference as to whether, in the event that her Direct Claim fails to satisfy the conditions set forth in Section 4.6.5(B)(2) (as determined by the Trustees, with the assistance of the Claims Administrator and Claims Processor) under the Individual Review Process, the Submitted Claim should be processed under either the Expedited Review Process or Quickpay Review Process (the "**Secondary Election**"); and a requirement that the Direct Claimant identify and, if necessary, elect her Claimant's Jurisdiction; the Claim Submission Form template shall be adopted by the Trustees, with the consent of the TAC and the FCR, no later than the date that is sixty (60) days prior to the Initial Submission Acceptance Date and attached to the Claim Submission Procedures for Direct Claims;
- (4) Talc Use Evidence: Evidence of the Direct Claimant's use, and extent and specific years of use, of any and all talc and talc-containing products (including both J&J Talc Products and Non-J&J Talc Products), including whether the Direct Claimant engaged in Regular Perineal Use of such products, established by sworn testimony or affidavit; and
- (5) Medical Evidence: (a) Medical records that the Direct Claimant reasonably believes are sufficient to (i) satisfy the applicable Review Criteria pursuant to these TDP and (ii) provide the Claims Administrator with all information necessary to accurately determine the appropriate Final Scheduled Point Value and resulting Allowed Claim Amount or (b) a statement of the Direct Claimant in the Claim Submission Form attesting, under the pains and penalties of perjury, to the fact that all available relevant documentation has been submitted, which statement must show proof of the Direct Claimant's MyChart or similar patient

portal, identifying the Direct Claimant's treatment providers and her prior medical history.

While the precise extent of medical records required by the above Claim Submission Requirements may vary from claim to claim, depending on the particular types of Direct Claims involved, diseases alleged, and other factors relevant to the valuation of Direct Claims pursuant to these TDP, in general, production of (i) all pathology reports and contemporaneous treatment records or (ii) admission and discharge notes from any biopsy or other procedure indicating disease type, in either case, along with records sufficient to establish a Direct Claimant's relevant medical history, would be satisfactory for any Direct Claimant regardless of the type of Direct Claim asserted or Review Track elected.

Only Direct Claims that are submitted with substantially complete information and documentation at the time of submission (as determined by the Claims Administrator) shall be deemed Submitted Claims and be subjected to the Preliminary Evaluation Process set forth below.

4.5.5 Deficient Submissions

In the event that a Direct Claimant submits information and documentation that are insufficient (as determined by the Claims Administrator) to satisfy the Claim Submission Requirements, the Trustees shall provide a notice indicating each deficiency (a "**Deficiency Notice**") to such Direct Claimant and automatically defer further action on the relevant Direct Claim for one hundred twenty (120) days to ensure the Direct Claimant a fair opportunity to cure any such deficiencies. If the Direct Claimant fails to either timely supplement her Direct Claim with information and documentation sufficient to resolve any deficiencies identified, or timely respond to the Deficiency Notice requesting further relief, upon expiration of the one hundred twenty (120)-day period, the Direct Claim at issue shall become a Disallowed Claim and the Trustees shall send a Disallowed Claim Notice to the relevant Direct Claimant. If the Direct Claimant timely responds with a request for further relief, the applicable deadline to supplement her Direct Claim with information and documentation sufficient to resolve any deficiencies identified shall automatically be extended until (i) if such request for further relief is denied by the Claims Administrator, the date that is the later of (a) ten (10) days after such denial and (b) the last day of the applicable one hundred twenty (120) day deadline set forth in this paragraph, and (ii) if such request for further relief is granted by the Claims Administrator, such date as may be specified by the Claims Administrator.

In the event that the medical evidence submitted pursuant to Section 4.5.4 is deemed insufficient by the Claims Administrator to establish a Direct Claimant's relevant medical history, the Direct Claimant may submit an affidavit from her counsel (or the Direct Claimant herself if she is not represented by counsel) attesting, under the pains and penalties of perjury, to the fact that all available relevant documentation has been submitted, which affidavit must show proof of the Direct Claimant's MyChart or similar patient portal, identifying the Direct Claimant's treatment providers and her prior medical history. The Claims Administrator shall have the sole discretion to determine whether such affidavit is sufficient to resolve the deficiency as to the medical evidence submitted. However, medical evidence that does not include either a pathology report related to the Direct Claimant's alleged disease or, for Ovarian Cancer Claims

only, the Direct Claimant's treating physician's detailed report as to the Direct Claimant's pathologic diagnosis, shall not be deemed satisfactory evidence to establish an Allowed Claim. Direct Claimants who are unable to satisfy these requirements may, however, still be eligible to proceed under the Quickpay Review Process.

If the Direct Claim becomes a Disallowed Claim on that basis, the Trustees will not conduct a Preliminary Evaluation of such Direct Claim in accordance with Section 4.6.

If the Direct Claimant adequately cures all deficiencies identified by supplementing her Direct Claim within the one hundred twenty (120)-day deferral period (as determined by the Claims Administrator), the Direct Claim will become a Submitted Claim and shall be subjected to the Preliminary Evaluation Process in accordance with Section 4.6.

4.6 Claim Evaluation Procedures

To assist the Trustees to determine whether each Direct Claim submitted to the Trust is either (i) compensable and therefore should be processed pursuant to these TDP or (ii) is not compensable and therefore should be a Disallowed Claim, the Claims Administrator, in conjunction with the Claims Processor, shall act according to the following uniform procedures and guidelines to thoroughly and individually evaluate all Submitted Claims.

4.6.1 Efficient and Expeditious Processing

The Trustees shall take all reasonable steps to resolve Direct Claims as efficiently and expeditiously as possible at each stage of claims processing, including with respect to any Reconsideration Requests and/or pursuant to the ADR Procedures, which steps may include, in the Trustees' sole discretion, conducting settlement discussions with representatives with respect to more than one Direct Claim at a time, *provided, however*, that the relevant Direct Claimants' respective positions in the applicable FIFO Processing Queues are maintained and that each Direct Claim is individually evaluated pursuant to the valuation factors set forth in Article 5.

4.6.2 Preliminary Evaluation of Claim Submission Materials

Within sixty (60) days of each Direct Claim being deemed a Submitted Claim, the Claims Administrator shall conduct a Preliminary Evaluation of the related Claim Submission Materials to determine that:

- (i) the Submitted Claim was timely submitted to the Trust pursuant to Section 4.4;
- (ii) the Submitted Claim has not previously been submitted to the Trust pursuant to these TDP or otherwise (except for Direct Claims that were submitted and later formally withdrawn pursuant to Section 4.5.2);
- (iii) the Submitted Claim has not previously been resolved through litigation and/or settlement (including settlement under a Master Settlement Agreement), other than as described in Section 4.2;

- (iv) the Submitted Claim is not then subject to consideration for potential settlement under a Master Settlement Agreement; and
- (v) the Direct Claimant's Claim Submission Materials are substantially and substantively completed and signed under penalty of perjury.

Submitted Claims that satisfy the Preliminary Evaluation Criteria (as determined by the Claims Administrator) shall be deemed Confirmed Claims and thereafter routed to either the Expedited Review Process, the Individual Review Process, or the Quickpay Review Process, as elected by the Direct Claimant in her Claim Submission Form. A Submitted Claim that fails to satisfy one or more of the Preliminary Evaluation Criteria (as determined by the Claims Administrator) shall become a Disallowed Claim, and the Trustees shall provide a Disallowed Claim Notice to the relevant Direct Claimant.

In the event that a Submitted Claim becomes a Disallowed Claim because it was previously submitted to the Trust with different counsel, the Trust shall provide notice to the Direct Claimant regarding the duplicative submission and such Direct Claimant shall have thirty (30) days from the date of such notice to submit to the Trust a certification signed by such Direct Claimant, and all counsel who purported to represent the Direct Claimant in submissions to the Trust, confirming which counsel shall be representing the Direct Claimant with respect to the original Submitted Claim and withdrawing any later Submitted Claim. If the Direct Claimant satisfies this requirement, her Direct Claim will retain its place in the applicable FIFO Processing Queue based on the original Submitted Claim and the Direct Claim may proceed through the evaluation processes set forth in these TDP. Failure to timely submit such certification shall result in (i) the original Submitted Claim being indefinitely deferred pending clarification from the Direct Claimant and her counsel as to who represents the Direct Claimant and (ii) any later Submitted Claim being deemed withdrawn.

4.6.3 Evaluation of Confirmed Claims

For each Confirmed Claim, the Claims Administrator shall, in conjunction with the Claims Processor, individually evaluate the Claim Submission Materials with respect to such Confirmed Claim to assist the Trustees to determine whether such Confirmed Claim should be an Allowed Claim. Regardless of the Review Track selected, this process shall involve (i) a thorough review and consideration of all the Claim Submission Materials with respect to such Confirmed Claim, (ii) a full evaluation and determination as to the credibility of such Claim Submission Materials, and (iii) determination as to whether such Claim Submission Materials satisfy the applicable Review Criteria.

If the Trustees determine with the assistance of the Claims Administrator that (i) a Confirmed Claim satisfies the applicable Review Criteria and (ii) the Claim Submission Materials with respect to such Confirmed Claim are not deceptive or fraudulent, then the Confirmed Claim shall be deemed an Allowed Claim. If, on the other hand, the Trustees determine with the assistance of the Claims Administrator that (i) the Claim Submission Materials with respect to such Confirmed Claim are not deceptive or fraudulent, but (ii) the Confirmed Claim does not satisfy the applicable Review Criteria, then the Claims Administrator has the discretion to either (a) make the Confirmed Claim a Disallowed Claim, in which case the

Trustees shall provide a Disallowed Claim Notice to the relevant Direct Claimant, or (b) provide a Deficiency Notice to the relevant Direct Claimant, which shall request that the Direct Claimant submit to the Trust supplemental Claim Submission Materials sufficient to resolve any deficiency within one hundred twenty (120) days of the date of the Deficiency Notice. Extensions of time to submit supplemental Claim Submission Materials may be requested by the Direct Claimant to the Claims Administrator so long as made within such one hundred twenty (120)-day period, and the Claims Administrator retains full discretion to either grant or deny any such request. If such supplemental Claim Submission Materials are not received by the Claims Administrator prior to the expiration of the one hundred twenty (120)-day period (as extended, if applicable), the Confirmed Claim shall become a Disallowed Claim, and the Trustees shall provide a Disallowed Claim Notice to the relevant Direct Claimant. If the Direct Claimant timely requests an extension of time to submit supplemental Claim Submission Materials, the applicable deadline to submit such supplemental Claim Submission Materials shall automatically be extended until (i) if such request for extension is denied by the Claims Administrator, the date that is the later of (a) ten (10) days after such denial and (b) the last day of the applicable one hundred twenty (120) day deadline set forth in this paragraph, and (ii) if such request for extension is granted by the Claims Administrator, such date as may be specified by the Claims Administrator.

In the event, however, that the Trustees determine with the assistance of the Claims Administrator that any portion of the Claim Submission Materials with respect to a Direct Claim are deceptive or fraudulent (each, a “**Fraudulent Claim Submission**”), then such Direct Claim shall become a Disallowed Claim, and the Trustees shall provide a Disallowed Claim Notice to the relevant Direct Claimant (each, a “**Fraudulent Claimant**”). The Claim Submission Procedures shall set forth the criteria that the Claims Administrator will evaluate in making determinations with respect to a Fraudulent Claim Submission. Further, if the Trustees determine that any individual attorney or law firm is continually representing Fraudulent Claimants and submitting Fraudulent Claim Submissions to the Trust, the Direct Claims of other Direct Claimants who are represented by such attorney or law firm, in their evaluation under these TDP, shall be subject to such heightened scrutiny as the Trustees with the assistance of the Claims Administrator deem appropriate; *provided, however*, that such other Direct Claimants that may be subject to such heightened scrutiny shall not otherwise be prejudiced with respect to the processing of their Direct Claims.

4.6.4 Expedited Review Process

(A) In General

For each Confirmed Claim electing to proceed under the Expedited Review Process, the Claims Administrator shall, in conjunction with the Claims Processor, thoroughly review and evaluate the Claim Submission Materials with respect to such Confirmed Claim to assist the Trustees to determine whether the Expedited Review Criteria are satisfied. If, in undertaking the Expedited Review Process, the Trustees determine with the assistance of the Claims Administrator that a Confirmed Claim satisfies such Expedited Review Criteria, then such Confirmed Claim shall become an Allowed Claim and shall proceed to the valuation processes set forth in Section 5.3. If the Trustees determine with the assistance of the Claims Administrator that a Confirmed Claim does not satisfy such Expedited Review Criteria, then

such Confirmed Claim shall become a Disallowed Claim, and the Trustees shall provide a Disallowed Claim Notice to the relevant Direct Claimant.

(B) Expedited Review Criteria

Confirmed Claims that are Ovarian Cancer Claims proceeding under the Expedited Review Process and that satisfy the following Expedited Review Criteria shall become Allowed Claims, and Confirmed Claims that are Ovarian Cancer Claims proceeding under the Expedited Review Process but that fail to satisfy the following Expedited Review Criteria shall become Disallowed Claims:

- (1) Proof of Regular J&J Talc Perineal Use: the Direct Claimant establishes Regular J&J Talc Perineal Use; and
- (2) Date of First Diagnosis: the Direct Claimant's Date of First Diagnosis for Ovarian Cancer was at least ten (10) years following the first day of her Regular J&J Talc Perineal Use.

4.6.5 Individual Review Process

(A) In General

The Individual Review Process is available for any Direct Claimant who (i) elects to have her Direct Claim evaluated under the Individual Review Process on her Claim Submission Form and (ii) pays to the Trust a one-time, non-refundable administrative fee in the amount of one thousand dollars and zero cents (\$1,000.00) with her Claim Submission Form. If a Direct Claimant fails to include the administrative fee with her Claim Submission Form, her Direct Claim shall automatically be evaluated under the Expedited Review Process or the Quickpay Review Process, whichever is indicated by the Direct Claimant as her Secondary Election on her Claim Submission Form, rather than under the Individual Review Process.

For each Confirmed Claim electing to proceed under the Individual Review Process as to which the applicable fee has been paid, the Trustees shall, with the assistance of the Claims Administrator and Claims Processor, review and evaluate the Claim Submission Materials with respect to such Confirmed Claim to determine whether the Individual Review Criteria are satisfied.

A Direct Claimant who initially elected on her Claim Submission Form to have her Direct Claim evaluated under the Quickpay Review Process may not later request to have her Direct Claim evaluated under the Individual Review Process.

A Direct Claimant who initially elected on her Claim Submission Form to have her Direct Claim evaluated pursuant to the Individual Review Process may, at any time after the date her Direct Claim was submitted to the Trust, but before such Direct Claimant receives a Disallowed Claim Notice or an Allowed Claim Notice, as applicable, request to have her Direct Claim evaluated under either the Expedited Review Process or the Quickpay Review Process instead by providing written notice to the Trust. A Direct Claimant who initially elected to

proceed under the Individual Review Process and paid the required administrative fee, but later switches Review Tracks, shall not recover the administrative fee.

(B) Individual Review Criteria

A Confirmed Claim evaluated under the Individual Review Process shall become an Allowed Claim if it satisfies the following Individual Review Criteria:

- (1) the Confirmed Claim satisfies either the applicable Expedited Review Criteria (if the Direct Claimant indicated the Expedited Review Process as her Secondary Election) or the Quickpay Review Criteria (if the Direct Claimant indicated the Quickpay Review Process as her Secondary Election); and
- (2) the Confirmed Claim satisfies at least one of the following: (a) the Direct Claimant has little likelihood of substantial recovery elsewhere; (b) the Direct Claimant is experiencing Exigent Financial Hardship; or (c) the Confirmed Claim exhibits other extraordinary characteristics that merit the Confirmed Claim becoming an Allowed Claim.

A Direct Claimant seeking evaluation under the Individual Review Process may submit any Claim Submission Materials she deems relevant to satisfy the conditions set forth in clause (2) of the preceding sentence.

If, in undertaking the Individual Review Process, the Trustees, with the assistance of the Claims Administrator and Claims Processor, determine that a Confirmed Claim satisfies the Individual Review Criteria in Section 4.6.5(B)(1) and Section 4.6.5(B)(2), then such Confirmed Claim shall be an Allowed Claim and shall proceed to the valuation processes set forth in Section 5.4.

If the Trustees, with the assistance of the Claims Administrator and Claims Processor, determine that a Confirmed Claim fails to satisfy the conditions set forth in Section 4.6.5(B)(2), but determine that such Confirmed Claim satisfies the conditions set forth in Section 4.6.5(B)(1) (*i.e.*, the Expedited Review Criteria (if the Direct Claimant indicated the Expedited Review Process as her Secondary Election) or the Quickpay Review Criteria (if the Direct Claimant indicated the Quickpay Review Process as her Secondary Election)), such Confirmed Claim shall be an Allowed Claim but shall not proceed to the valuation processes set forth in Section 5.4 and instead shall proceed to the valuation processes set forth in Section 5.3 (if the Direct Claimant indicated the Expedited Review Process as her Secondary Election) or Section 5.5 (if the Direct Claimant indicated the Quickpay Review Process as her Secondary Election), and the Trustees shall provide a written notice to that effect to the relevant Direct Claimant (a **“Secondary Election Activation Notice”**).

If the Trustees, with the assistance of the Claims Administrator and Claims Processor, determine that a Confirmed Claim fails to satisfy the Individual Review Criteria in Section 4.6.5(B)(1) and Section 4.6.5(B)(2), such Confirmed Claim shall be deemed a

Disallowed Claim, and the Trustees shall provide a Disallowed Claim Notice to the relevant Direct Claimant.

4.6.6 Quickpay Review Process

(A) In General

For each Confirmed Claim electing to proceed under the Quickpay Review Process, the Claims Administrator, with a focus on efficiency, shall, in conjunction with the Claims Processor, review and evaluate the Claim Submission Materials with respect to such Confirmed Claim to assist the Trustees to determine whether the Quickpay Review Criteria are satisfied. If in doing so the Trustees determine with the assistance of the Claims Administrator that a Confirmed Claim satisfies the Quickpay Review Criteria, then such Confirmed Claim shall be deemed an Allowed Claim and shall proceed to the valuation processes set forth in Section 5.5. If the Trustees determine with the assistance of the Claims Administrator that a Confirmed Claim does not satisfy the Quickpay Review Criteria, then such Confirmed Claim shall become a Disallowed Claim, and the Trustees shall provide a Disallowed Claim Notice to the relevant Direct Claimant.

A Direct Claimant who initially elected on her Claim Submission Form to have her Direct Claim evaluated pursuant to the Expedited Review Process or the Individual Review Process may, at any time after the date her Direct Claim was submitted to the Trust, but before such Direct Claim becomes a Disallowed Claim or is paid, as applicable, request to have her Direct Claim evaluated under the Quickpay Review Process in this Section 4.6.6 instead.

(B) Quickpay Review Criteria

Confirmed Claims that are Ovarian Cancer Claims or Gynecological Claims and that satisfy the following Quickpay Review Criteria shall become Allowed Claims, and Confirmed Claims that are Ovarian Cancer Claims or Gynecological Claims but fail to satisfy the following Quickpay Review Criteria shall be Disallowed Claims:

- (1) Proof of Regular J&J Talc Perineal Use: the Direct Claimant establishes Regular J&J Talc Perineal Use; and
- (2) Date of First Diagnosis: the Direct Claimant's Date of First Diagnosis for Ovarian Cancer or Gynecological Cancer was at least ten (10) years following the first day of her Regular J&J Talc Perineal Use.

Article 5 **VALUATION OF DIRECT CLAIMS**

5.1 In General

The Claims Administrator, in conjunction with the Claims Processor, shall identify and utilize the appropriate valuation process, as described in this Article 5, to assist the Trustees to determine the value for every Direct Claim that becomes an Allowed Claim. These valuation

processes are intended to be a direct continuation of the resolution process for Direct Claimants, commencing immediately upon determination by the Trustees that her Direct Claim has become an Allowed Claim under the applicable Review Process. Promptly after determination of the value for an Allowed Claim under this Article 5, the Trustees shall provide an Allowed Claim Notice to the relevant Direct Claimant, which Allowed Claim Notice shall indicate (i) the determination that her Direct Claim has become an Allowed Claim and (ii) the proposed Allowed Claim Amount of her Direct Claim.

5.2 Punitive and Other Non-Compensable Damages

No punitive or exemplary damages shall be payable with respect to any Direct Claim litigated against the Trust in the tort system pursuant to Article 6 herein.

5.3 Determination of Scheduled Point Values Under Expedited Review Process

5.3.1 Valuation Process

Upon determination by the Trustees that an Ovarian Cancer Claim submitted to the Trust by a Direct Claimant that elected to proceed under the Expedited Review Process is an Allowed Claim, the Claims Administrator, in conjunction with the Claims Processor, shall undertake the following seven (7)-stage valuation process with respect to such Ovarian Cancer Claim. This process requires the Claims Administrator:

- (1) To identify the Initial Scheduled Point Value based on the Direct Claimant's age on the Date of Relevant Diagnosis and specific category of injury; then
- (2) To establish the Adjusted Scheduled Point Value based on the Initial Scheduled Point Value and the Diagnostic Adjustment as determined by the disease subtypes; then
- (3) To further adjust the Adjusted Scheduled Point Value based on the length of Regular J&J Talc Perineal Use; then
- (4) To further adjust the Adjusted Scheduled Point Value based on the length of time between the end of the Direct Claimant's Regular J&J Talc Perineal Use and the Date of First Diagnosis; then
- (5) To further adjust the Adjusted Scheduled Point Value based on atypical perineal use of J&J Talc Products, if applicable; then
- (6) To further adjust the Adjusted Scheduled Point Value by a certain percentage discount based on the existence of certain medical risk factors as set forth in Section 5.3.4(D) below, if applicable; and finally

- (7) To further adjust the Adjusted Scheduled Point Value based on the extent of the Direct Claimant's Regular Non-J&J Talc Perineal Use, if applicable.

5.3.2 Initial Scheduled Point Value

The Initial Scheduled Point Values for Ovarian Cancer Claims that have become Allowed Claims, prior to the application of any of the listed adjustments and/or reductions, will be determined based on the Direct Claimant's age and stage of cancer as detailed in the chart below. The relevant age shall be determined based on a Direct Claimant's age on the Date of Relevant Diagnosis. The relevant stage of cancer shall be determined by the most advanced stage of Ovarian Cancer the Direct Claimant received a diagnosis for, as established by the medical evidence included in the Claim Submission Materials with respect to the relevant Ovarian Cancer Claim. Such medical evidence must be (i) provided by a board-certified medical doctor, doctor of osteopathy, oncologist, or pathologist with qualified expertise to diagnose Ovarian Cancer and (ii) documented in contemporaneous medical records.²

Age on Date of Relevant Diagnosis (in years)	Stage IV OR Related Death	Stage III (with or without recurrence)	Stage I-II (with recurrence)	Stage II (without recurrence)	Stage I (without recurrence)
Under 45	1,200	840	420	240	120
45-49	1,020	715	355	205	100
50-54	780	545	275	155	80
55-59	660	460	230	130	65
60-64	480	335	170	95	50
65-69	360	250	125	70	35
70+	300	210	105	60	30

5.3.3 Adjusted Scheduled Point Value

Each Ovarian Cancer Claim's Initial Scheduled Point Value will then be adjusted by multiplying such Initial Scheduled Point Value by the applicable Diagnostic Adjustment set forth in the chart below.³ The resulting claim-specific Point Value shall be referred to as the Adjusted Scheduled Point Value.

Ovarian Cancer Diagnostic Subtypes	Diagnostic Adjustment
Serous Carcinoma	100%
Endometrioid Carcinoma	90%
Clear Cell Carcinoma	75%
Mixed Epithelial Carcinoma	See below

² The Trustees shall determine the applicable stage of cancer in accordance with the meanings and definitions thereof that are generally accepted in the medical community.

³ The Trustees shall determine the applicable Ovarian Cancer diagnostic subtype in accordance with the meanings and definitions thereof that are generally accepted in the medical community.

<ul style="list-style-type: none"> Each subtype identified is a qualifying subtype (<i>e.g.</i>, serous with clear cell) 	100%
<ul style="list-style-type: none"> Primary subtype is a qualifying subtype (<i>i.e.</i>, serous, endometrioid, clear cell) but other subtypes are non-qualifying (<i>e.g.</i>, serous with mucinous) 	65%
Undifferentiated Epithelial Carcinoma	100%
Ovarian Carcinoma with Epithelial Component of Unknown or Unidentified Subtype (<i>e.g.</i> , “ovarian adenocarcinoma”)	50%
Borderline Ovarian Tumors with Serous, Endometrioid, or Clear Cell Subtypes	30%

5.3.4 Further Adjustments to Adjusted Scheduled Point Value

Each Ovarian Cancer Claim’s Adjusted Scheduled Point Value will then be further adjusted based on a series of multiplicative talc usage and medical risk factors to determine the Final Scheduled Point Value for the Ovarian Cancer Claim, as set forth in this Section 5.3.4 and Section 5.3.5.

(A) Step I Adjustment: Length of Perineal Use

Each Ovarian Cancer Claim’s Adjusted Scheduled Point Value shall be adjusted based on the total length of the Direct Claimant’s Regular J&J Talc Perineal Use (*i.e.*, the number of years of Regular Perineal Use of J&J Talc Products in her perineal area). Specifically, the Adjusted Scheduled Point Value shall be reduced proportional to the Years of Regular J&J Talc Perineal Use relative to the Maximum Years of Regular Perineal Use where “**Years of Regular J&J Talc Perineal Use**” shall mean the lesser of (i) the number of full years of Regular J&J Talc Perineal Use after the Direct Claimant reached puberty and prior to the Date of First Diagnosis⁴ or (ii) forty (40) years, and “**Maximum Years of Regular Perineal Use**” shall mean the lesser of (i) the number of years elapsed between puberty and the Direct Claimant’s Date of First Diagnosis or (ii) forty (40) years.

$$\text{Step I Adjustment of Adjusted Point Value} = 1 - \frac{(\text{Years of Regular J\&J Talc Perineal Use})}{(\text{Maximum Years of Regular Perineal Use})}$$

This reduction factor shall be referred to as the “**Length of Perineal Use Factor**” and expressed as a percentage, and shall not be less than 0% or exceed 100%.

By way of example, if a Direct Claimant was forty-three (43) years old when first diagnosed with the Ovarian Cancer, which diagnosis is the subject of her Direct Claim, the Maximum Years of Regular Perineal Use is thirty (30) years. If she regularly used J&J Talc Products in her perineal area for twenty (20) full years between ages thirteen (13) and forty-three

⁴ For purposes of evaluating claims pursuant to these TDP, a Direct Claimant shall be assumed to have reached puberty on her thirteenth birthday.

(43), then the Adjusted Scheduled Point Value would be subject to a Length of Perineal Use Factor adjustment of $1 - (20 \text{ years} / 30 \text{ years}) = 33.33\%$.

(B) Step II Adjustment: Time Since Last Perineal Use

Next, the Adjusted Scheduled Point Value shall be further adjusted based on the length of time between the Direct Claimant's last Regular J&J Talc Perineal Use and her Date of First Diagnosis, as set forth in the following table:

Time Since Last Regular J&J Talc Perineal Use	Reduction of Adjusted Scheduled Point Value
0 to <6 years	0%
6 to <30 years	2% per year ⁵
30+ years	55%

This reduction factor shall be referred to as the “**Time Since Last Use Factor**” and expressed as a percentage, and shall not be less than 0% or exceed 55%.

(C) Step III Adjustment: Atypical Perineal Use

Next, if the Claims Administrator and/or Claims Processor determines that a Direct Claimant's perineal use of J&J Talc Products varies substantially from the use pattern of the typical qualifying claim, the Trustees may, with the consent of the TAC and the FCR, conduct an individual review of the Claim Submission Materials with respect to the Ovarian Cancer Claim and reasonably reduce the Adjusted Scheduled Point Value based on the frequency the Direct Claimant's perineal talc use of J&J Talc Products, as compared to what would constitute normal use based on other submissions. This discretionary reduction factor shall be referred to as the “**Atypical Use Factor**” and expressed as a percentage, and, if applicable, shall not be less than 0% or exceed 100%.

By way of example, if 5% of Ovarian Cancer Claims allege monthly exposure to J&J Talc Products through lining tampons or other feminine hygiene products with J&J Talc Product prior to application on the Direct Claimant's body, the Trustees may determine that such use is not a typical use of J&J Talc Products. The Adjusted Scheduled Point Value would be subject to an Atypical Use Factor adjustment in a percentage determined by the Trustees, with the consent of the TAC and the FCR.

(D) Step IV Adjustment: Medical Risk Factors

Next, the Adjusted Scheduled Point Value shall be further reduced based on the Direct Claimant's family history and genetic predisposition to ovarian cancer, based on the table below. If more than one medical risk factor is present, only the greatest of the reductions for applicable medical risk factors shall apply. Discounts applicable pursuant to this Section 5.3.4(D) are not

⁵ A Direct Claimant who was diagnosed with a qualifying disease ten (10) years after her last Regular J&J Talc Perineal Use would be subject to a Time Since Last Use Factor discount of $(10 - 6) \times 2\% = 8\%$.

applied cumulatively (*i.e.*, if a Direct Claimant has BRCA 1 as well as a family history of ovarian cancer, the total reduction is 45%, not 80%).

Risk Factor	Reduction of Adjusted Scheduled Point Value
BRCA 1 or BRCA 2	45%
Family history of Ovarian Cancer (in 1 st degree relative)	35%
Personal or family history (in 1 st degree relative) of colon or breast cancer	20%

This reduction factor shall be referred to as the “**Medical Risk Factor**” and expressed as a percentage, and, if applicable, shall be 20%, 35%, or 45%, and no other percentage.

(E) Step V Reductions: Non-J&J Talc Perineal Use

Next, the Adjusted Scheduled Point Value shall be further adjusted based on a Direct Claimant’s Regular Non-J&J Talc Perineal Use (if applicable and established by sworn testimony or affidavit).

Discounts	Reduction of Adjusted Scheduled Point Value
Other Talc Use (applies only if Regular Non-J&J Talc Perineal Use)	25% (increasing to the total percentage of Regular Perineal Use that is Regular Non-J&J Talc Perineal Use)

This reduction factor shall be referred to as the “**Non-J&J Talc Use Factor**” and expressed as a percentage, and, if applicable, shall not be less than 25% or exceed 100%.

By way of example, if a Direct Claimant used J&J Talc Products every morning in her perineal area and used Non-J&J Talc Products every evening in her perineal area for thirty (30) years (*i.e.*, half of her perineal area applications were J&J Talc Products and half were Non-J&J Talc Products), then the Adjusted Scheduled Point Value of her Ovarian Cancer Claim will be reduced by $50\% = 30 \text{ years of Regular Non-J\&J Talc Perineal Use} / (30 \text{ years of Regular J\&J Talc Perineal Use} + 30 \text{ years of Regular Non-J\&J Talc Perineal Use})$. If, instead, she had used Non-J&J Talc Products in her perineal area once a day for four (4) years and used J&J Talc Products in her perineal area once a day for twenty (20) years (*i.e.*, one-sixth of the Regular Perineal Use of talc-based products in her perineal area was use of Non-J&J Talc Products), then the Adjusted Scheduled Point Value of her claim will be reduced by the minimum 25%.

5.3.5 Final Scheduled Point Value

The Final Scheduled Point Value of each Ovarian Cancer Claim shall be determined based on the Initial Scheduled Point Value multiplied by the relevant Diagnostic Adjustment and

any applicable reduction factors outlined in Steps I–V (rounded to the nearest whole number), as follows:

Final Scheduled Point Value

$$= (\text{Initial Scheduled Point Value}) \times (\text{Diagnostic Adjustment}) \times (1 - \text{Length of Use Factor Reduction}) \times (1 - \text{Time Since Last Use Factor Reduction}) \times (1 - \text{Inconsistent Use Factor Reduction}) \times (1 - \text{Medical Risk Factor Reduction}) \times (1 - \text{Non J\&J Talc Use Factor Reduction})$$

By way of example, if a Direct Claimant with an Ovarian Cancer Claim was diagnosed with the Stage IV clear cell carcinoma, which diagnosis is the basis of her Direct Claim, at age fifty-three (53), had thirty (30) years of Regular J&J Talc Perineal Use, stopped using J&J Talc Products in her perineal area ten (10) years before the Date of First Diagnosis, has a family history of colon cancer in her mother, and never used Non-J&J Talc Products in her perineal area, then the Final Scheduled Point Value of her Ovarian Cancer Claim would be 323 points.

Initial Scheduled Point Value		780
Diagnostic Adjustment	Clear cell ovarian carcinoma	× 75%
	= 75%	
Adjusted Scheduled Point Value		585
Adjustment for Length of Regular Perineal Use Factor	$1 - (30 \div 40) = 25\%$	× 75% = 1 – 25%
		438.75
Adjustment for Time Since Last Use Factor	$(10 - 6) \times 2\% = 8\%$	× 92% = 1 – 8%
		403.65
Adjustment for Atypical Use Factor	Discretionary (not applied)	× n/a
Adjustment for Medical Risk Factor	Colon cancer in family history = 20%	× 80% = 1 – 20%
		322.92
Adjustment for Non-J&J Talc Use Factor	0 years of total use = 0%	× 100% = 1 – 0%
		322.92
Final Scheduled Point Value		= 322.92
		(rounded to 323)

5.4 Determination of Final Scheduled Point Values Under Individual Review Process

5.4.1 Underlying Scheduled Point Value

Upon determination by the Trustees that an Ovarian Cancer Claim submitted to the Trust by a Direct Claimant that elected to proceed under the Individual Review Process is an Allowed Claim, the Claims Administrator, in conjunction with the Claims Processor, shall undertake the seven (7)-stage valuation process set forth in Section 5.3 with respect to such Ovarian Cancer Claim to determine the Point Value of such Allowed Claim that would have resulted if such Direct Claimant had elected to proceed under the Expedited Review Process. The resulting claim-specific Point Value shall be referred to as the Underlying Scheduled Point Value.

5.4.2 Final Scheduled Point Value

To determine the Final Scheduled Point Value of such Allowed Claim, the Trustees shall then apply to the Underlying Scheduled Point Value a multiplier on account of the extraordinary nature of such Allowed Claim not to exceed three times (3x), as the Trustees shall determine in their sole discretion.

The Trustees shall take into consideration ~~factors that affect the amount of damages and values in the tort system, including~~the existence of credible and documented evidence of at least one of the following factors:

(i) ~~the degree to which the characteristics of a Direct Claim allowed under the Individual Review Process differ from a Direct Claim processed under the Expedited Review Process; and (ii) factors such as~~extraordinary injury that includes the existence of all of the following: (a) the Direct Claimant's age, disabilities, dependents, and employment status, (b) extended hospitalization for a minimum of thirty days, (b) the inability to work causing lost wages of a minimum of \$250,000, (c) the disruption of the Direct Claimant's household, family, or recreational activities above and beyond a typical Direct Claimant's case, and ~~(ed)~~ the Direct Claimant's pain and suffering above and beyond a typical Direct Claimant's case;

(ii) whether the claims of the Direct Claimant were ready to be tried to a jury based upon a showing, at a minimum, that (a) the trial preparation for the Direct Claimant's lawsuit caused the incurrence of significant unreimbursed expenses in excess of \$50,000, and (b) the Direct Claimant's litigation has progressed such that there has been a completed deposition of a case-specific causation expert in the Direct Claimant's lawsuit; and

(iii) whether the claims of the Direct Claimant had been tried, but an order was entered by the presiding court declaring a mistrial and requiring the Direct Claimant to prepare for a new trial.

5.5 Determination of Allowed Claim Amounts Under Quickpay Review Process

Gynecological Claims shall only be eligible to receive amounts based on the Quickpay Review Process below in this Section 5.5.

Upon determination by the Trustees that a Direct Claim submitted to the Trust is an Allowed Claim under the Quickpay Review Process, the Claims Administrator, in conjunction with the Claims Processor, shall determine the Allowed Claim Amount for such Allowed Claim pursuant to Section 5.5.1 or Section 5.5.2, as applicable. For the avoidance of doubt, the Allowed Claim Amounts under Section 5.5.1 and Section 5.5.2 are fixed and may not be challenged by a Reconsideration Request under Article 6, or otherwise.

5.5.1 Direct Claims For Which Expedited Review Process Available

If a Direct Claimant could have appropriately elected to submit her Direct Claim to the Trust pursuant to the Expedited Review Process, but for whatever reason chose instead to elect

the Quickpay Review Process, the resulting Allowed Claim shall have an Allowed Claim Amount of one thousand five hundred dollars and zero cents (\$1,500.00).

5.5.2 Gynecological Claims

Gynecological Claims that become Allowed Claims shall have an Allowed Claim Amount of one thousand five hundred dollars and zero cents (\$1,500.00).

Article 6

RECONSIDERATION REQUESTS BY DIRECT CLAIMANTS

6.1 Reconsideration of Determinations Other Than Individual Review Process Determinations

6.1.1 Reconsideration Requests

(A) Requirements for Reconsideration Requests

Following receipt of (i) a Disallowed Claim Notice or (ii) solely with respect to Direct Claims that become Allowed Claims under the Expedited Review Process, an Allowed Claim Notice, a Direct Claimant may submit to the Trust a Reconsideration Request pursuant to this Section 6.1.1; *provided, however*, that, for the avoidance of doubt, the procedures set forth in this Section 6.1.1 shall be inapplicable to (a) any Disallowed Claim Notice or Secondary Election Activation Notice provided to a Direct Claimant under Section 4.6.5 and (b) any Allowed Claim Notice with respect to a Direct Claim that becomes an Allowed Claims under the Individual Review Process. For a Reconsideration Request to be considered, it must be properly submitted to the Trust in accordance with the process therefor set forth in the Claim Submission Procedures for Direct Claims. Each Reconsideration Request submitted to the Trust pursuant to this Section 6.1.1 must include:

- (1) a completed Reconsideration Request form, the template for which shall be attached to the Claim Submission Procedures for Direct Claims; and
- (2) payment of five hundred dollars and zero cents (\$500.00) as an administrative reconsideration fee.

(B) Forfeiture of Right to Request Reconsideration

Direct Claimants found to have submitted deceptive or fraudulent Claim Submission Materials to the Trust shall be deemed to have forfeited their right to request reconsideration pursuant to this Section 6.1.1.

(C) Failure to Request Reconsideration Deemed Acceptance

The deadline to submit a Reconsideration Request pursuant to this Section 6.1.1 shall be sixty (60) days after the date of a Disallowed Claim Notice or Allowed Claim Notice. Any Direct Claimant who fails to properly submit a Reconsideration Request to the Trust prior to the expiration of such sixty (60)-day period shall be deemed to accept the determination set forth in

the applicable Disallowance Claim Notice or Allowed Claim Notice, which determination shall thereupon become final and non-appealable.

(D) Reconsideration Request Procedures

Upon receipt of a properly submitted Reconsideration Request, the Trustees shall proceed with a re-evaluation of the Direct Claim. The Trustees will have the sole discretion whether to grant or deny the Reconsideration Request and will provide written notice of their decision to grant or deny the Reconsideration Request within thirty (30) days of receiving the Reconsideration Request, as described below.

If a Reconsideration Request is denied, the administrative fee will not be returned, and the Trustees will provide timely written notice to the relevant Direct Claimant that it will not reconsider the Direct Claim (a “**Reconsideration Denial Notice**”). The Direct Claimant shall retain the ability to pursue her Direct Claim in mediation or litigation pursuant to the ADR Procedures and litigation procedures set forth below in Sections 6.1.2 and Section 6.1.3, respectively.

If a Reconsideration Request is granted, the Trustees will provide timely written notice to the relevant Direct Claimant that they are reconsidering her Direct Claim (a “**Reconsideration Grant Notice**”). The Trustees will then reconsider the Direct Claim, including all new Claim Submission Materials provided by the Direct Claimant to the Trust in the Reconsideration Request, and will have the discretion to maintain or revise the original determination, or alternatively to request supplemental Claim Submission Materials as necessary to reach a final conclusion. The Trustees will use their best efforts to provide the Direct Claimant written notice of their decision to affirm or revise the original determination within sixty (60) days of having sent the applicable Reconsideration Grant Notice.

To the extent the Trustees determine that a Submitted Claim, upon reconsideration is an Allowed Claim (if it was previously a Disallowed Claim) or should receive a higher or lower proposed Final Scheduled Point Value, the Trustees shall provide an Allowed Claim Notice and, unless the Trustees determine that such Submitted Claim should receive a lower proposed Final Scheduled Point Value, return the administrative fee to the Direct Claimant. If, however, the Trustees decide that no change to the original determination is warranted, that the Allowed Claim should receive a lower proposed Final Scheduled Point Value, or that the Claims Submission Materials provided by the Direct Claimant were insufficient to reach a final conclusion, then the administrative fee shall not be returned and either (i) the earlier allowance determination and/or Final Scheduled Point Value shall stand or (ii) if the Trustees decided that the Allowed Claim should receive a lower proposed Final Scheduled Point Value, such lower proposed Final Scheduled Point Value shall apply. The Trustees will use their best efforts to provide written notice of their decision within sixty (60) days of the Trust having sent the applicable Reconsideration Grant Notice (a “**Reconsideration Decision Notice**”).

6.1.2 ADR Procedures

If (i) a Reconsideration Request is denied or (ii) the Direct Claimant remains unsatisfied with the Trustees’ determination upon reconsideration, then the Direct Claimant may elect to

proceed to mediation by providing written notice to the Claims Administrator within sixty (60) days of the date of the applicable Reconsideration Denial Notice, Allowed Claim Notice, or Reconsideration Decision Notice. If the Direct Claimant does not timely provide such written notice requesting mediation, then the applicable Disallowed Claim Notice or Allowed Claim Notice shall be final and non-appealable.

The Trustees shall, with the consent of the TAC and the FCR, prepare and maintain a list of approved mediators, which shall be made available to all Direct Claimants who submit their Direct Claims to the Trust. The Claims Administrator and the Direct Claimant shall jointly choose a mediator (the “**Mediator**”) from the list maintained by the Trustees. If the Claims Administrator and the Direct Claimant are unable to reach agreement regarding the Mediator, the TAC shall select one from the list maintained by the Trustees.

The Mediator will work with the Claims Administrator and the Direct Claimant to reach a settlement of the Direct Claim that is mutually acceptable to the Trustees and the Direct Claimant; *provided, however*, that the settlement amount may not exceed the Maximum Value of the Direct Claim. The Mediator shall not have the authority to unilaterally impose a settlement upon the parties. The Direct Claimant and Trust shall split the fees and expenses incurred by the Mediator equally; *provided, however*, that the Direct Claimant’s share of the Mediator’s fees and expenses shall be capped at two thousand five hundred dollars and zero cents (\$2,500.00). The parties shall otherwise bear their own costs, including legal fees.

If the mediation results in a settlement agreement, the agreed-upon amount shall constitute the Direct Claimant’s Allowed Claim Amount and payment of such Allowed Claim shall be processed in the same manner as payments made to Direct Claimants who did not submit a Reconsideration Request. If the mediation concludes with no settlement, the Mediator will formally conclude mediated discussions and the Direct Claimant may proceed to litigation pursuant to Section 6.1.3.

6.1.3 Litigation

A Direct Claimant who has exhausted his or her rights pursuant to Sections 6.1.1 and Section 6.1.2 shall retain the right to institute a lawsuit in the tort system against the Trust in the Claimant’s Jurisdiction in order to determine the compensatory amount of her Direct Claim. Such lawsuit may not name the Debtor, J&J, or any other Debtor Corporate Party, or any other Protected Party and must only be filed against the Trust as defendant. Any such lawsuit must be filed by the Direct Claimant in her own right and name and not as a member or representative of a class or acting in the public interest pursuant to a statute allowing for a private right of action or otherwise, and no such lawsuit may be consolidated with any other lawsuit. For the avoidance of doubt, an Indirect Claimant may not pursue litigation pursuant to the provisions contained in this Section 6.1.3.

A Direct Claimant seeking to commence litigation pursuant to this Section 6.1.3 must notify the Trust of her intention to seek judicial review within sixty (60) days following the conclusion of ADR Procedures pursuant to Section 6.1.2. Direct Claimants who seek judicial review of the Trust’s determination of the Final Scheduled Point Value of a Direct Claim must pay a fee of two thousand five hundred dollars and zero cents (\$2,500.00) to the Trust, and

Direct Claimants who seek judicial review of the Trust's determination that the Direct Claim is a Disallowed Claim must pay a fee of ten thousand dollars and zero cents (\$10,000.00) to the Trust.

Both the Direct Claimant and the Trust shall have all appropriate defenses available to them (including, with respect to the Trust, all defenses which could have been asserted by any Protected Party). Further, the Trust may use any and all Claim Submission Materials with respect to a Direct Claim in its defense of any lawsuit in the tort system, including evidence of deceptive or fraudulent behavior. The Trustees shall have authority to settle such lawsuits in the exercise of their business judgment. However, the settlement amount of such settlement agreement may not exceed the Maximum Value of the Direct Claim.

In the event a Direct Claimant elects to pursue a lawsuit pursuant to this Section 6.1.3 which results, after waiver and/or exhaustion of any party's rights of appeal, in a final judgment for monetary damages, then such Direct Claimant shall be eligible to receive payment from the Trust of the portion of such judgment that constitutes compensatory damages, up to the Maximum Value of such Direct Claim (the "**Allowed Judgment Amount**"). Payment of the Allowed Judgment Amount shall be processed in the same manner as payments made to Direct Claimants who did not submit a Reconsideration Request, except that upon reaching the front of the FIFO Payment Queue, the Trust shall distribute to the Direct Claimant only an initial payment equal to Trust's last offer, if any, to the Direct Claimant (*provided, however*, that in no event shall such payment amount exceed the amount of the judgment obtained in the tort system). The balance of the judgment, up to the Allowed Judgment Amount for the Direct Claim, if any, shall be paid to the Direct Claimant in five (5) equal installments in years six (6) through ten (10) following the year of the initial payment. Under no circumstances shall any non-compensatory monetary damages or any interest be paid under any statute on any judgments obtained in the tort system.

In the event that the Direct Claimant prevails at trial but is awarded a judgment less than the Trust's last offer, if any, the Allowed Judgment Amount shall be reduced on a dollar-for-dollar basis by all fees, costs, and expenses the Trust incurred in defending against the Direct Claimant's lawsuit; *provided, however*, that such dollar-for-dollar reduction shall not exceed the Allowed Judgment Amount. In the event that the Direct Claimant does not prevail at trial, the Direct Claim shall be a Disallowed Claim.

6.2 Reconsideration of Individual Review Process Determinations

Following receipt of (i) a Disallowed Claim Notice or a Secondary Election Activation Notice provided under Section 4.6.5 or (ii) solely with respect to Confirmed Claims that become Allowed Claims under the Individual Review Process, an Allowed Claim Notice, a Direct Claimant may submit to the Trust a Reconsideration Request pursuant to this Section 6.2. For such a Reconsideration Request to be considered, it must be properly submitted to the Trust in accordance with the process set forth in the Claim Submission Procedures for Direct Claims. Each Reconsideration Request submitted to the Trust pursuant to this Section 6.2 must include a completed Reconsideration Request form, the template for which shall be attached to the Claim Submission Procedures for Direct Claims.

The deadline to submit a Reconsideration Request pursuant to Section 6.2 shall be sixty (60) days after the date of a Disallowed Claim Notice, a Secondary Election Activation Notice, or an Allowed Claim Notice. Any Direct Claimant who fails to properly submit a Reconsideration Request to the Trust prior to the expiration of such sixty (60)-day period shall be deemed to accept the determination set forth in the applicable Disallowed Claim Notice, Secondary Election Activation Notice, or Allowed Claim Notice, which determination shall thereupon become final and non-appealable.

In the event that a Direct Claimant submits a Reconsideration Request to the Trust consistent with this Section 6.2, such Reconsideration Request shall be submitted to a special panel of individuals established by the Trustees with the consent of the TAC and the FCR (the “**Individual Review Claims Panel**”) for resolution. Upon receipt of a properly submitted Reconsideration Request, the Individual Review Claims Panel shall proceed with a re-evaluation of the Direct Claim. The Individual Review Claims Panel will have the sole discretion whether to grant or deny the Reconsideration Request and will provide written notice of their decision to grant or deny the Reconsideration Request within thirty (30) days of receiving the Reconsideration Request, as described below.

If a Reconsideration Request is denied by the Individual Review Claims Panel, the Individual Review Claims Panel will provide timely written notice to the relevant Direct Claimant that it will not reconsider the Direct Claim. The decision of the Individual Review Claims Panel to deny the Reconsideration Request shall be final and binding, and not subject to any further administrative or judicial review, including pursuant to Section 6.1.2 or Section 6.1.3.

If a Reconsideration Request is granted by the Individual Review Claims Panel, the Individual Review Claims Panel will provide timely written notice to the relevant Direct Claimant that it is reconsidering her Direct Claim. The Individual Review Claims Panel will then reconsider the Direct Claim, including all new Claim Submission Materials provided by the Direct Claimant to the Trust in the Reconsideration Request, and will have the discretion to maintain or revise the original determination, or alternatively to request supplemental Claim Submission Materials as necessary to reach a final conclusion. The Individual Review Claims Panel will use its best efforts to provide the Direct Claimant written notice of its decision to affirm or revise the original determination within sixty (60) days of having sent the Direct Claimant written notice that it is reconsidering her Direct Claim. All decisions of the Individual

Review Claims Panel shall be final and binding, and not subject to any further administrative or judicial review, including pursuant to Section 6.1.2 or Section 6.1.3.

Article 7

PAYMENT PROCESS FOR DIRECT CLAIMS

7.1 Points-Based Monetary Values

7.1.1 Uncertainty of Liabilities

Litigation arising from the use of talc or talc-containing products is a relatively new mass tort and the total number of Direct Claims that may be paid over time by the Trust pursuant to these TDP is uncertain. As a result of this uncertainty, in undertaking to ensure substantially equitable treatment of all similar Existing Claims and Future Claims, the Trustees must from time to time determine or redetermine the Cash Value of a Point.

7.1.2 Points Valuation System

(A) Initial Cash Value of a Point

To provide reasonable assurance that the Trust will value, and be in a financial position to pay, Existing Direct Claims and Future Direct Claims that involve similar Channeled Talc Personal Injury Claims in substantially the same manner, within thirty (30) days after the Claim Submission Deadline, and in any event prior to any distributions from the Trust, the Trustees, with the consent of the TAC and the FCR, shall establish an initial Cash Value of a Point (the “**Initial Cash Value of a Point**”). The Trustees shall base their determination of the Cash Value of a Point on (i) current estimates as to the number, types, and Final Scheduled Point Values for Existing Direct Claims, Future Direct Claims, and Indirect Claims (ii) the value of the assets available to the Trust for payment of Allowed Claims, including without limitation a determination by the Trustees that the Trust will have sufficient assets as of the date the Initial Cash Value of a Point is established to pay Existing Direct Claims and Future Direct Claims that involve similar Channeled Talc Personal Injury Claims in substantially the same manner, (iii) all anticipated administrative and legal expenses, and (iv) any other matters that are reasonably likely to affect the sufficiency of funds to pay all Existing Direct Claims and Future Direct Claims based on the same application of these TDP to all similar Direct Claims and the points awarded for each Direct Claim. When making these determinations, the Trustees shall evaluate all relevant factors to determine a conservative Cash Value of a Point with the goal of assuring that the Trust will be able to treat all similar Existing Direct Claims and Future Direct Claims in substantially the same manner while taking in to account the value of Indirect Claims.⁶ Under no circumstances shall the Trustees seek to set the Initial Cash Value of a Point such that it would result in the Trust having a present or projected negative balance at any time.

The Initial Cash Value of a Point and any later determined Cash Value of a Point, as in effect at the beginning of each calendar year, will be adjusted for inflation annually, beginning as of January 1, 20__ (the “**Inflation Adjustment**”). The amount of each such Inflation

⁶ In determining the Initial Cash Value of a Point, the Trustees are not bound by the range provided in the Disclosure Statement.

Adjustment shall equal the increase for the preceding year in the Consumer Price Index for All Urban Consumers (“**CPI-U**”), but such Inflation Adjustment for any year shall not exceed 5%. The Trust shall rely upon CPI-U as published by the United States Department of Labor, Bureau of Labor Statistics (“**BLS**”); provided, however, that if BLS ceases to publish CPI-U, the Trustees, subject to the consent of the TAC and FCR, shall select the most comparable index of inflation published by BLS or another reputable and established source.

(B) Redetermination of Cash Value of a Point

To provide continued reasonable assurance that the Trust will value, and be in a financial position to pay Existing Direct Claims and Future Direct Claims that involve similar Channeled Talc Personal Injury Claims in substantially the same manner, the Cash Value of a Point shall be subject to change pursuant to the terms of these TDP and the Trust Agreement. No less than annually beginning on the first (1st) anniversary of the date when the Initial Cash Value of a Point is established, the Trustees shall review the then-applicable Cash Value of a Point as it deems necessary to assure that it is based on accurate, current information, and shall compare (i) the claims and liability estimation on which the then-applicable Cash Value of a Point was based with the actual Channeled Talc Personal Injury Claims submission and payment experience of the Trust, (ii) the projected assets of the Trust on which the then-applicable Cash Value of a Point was based with the current assets and any updated projections of asset values, and (iii) any other matters that are reasonably likely to affect the sufficiency of funds to pay all Existing Direct Claims and Future Direct Claims based on (a) the application of these TDP in substantially the same manner to all similar Direct Claims and (b) the points awarded for each Direct Claim that is an Allowed Claim. If the results of the comparisons indicate that the Trust will be unable to value, and be in a financial position to pay, Existing Direct Claims and Future Direct Claims that involve similar Channeled Talc Personal Injury Claims in substantially the same manner, the Trustees shall propose a change in the Cash Value of a Point; *provided, however*, that any adjustment to the Cash Value of a Point must be made with the consent of the TAC and the FCR. In the event that the Trustees determine to adjust the Cash Value of a Point, the Trustees shall provide written notice to the TAC and FCR at least thirty (30) days prior to any requested change in the Cash Value of a Point. If the adjusted Cash Value of a Point is adopted, the Trust shall publicly disclose the adjusted Cash Value of a Point on its website.

(C) Supplemental Payments

If at any point the Trustees, with the consent of the TAC and the FCR, determine to increase the Cash Value of a Point, then the Trustees shall cause the Trust to make supplemental payments in respect of Ovarian Cancer Claims that have previously received a payment from the Trust based on the valuation thereof pursuant to Section 5.3 or Section 5.4. The supplemental payment in respect of any such Ovarian Cancer Claim shall be (i) an amount equal to the Net Award Amount of such Direct Claim as recalculated (a) based on the Allowed Claim Amount of such Direct Claim as recalculated using the increased Cash Value of a Point and (b) taking into account any additional reductions to the Allowed Claim Amount, less (ii) all payments previously made by the Trust in respect of such Direct Claim. Notwithstanding the foregoing, supplemental payments that are less than one hundred dollars and zero cents (\$100.00) shall not be payable; *provided, however*, that supplemental payments shall accrue such that, if sequential supplemental payments owed to a Direct Claimant in the aggregate equal or exceed one hundred

dollars and zero cents (\$100.00), the relevant Direct Claimant shall receive payment of such aggregate amount. For the avoidance of doubt, the amount of the Final Scheduled Point Value of the applicable Ovarian Cancer Claim shall not be re-determined or otherwise reconsidered in connection with any supplemental payment in respect thereof.

Checks issued by the Trust in respect of any supplemental payments shall be mailed to the last address the Direct Claimant provided to the Trust for the Trust to send payments, which address may be the Direct Claimant's attorney. Checks issued by the Trust in respect of any supplemental payments shall be null and void if not negotiated within 180 days after the date of issuance thereof. If the Direct Claimant does not request reissuance of such un-negotiated check within 180 days thereafter (*i.e.*, within 360 days from the date of issuance), the amount represented by such voided check shall irrevocably revert to the Trust. Any Allowed Claim in respect of such voided check shall be discharged and forever barred from assertion against the Trust, and the Direct Claimant shall not be entitled to any future payments from the Trust, including future supplemental payments.

Notwithstanding anything contained herein to the contrary, if a change to the Cash Value of a Point has been proposed in writing by the Trustees to the TAC and FCR but has not yet been adopted, the Direct Claimant shall receive the lower of the current Cash Value of a Point or the proposed Cash Value of a Point. If the proposed Cash Value of a Point is the lower amount but is not subsequently adopted, the Direct Claimant shall thereafter receive the difference between the lower proposed amount and the higher current amount. Conversely, if the proposed Cash Value of a Point is the higher amount and is subsequently adopted, the Direct Claimant shall thereafter receive the difference between the lower current amount and the higher adopted amount. In either event, however, no supplemental payments will be made to a Direct Claimant in the event the payment in question would be less than one hundred dollars and zero cents (\$100.00).

7.2 Guidelines for Paying Allowed Claims

7.2.1 Documentation Requirements

(A) Acceptance and Release

A Direct Claimant who decides to accept an offer of payment from the Trust based on the proposed Allowed Claim Amount of her Allowed Claim shall complete and execute an Acceptance and Release, a copy of which shall be provided with the Allowed Claim Notice. The Acceptance and Release provided with the Allowed Claim Notice shall include a release of all claims against the Debtor, the Reorganized Debtor, J&J, the other Debtor Corporate Parties, and the other Protected Parties, to the extent any such claims arise from or are related to the alleged use of or other exposure to talc or talc-containing products, including J&J Talc Products, and resulting injury.

(B) Documents Establishing Legal Representation

Direct Claimants asserting a Direct Claim on behalf of a minor, incapacitated, or deceased person must, before any funds related to such Direct Claim may be distributed from the Trust, submit to the Trust appropriate documentation confirming the Direct Claimant's legal

authority to resolve the Direct Claim on behalf of the minor, incapacitated, or deceased person. Such documentation should generally be in the form of a court order, letters of administration, power of attorney, or the like.

7.2.2 Deadline For Acceptance of Offers From Trust

Direct Claimants (other than Direct Claimants who (i) have submitted a Reconsideration Request or (ii) (a) hold Submitted Claims as a representative of an injured or deceased individual and (b) are required to obtain court approval before accepting any Final Scheduled Point Value proposed by Trust) shall have one hundred eighty (180) days from the date of the applicable Allowed Claim Notice to accept such offer by causing the Trust to receive a fully completed and executed Acceptance and Release. The Trustees, in their sole discretion, may, but are not required to, extend this deadline upon a showing of good cause by the Direct Claimant that additional time is necessary to obtain the required authority or approval to accept an offer of payment from the Trust.

7.2.3 Offsets

Notwithstanding anything to the contrary contained in these TDP, the Trust shall have the right to offset or reduce payment of an Allowed Claim Amount on a dollar-for-dollar basis based on any amounts paid, or to be paid, to the relevant Direct Claimant on account of her Direct Claim from any source other than Trust.

7.2.4 Contribution, Indemnity, Reimbursement, and Subrogation

In the event that the Trust pays a Direct Claim for which another party, other than a Protected Party, may be partially or entirely liable, the Trust shall have a claim for contribution, indemnity, reimbursement, or subrogation, whether contractual or implied by law, against such other party that it may assert.

7.3 Lien Resolution

With respect to any Direct Claim that becomes an Allowed Claim pursuant to these TDP, all related medical liens shall be paid from amounts that otherwise would be paid by the Trust to the Direct Claimant in respect of such Allowed Claim, with a corresponding reduction to the Net Award Amount.

On or as soon as practicable following the submission of any Direct Claim to the Trust, the Lien Resolution Administrator shall begin working to quantify any and all known medical liens arising from or related to such Direct Claim, with the goal of negotiating the satisfaction of any such liens by the time the Allowed Claim Amount of such Direct Claim, if it becomes an Allowed Claim, has been determined.

The Lien Resolution Administrator shall be responsible for the satisfaction of any and all such known and valid medical liens. The Lien Resolution Administrator shall provide written verification of the same to the Trustees and the TAC before any portion of an Allowed Claim Amount is paid to the relevant Direct Claimant and/or her counsel. Neither the Debtor, the Reorganized Debtor, J&J, nor any other Debtor Corporate Party shall bear any responsibility for

payment of any Direct Claimant's liens. The Trust shall not bear any responsibility for payment of any Direct Claimant's liens to the extent such liens are for amounts in excess of amounts otherwise payable by the Trust to such Direct Claimant in respect of her Direct Claim.

For the avoidance of doubt, the medical liens arising from or relating to Direct Claims that are to be resolved by the Lien Resolution Administrator as described above are not Indirect Claims and are not subject to resolution under Article 8.

7.4 No Common Benefit Fund Payments Shall Be Made

The Trustees are not authorized to pay, and shall not pay, any common benefit fees or expenses from the Trust, and shall take no action with respect to the Common Benefit Fund, in each case without the written consent of the FCR and a supermajority of the members of the TAC (consisting of not less than 66% of all members of the TAC).

7.5 Payment of Claims

7.5.1 Allowed Claim Amounts Held in Escrow

Promptly upon receipt of a Direct Claimant's properly completed and executed Acceptance and Release, the Allowed Claim Amount for such Direct Claimant's Allowed Claim shall be set aside and remain segregated within the Trust pending the final resolution of various administrative issues involving the resolution of the relevant Direct Claim, including issues related to applicable medical liens, fees and expenses of counsel, fees, expenses and obligations related to administration of the Trust, probate, guardianship/conservatorship, and personal bankruptcy filings, and the final payment of the Net Award Amount to such Direct Claimant and/or her counsel.

7.5.2 Payment of Net Award Amount

Upon (i) the Trust's receipt of a Direct Claimant's properly completed and executed Acceptance and Release and (ii) resolution of any lien, attorney fees, expenses, and obligations related to administration of the Trust, and any other issues involving resolution of the relevant Direct Claim, payment to such Direct Claimant and/or her respective counsel shall be made in the Net Award Amount. If a Direct Claimant elected to receive her payment pursuant to these TDP through her retained counsel, the Trustees shall transfer the Net Award Amount to the payee identified on such Direct Claimant's Claim Submission Form.

Notwithstanding anything to the contrary contained herein, the Trustees, with the consent of the TAC and the FCR, may pay part of the Allowed Claim Amount that has been set aside and segregated for a Direct Claimant as provided in Section 7.5.1 to such Direct Claimant and/or her counsel prior to resolution of all issues applicable to such Direct Claim, including the resolution of medical liens and obligations related to administration of the Trust. In such event, the Trustees will cause the Trust to continue to hold, on a segregated basis, a portion of such Allowed Claim Amount that the Trustees, with the consent of the TAC and the FCR, determine to be appropriate to satisfy any unresolved issues applicable to resolution of such Direct Claimant's Direct Claim. Upon the resolution of such unresolved issues and the final determination of such Direct Claimant's Net Award Amount, the Trustees shall pay to the Direct

Claimant and/or her counsel, from the portion of her Allowed Claim Amount that the Trust continues to hold on a segregated basis, the remaining balance of her Net Award Amount.

7.6 Payment Processing

7.6.1 FIFO Payment Processing

Direct Claims that have become Allowed Claims under a particular Review Track and liquidated in accordance with the terms herein shall be paid in first-in-first-out order based on the date the Trust received a Direct Claimant's properly completed and executed Acceptance and Release, subject to the sequencing adjustments provided for herein.

As to any particular FIFO Payment Queue, in the event that the Trust receives more than one relevant Acceptance and Release on a particular date, each Direct Claim's position in such FIFO Payment Queue shall be determined by the Date of Relevant Diagnosis, with an earlier Date of Relevant Diagnosis having priority over a later Date of Relevant Diagnosis. In the unlikely event that the Trust receives more than one relevant Acceptance and Release on a particular date and the relevant Direct Claims also have the same Date of Relevant Diagnosis, the positions of these Direct Claims in the particular FIFO Payment Queue shall be determined based on the relevant Direct Claimants' dates of births, with earlier dates of birth given priority over later dates of birth.

7.6.2 Discretion to Vary Order and Amounts of Payments

Consistent with the provisions hereof and subject to the applicable FIFO Processing Queue and FIFO Payment Queue, the Trustees shall proceed as quickly as possible to liquidate Allowed Claims and to make payments to relevant Direct Claimants in accordance with these TDP on an ongoing basis, as funds become available and while maintaining sufficient resources to pay Future Direct Claims that are determined to be Allowed Claims in the same amount as Existing Direct Claims. If the properly executed and completed Acceptance and Release forms for a group of Direct Claimants represented by the same law firm have been received by the Trust, the Trustees, in their sole discretion, may simultaneously issue payments to all such Direct Claimants regardless of their individual placement in the FIFO Payment Queue.

Because the Trust's assets and liabilities over time remain uncertain, and decisions about payments must be based on estimates that cannot be made precisely, such decisions may have to be revised in light of experiences over time, and there can be no guarantee of any specific level of payment to Direct Claimants. The Trustees shall, however, use their best efforts to treat similar Direct Claims in substantially the same manner, consistent with their duties as Trustees, the purposes of the Trust, and the practical limitations imposed by the inability to predict the future with precision.

In the event that the Trust faces issues with respect to liquidity that cannot be resolved based on adjustments to the Cash Value of a Point, the Trustees may, with the consent of the TAC and FCR, (i) suspend the normal order of payment or (ii) temporarily limit or suspend payments altogether.

Article 8
RESOLUTION OF INDIRECT CLAIMS

8.1 Claim Submission Procedures for Indirect Claims

The Claim Submission Procedures for Indirect Claims shall be developed by the Trustees with the assistance of the Claims Administrator and Claims Processor and adopted by the Trustees with the consent of the TAC and the FCR. These Claim Submission Procedures shall include, but shall not be limited to, the following:

8.1.1 Indirect Claim Submission Deadline

Indirect Claimants must submit their Indirect Claims to the Trust within one hundred twenty (120) days of the Initial Submission Acceptance Date. If an Indirect Claimant fails to submit his/her/its Indirect Claim within this time period, such Indirect Claimant shall be deemed to have waived the right to submit his/her/its Indirect Claim or otherwise seek compensation from the Trust.

8.1.2 Indirect Claim Review Criteria

An Indirect Claim shall become an Allowed Claim if it satisfies the following Indirect Claim Review Criteria:

- (1) the Indirect Claim is not subject to (a) disallowance under section 502 of the Bankruptcy Code, including subsection (e) thereof (subject to the right of the holder of the Indirect Claim to seek reconsideration by the Trustees under section 502(j) of the Bankruptcy Code), or is not otherwise legally invalid, or (b) subordination under sections 509(c) or 510 of the Bankruptcy Code, or otherwise under applicable law;
- (2) the Indirect Claim has not been previously submitted to, or paid by, the Trust, or previously resolved through litigation and/or settlement involving the Debtor, the Reorganized Debtor, J&J, or any other Debtor Corporate Party;
- (3) the Indirect Claim is entitled to contribution, reimbursement, subrogation, or indemnity (as those terms are defined by applicable non-bankruptcy law of the relevant jurisdiction) from the Trust on account of a payment made by the Indirect Claimant;
- (4) the Indirect Claim is not subject to a valid defense, including, without limitation, that such Indirect Claim is barred by a statute of limitations or by other applicable law; and
- (5) the Indirect Claimant does not have an obligation to indemnify the Trust from the liability that was the basis of the payment made by the Indirect Claimant.

For each Indirect Claim submitted to the Trust, the Claims Administrator shall, in conjunction with the Claims Processor, thoroughly review and evaluate such Indirect Claim to assist the Trustees to determine whether the Indirect Claim Review Criteria are satisfied. If, in undertaking such review and evaluation, the Trustees determine with the assistance of the Claims Administrator that an Indirect Claim satisfies the Indirect Claim Review Criteria, then such Indirect Claim shall be an Allowed Claim and the Trustees with the assistance of the Claims Administrator shall determine the Allowed Claim Amount of such Allowed Claim, which shall be the amount necessary to pay such Allowed Claim in full. If the Trustees determine with the assistance of the Claims Administrator that an Indirect Claim does not satisfy the Indirect Claim Review Criteria, then such Indirect Claim shall become a Disallowed Claim, and the Trustees shall provide a Disallowed Claim Notice to the relevant Indirect Claimant.

8.1.3 Payments on Account of Allowed Claims

As promptly as practicable following a determination by the Trustees with the assistance of the Claims Administrator that an Indirect Claim is an Allowed Claim, the Trustees shall provide the relevant Indirect Claimant an Allowed Claim Notice, which Allowed Claim Notice will indicate (i) the determination that such Indirect Claim is an Allowed Claim and (ii) the proposed Allowed Claim Amount of such Indirect Claim.

An Indirect Claimant that decides to accept an offer of payment from the trust based on the proposed Allowed Claim Amount of his/her/its Allowed Claim shall complete and execute an Acceptance and Release, a copy of which shall be provided with the Allowed Claim Notice. The Acceptance and Release provided with the Allowed Claim Notice shall include a release of all claims against the Debtor, the Reorganized Debtor, J&J, the other LTL Corporate Parties, and the other Protected Parties, to the extent any such claims arise from or are related to the Indirect Claimant's Allowed Claim.

Upon the Trust's receipt of an Indirect Claimant's properly completed and executed Acceptance and Release, payment to such Indirect Claimant shall be made by the Trust in the Allowed Claim Amount of the relevant Indirect Claim as promptly as practicable.

8.2 Court Review

Within thirty (30) days after the date of a Disallowed Claim Notice or Allowed Claim Notice (the "**Indirect Claim Judicial Review Election Deadline**"), an Indirect Claimant may notify the Trust of its intention to seek a *de novo* review of the Trust's determination as to its Indirect Claim in accordance with Section 8.1 by the Bankruptcy Court. Such notification shall be made by submitting a written notice to the Trustees (an "**Indirect Claim Judicial Review Election Notice**") by the Indirect Claim Judicial Review Election Deadline. Extensions of the Indirect Claim Judicial Review Election Deadline may be requested by the Indirect Claimant from the Trustees so long as requested prior to the Indirect Claim Judicial Review Election Deadline, and the Trustees retain full discretion to either grant or deny any such request. If an Indirect Claim Judicial Review Election Notice is not received by the Trustees prior to the Indirect Claim Judicial Review Election Deadline (as extended, if applicable), then the applicable Disallowed Claim Notice or Allowed Claim Notice shall be final and binding.

An Indirect Claimant that commences a legal proceeding following submission to the Trustees of an Indirect Claim Judicial Review Election Notice may not seek costs or expenses against the Trust in any such judicial proceeding, and the Trust may not seek costs or expenses against the Indirect Claimant in such proceeding.

In no event shall the submission of an Indirect Claim Judicial Review Election Notice entitle the holder of an Indirect Claim to request or receive treatment different than the treatment provided for under these TDP, including Section 8.1. The *de novo* review provided for herein shall be solely to determine whether an Indirect Claim is an Allowed Claim and, if so, to determine the Allowed Claim Amount of the Indirect Claim, all under and in accordance with these TDP. All defenses shall be available to both the Indirect Claimant and the Trust in any judicial proceeding commenced following submission to the Trustees of an Indirect Claim Judicial Review Election Notice. Upon entry of final non-appealable order of a court competent jurisdiction that establishes the Allowed Claim Amount of an Indirect Claim, such Indirect Claim shall be paid in accordance with this Article 8.

Article 9

TRUST AUDITING AND REPORTING

9.1 Trust Auditing

9.1.1 Cross-Trust Audit Program

The Trustees, with the consent of the TAC and the FCR, shall develop and implement a Cross-Trust Audit Program that shall be overseen by the Auditor, which program shall include methods for auditing the reliability of medical evidence, as well as the reliability of evidence of usage of talc or talc-containing products for which the Trust has legal responsibility and the reliability of reporting on other asbestos exposure. This Cross-Trust Audit Program will be designed to compare Direct Claims submitted to the Trust against claims filed with any other bankruptcy or mass-tort trusts. Further, as part of its coordination with other bankruptcy or mass-tort trusts, the Trust shall fully comply with reasonable subpoenas served against it by other bankruptcy or mass-tort trusts seeking to conduct a similar audit.

By submitting a Direct Claim to the Trust, regardless of the treatment sought, a Direct Claimant shall be deemed to have affirmatively consented to (i) any release by the Trust of necessary and sufficient information sought either through the Cross-Trust Audit Program or in response to any subpoena served against the Trust; (ii) any release by any other bankruptcy or mass-tort trusts that participate in the Cross-Trust Audit Program or the Trust has served a subpoena on, to the Auditor of all information submitted to such other trusts by or on behalf of the relevant Direct Claimant pursuant to the provisions of the Cross-Trust Audit Program, or subpoena, if applicable, and (iii) disclosure by or to the Auditor of the status, amount, and date of payment made with respect to the claim asserted or filed by the relevant Direct Claimant to the Trust or any other bankruptcy or mass-tort trust.

To the extent that the Trustees believe it is relevant, nothing herein shall preclude the Trust or the Auditor, in the Trustees' sole discretion, from reviewing or taking into consideration filed state or federal court complaints, available discovery from any such case, or other claims

filed against other bankruptcy or mass-tort trusts. Any Direct Claimant shall cooperate with and provide the Trust with (i) any non-privileged information reasonably requested by the Trust and (ii) upon request by the Trust, authorization to obtain from other bankruptcy or mass-tort trusts any information such Direct Claimant has provided to such other trusts.

9.1.2 Consequences of Audit Program

In the event that the Trustees determine that an audit under the Cross-Trust Audit Program reveals that deceptive or fraudulent Claim Submission Materials have been provided to the Trust with respect to a Direct Claim, the Trust may penalize the relevant Direct Claimant and her counsel by: (i) disallowing the Direct Claim, (ii) seeking to require the source of such deceptive or fraudulent Claim Submission Materials, including the Direct Claimant and her counsel, to reimburse the Trust for all costs incurred in connection with such audit and any future audit or audits of the Direct Claim, (iii) reordering the priority of payment of the Direct Claim, and (iv) taking any other appropriate action, including seeking sanctions or informing law enforcement agencies.

The Trust may also place reasonable restrictions, limitations, or affirmative requirements on Direct Claims submitted to the Trust in the future by Direct Claimants represented by any attorney and/or law firm who previously represented a Direct Claimant that was determined to have submitted deceptive or fraudulent Claim Submission Materials to the Trust, including (i) requiring that the attorney and/or law firm representing such Direct Claimants pay a \$1,000.00 penalty for each new Direct Claim submitted to the Trust and (ii) subjecting all such Direct Claims to audit under the Cross-Trust Audit Program, *provided, however*, that such audit shall not prejudice the relevant Direct Claimant with respect to the processing or evaluation of her Direct Claim or, to the extent such Direct Claim is deemed an Allowed Claim, as to the timing of payment to the relevant Direct Claimant.

Direct Claims that are subject to heightened scrutiny pursuant to Section 4.2.3, Section 4.2.5, Section 4.5.2, or Section 4.6.3 shall be automatically subject to audit under the Cross-Trust Audit Program.

9.1.3 Detection and Prevention of Fraud

The Trustees shall, with the assistance of the Claims Administrator, develop and institute auditing and other procedures to detect and prevent the allowance of Direct Claims involving Fraudulent Claim Submissions. Among other things, such procedures will permit the Trustees or Claims Administrator to conduct random audits to verify information and documentation included in randomly selected Claim Submission Materials, as well as targeted audits of Claim Submission Materials, any of which may include an examination requested by the Trustees (including by healthcare professionals selected by the Trustees).

9.2 Trust Reporting

Periodically, and at least annually, the Trust shall publish a report summarizing the Direct Claims resolved pursuant to these TDP, including breakdowns with respect: to (i) the types of Direct Claim involved; (ii) application of the Expedited Review Process, Individual Review Process, Quickpay Review Process, and/or any ADR Procedures, litigations, or

settlements, and (iii) the average Allowed Claim Amount by type of Direct Claim and specific category of injury. The Trustees also shall simultaneously provide the TAC and the FCR with (i) a more detailed version of the above-mentioned report that also includes breakdowns as to Claimant's Jurisdiction and the counsel representing Direct Claims submitted to the Trust and (ii) detailed monthly status reports regarding the evaluation status of Submitted Claims, as well as the valuation and payment status of all Allowed Claims for which the Allowed Claim Amount has been determined.

Article 10 **MISCELLANEOUS**

10.1 Non-Binding Effect of Trust and/or Litigation Outcome

Notwithstanding any other provision of these TDP, the Trust's determination to pay or not to pay any claim shall not be binding on, or have any *res judicata*, collateral estoppel, or other preclusive effect in any lawsuit or other proceeding against, the Debtor, the Reorganized Debtor, J&J, the other Debtor Corporate Parties, the other Protected Parties, or any other person or entity other than the Trust.

10.2 Independence of Trust

Except as otherwise specifically provided in the Plan, the Trust Agreement or these TDP, (i) none of the Debtor, the Reorganized Debtor, J&J, or any other Debtor Corporate Party shall have any rights or involvement whatsoever in the implementation or operation of these TDP, (ii) none of the Debtor, Reorganized Debtor, J&J, or any Debtor Corporate Party is a third-party beneficiary of the Trust or these TDP, and (iii) nothing herein creates any rights or obligations that may give rise to a claim or cause of action by the Debtor, the Reorganized Debtor, J&J, or any other Debtor Corporate Party against the Trust, any Direct Claimant, or any Indirect Claimant.

10.3 Amendments

The Trustees, subject to the consent of the TAC and the FCR, may modify or amend these TDP; *provided, however*, that no modification or amendment to these TDP shall be inconsistent with the provisions of the Trust Agreement or these TDP limiting amendments or modifications to these TDP; *provided, further, however*, that with respect to any requirement in these TDP that consent of the TAC be made pursuant to a supermajority of the members of the TAC, any modification or amendment of such supermajority requirement shall be subject to the consent of a supermajority of the members of the TAC (consisting of not less than 66% of all members of the TAC). Any modification or amendment made pursuant to this Section 10.3 shall be in writing and shall be publicly disclosed on the Trust's website. Notwithstanding anything contained in the Trust Agreement or these TDP to the contrary: (i) neither these TDP, nor any document annexed hereto, shall be modified or amended in any way that could jeopardize, impair, or modify: (a) the applicability of section 524(g), section 1123(b)(6), and/or section 105 of the Bankruptcy Code to the Plan, the Confirmation Order, or the Trust; (b) the enforceability, the scope, or the terms of the discharge, releases, injunctions, and exculpation included in Article XI of the Plan; or (c) the Trust's status as a qualified settlement fund within the meaning of

regulations governing qualified settlement funds; and (ii) any modification or amendment of these TDP affecting the rights of the Reorganized Debtor or J&J shall require the prior written consent of the Reorganized Debtor or J&J (as applicable). For the avoidance of doubt, any modification or amendment to clause (i) or clause (ii) of the immediately preceding sentence shall require the prior written consent of the Reorganized Debtor and J&J.

10.4 Severability

Should any provision contained in these TDP be determined to be unenforceable, such determination shall in no way limit or affect the enforceability and operative effect of any and all other provisions of these TDP.

10.5 Governing Law

These TDP shall be construed in accordance with the laws of the State of Texas, without giving effect to any choice or conflict of law provision or rule that would cause the application of laws of another jurisdiction. Notwithstanding the foregoing, the review and evaluation of Direct Claims under these TDP and the law governing mediation or litigation in the tort system shall be the law of the Claimant's Jurisdiction.

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Table moves from	0
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