

**REVISED EXHIBIT 1 TO AGREED STIPULATION AND ORDER**  
**PROCEDURES FOR THE REVIEW OF ASSERTED**  
**LIEN CLAIMS AGAINST SETTLING IMPLANT CLAIMANTS**

Section 1. Preamble

- 1.01 The Procedures for the Review of Asserted Lien Claims Against Settling Implant Claimants ("Procedures") shall apply to correspondence received by either the Dow Corning Claims Administration Facility (CAF) during the pendency of the bankruptcy proceedings (May 15, 1995 - June 1, 2004)<sup>1</sup> or the Settlement Facility-Dow Corning Trust (SF-DCT) or CAF prior to the termination of the SF-DCT that purports to assert a lien against the recovery of a Settling Personal Injury Claimant. These Procedures apply solely and exclusively to asserted lien claims against settling claimants. More specifically, these Procedures apply to disputes between: (1) Personal Injury Claimants who elect to settle their claim in the SF-DCT and whose claims have been reviewed and (1) determined to be eligible and (2) had an Allowed Amount determined (referred to generally in these Procedures as "Claimants"), and (2) persons or entities who assert the right to receive all or a portion of the payment(s) to Claimants from the SF-DCT (referred to generally in these Procedures as "Alleged Lienholder"). Alleged Lienholder claims do not include claims regarding the distribution of assets in a probate estate or a marital estate and do not include claims asserted against Claimants who assert claims against the Litigation Facility.

Section 2. Definitions

- 2.01 Unless otherwise defined in the Procedures, capitalized terms in these Procedures shall be governed by the definitions in the Amended Joint Plan of Reorganization ("Plan") and the Plan Documents.
- 2.02 References to the terms "Claimant" or the "Alleged Lienholder" shall include the duly authorized legal representatives of each.
- 2.03 In determining the maximum amount that may be subject to an Alleged Lienholder's claim, if the Claimant is unrepresented, then, for purposes of these Procedures only, "Allowed Amount" means the amount of payment the SF-DCT has determined should be awarded a Claimant on his/her claim(s). If the Claimant has an Attorney of Record and the Attorney of Record is not also the Alleged Lienholder, then "Allowed Amount" shall mean the amount of payment the SF-DCT has determined should be awarded a Claimant on his/her claim(s), less the applicable attorney fees and allowed expenses.

---

<sup>1</sup> Dow Corning has provided the SF-DCT with data indicating claims for which a potential lien has been asserted.

### Section 3. Lien Judge

- 3.01 The Court previously appointed Pamela Harwood as the Lien Judge. Any successor Lien Judge shall be appointed by the Court upon recommendation of the Finance Committee. The Claimants' Advisory Committee and Debtor's Representatives shall have the right to comment upon the recommendation of the Finance Committee.
- 3.02 The fact that the Lien Judge has a current or prior association with the SF-DCT or the Finance Committee shall not be considered a conflict and shall not be an impediment to the Lien Judge's service.
- 3.03 The existence of a personal or business affiliation between the Lien Judge and any Alleged Lienholder shall be considered a conflict of interest and will preclude the Lien Judge from serving in that dispute. In the event of such a conflict, the Alleged Lienholder will be advised of the right to file a motion directly with the District Court and the motion will be filed and heard de novo by the District Court under applicable federal and local rules.

### Section 4. Notice Process/Proof of Lien

- 4.01 a. Upon receipt of an Alleged Lienholder claim, the SF-DCT shall send a Notice -- via Certified, first-class mail -- and Proof of Lien form (Exhibit 1 to these Procedures) to the Alleged Lienholder. The SF-DCT shall send the Notice and Proof of Lien to the Alleged Lienholders who are identified in the data provided to the SF-DCT by the CAF. The Alleged Lienholder must return the completed Proof of Lien form and supporting documentation to the SF-DCT within 30 days from the date of the Notice from the SF-DCT.
  - b. The Claims Administrator may grant a one-time extension of time to the Alleged Lienholder.
  - c. Proof of Lien forms that contain incomplete information shall be returned to the Alleged Lienholder with a notice that the form cannot be accepted until the Alleged Lienholder completes the form. The Alleged Lienholder shall have 15 days from the date of the SF-DCT letter returning the incomplete form to complete and return the form.
  - d. If the Alleged Lienholder fails to comply with Sections 4.01(a) or 4.01(c), the Alleged Lienholder shall be barred from asserting the lien. In such event the SF-DCT shall notify the Alleged Lienholder that the lien may not be pursued with the SF-DCT. The Alleged Lienholder shall have 30 days from the date of the letter from the SF-DCT to file a Notice of Appeal to the District Court under the standard articulated in Rule 60 of the Federal Rules of Civil Procedure. If the District Court determines that the Alleged Lienholder has met the burden in FRCP 60, then the Alleged Lienholder's claim shall be processed by the SF-DCT pursuant to these Procedures.
- e. If the Alleged Lienholder does not submit a timely Proof of Lien and does not file

a timely Notice of Appeal, or has had its appeal to the District Court dismissed or denied, then the SF-DCT shall process and pay the Claimant's claim without regard to the asserted lien, and shall have no further obligation, if one ever existed, to the Alleged Lienholder.

- 4.02 a. Upon receipt of the Proof of Lien form and supporting documentation, if any, the SF-DCT shall provide a copy to the Claimant, or to the Claimant's attorney of record if the Claimant is represented, along with a copy of these Procedures and a Notice of Objection or Resolution of Lien form (Exhibit 2 to these Procedures). If the Claimant wishes to contest the asserted lien, (s)he must do so by returning a completed Notice of Objection form to the SF-DCT no later than 45 days from the date of the letter.
- b. If the Claimant fails to file the Notice of Objection or Resolution of Lien form, as specified at Section 4.02(a) above, then the SF-DCT shall be authorized to honor the asserted lien (but is not required to do so if the lien is otherwise deficient or invalid) and pay the Claimant minus the Alleged Lienholder's lien amount.
- c. If the Claimant submits the Notice of Objection or Resolution of Lien form and informs the SF-DCT that she consents to the lien and lien amount or has resolved the lien, the SF-DCT is authorized to withhold the agreed amount from the Claimant's payment.
- d. If the Claimant submits an objection on the Notice of Objection or Resolution of Lien form, the SF-DCT shall provide a copy of the form to the Alleged Lienholder. In addition, the SF-DCT shall forward the Proof of Lien and Notice of Objection or Resolution of Lien forms along with supporting documentation to the Lien Judge for resolution, as specified at Section 6 below.
- 4.03 The Alleged Lienholder shall not be entitled to any information regarding the Claimant or her claim that the SF-DCT or the Lien Judge determines is confidential, including information on the Allowed Amount of the Claimant's claim.

#### Section 5. Payment Pending Resolution of Lien

- 5.01 If the asserted lien amount is less than the amount of the Claimant's Allowed payment, then the SF-DCT shall pay the undisputed portion of the Allowed payment to the Claimant without delay, pending the resolution of any asserted lien.

#### Section 6. Dispute Resolution Procedures

- 6.01 The Lien Judge may use any commonly accepted form of dispute resolution appropriate to the nature of the dispute, at the sole discretion of the Lien Judge, including ruling on the merits based solely upon the materials provided.
- 6.02 The Lien Judge shall permit no form of discovery between the parties; however, the Lien

Judge may seek additional information and documents from the parties, the SF-DCT, and/or other sources at his/her discretion.

- 6.03. The Lien Judge is not required to return any documents. Copies will not be made available, and all documents received by the Lien Judge will be destroyed 6 months after the dispute has been resolved.
- 6.04 In making a determination of attorney fees and expenses that are part of an Alleged Lienholder claim, the Lien Judge may take into account the changing terms of the various breast implant class settlements including the different procedures and funds for payment of attorney fees and how this may affect an Alleged Lienholder claim.
- 6.05 If an Alleged Lienholder is seeking to recover an amount for expenses incurred that are part of an Alleged Lienholder claim (exclusive of any expenses incurred in the implementation of these Procedures, which shall not be allowed in any event), the Alleged Lienholder must provide written documentation of the dates, amounts, and invoices for such expenses. Allowable expenses incurred by an attorney as Alleged Lienholder are those identified in the Claimant Information Guide for Class 5 Breast Implant Claims and as further supplemented by Court Order. All expenses must be reasonable in relation to the work performed and the result obtained.
- 6.06 Any award of attorney fees and/or expenses sought by a attorney of the Claimant's Alleged Lienholder claim will be determined according to the attorney fee provisions in Paragraph 5.10 of the Plan as confirmed by the Court, the applicable fee agreement, or applicable state law, whichever is lowest; provided, that the Lien Judge may in his discretion based on the amount of work performed and the value of services provided award attorney fees lower than the fee limitations in the Plan or may award no attorney fees. The fact that an attorney filed a Proof of Claim form or other registration form alone shall not be grounds for the award of attorney's fees without credible evidence of actual work done on behalf of the Claimant.
- 6.07 An attorney who represented a Personal Injury Claimant with respect to a rupture and/or disease claim that was submitted by that attorney to the SF-DCT and for which the SF-DCT determined an allowed amount of compensation but who is unable to locate that Personal Injury Claimant, despite reasonable efforts to do so, or who is unable to distribute funds to heirs of a deceased Personal Injury Claimant, may assert a lien for the recovery of allowable attorney fees and expenses consistent with the provisions of this Order including paragraphs 6.05 and 6.06 above and with the Plan. If the attorney has already received a payment for the Personal Injury Claimant, then the attorney must return the full amount of the payment(s) before the lien can be reviewed by the Lien Judge. The return of the payment shall not affect the Claimant's right to receive the portion of the payment allocated to the Claimant by the Lien Judge provided that a request for such payment is made on or before June 3, 2019, or on or before 210 days after the date of the check, whichever is later. At any time before June 3, 2019, such Personal Injury Claimant or her court-appointed Representative may request a new check for payment on her award, minus any attorney fees and expenses allowed by the Lien Judge. The SF-DCT shall have the authority to prescribe a different specific deadline for requesting a new check where the timing of the initial payment to the attorney is less than 180 days before June 3, 2019.
- 6.08 Within 90 days (or such longer period as circumstances require) of the receipt of documents identified in Section 4.02(d) above, the Lien Judge shall issue a written

decision which shall be sent to the SF-DCT. The SF-DCT shall be responsible for providing the Lien Judge's decision to the Alleged Lienholder and the Claimant. The SF-DCT shall serve the decision within 10 days of its issuance.

6.09 If the Lien Judge makes an award requiring payment to an Alleged Lienholder, the time to appeal set forth in Section 7 below has expired, and neither party has filed a timely appeal, then the SF-DCT shall issue payment as specified by the Lien Judge. The SF-DCT will issue separate checks to the Claimant and to the Alleged Lienholder.

<sup>2</sup> See Agreed Order Adopting Q&A's Regarding Article IX of Annex A, The Claims Resolution Procedures, July 22, 2004.

#### Section 7. Appeals.

- 7.01 Either party may appeal the decision of the Lien Judge by filing a Notice of Appeal with the District Court within 14 days of the date of the notice from the SF-DCT providing the decision of the Lien Judge.
- 7.02 Failure to appeal within this time shall result in either the dismissal of the asserted lien or recognition of the validity of the lien in whole or in part as appropriate based on the decision of the Lien Judge. The SF-DCT shall be entitled to pay the Claimant the appropriate portion of the Allowed claim based on the decision of the Lien Judge.
- 7.03 The SF-DCT shall be entitled to pay the Claimant the appropriate portion of the Allowed claim based on the decision of the District Court after all appeals are exhausted or after the time for appeals has expired.

#### Section 8. Fees.

- 8.01 The Lien Judge shall be paid by the SF-DCT at the Court -approved hourly rate. If the Court appoints as a successor Lien Judge, an individual who is a salaried employee of the Trust, then such Lien Judge shall not be paid any amount other than the approved salary.

#### Section 9. Jurisdiction and statute.

- 9.01 The District Court shall exercise continuing jurisdiction over these Procedures.
- 9.02 The Federal Arbitration Act shall not apply to Alleged Lienholder claims.

#### Section 10. Deadlines

- 10.1 For purposes of these Procedures the computation of days shall include Saturday, Sunday, and federal holidays if the time period is more than 20 days. If the time period is 20 days or less, the computation of days shall exclude Saturday, Sunday, and federal holidays. If the time period -- regardless of whether it is greater than, equal to or less than 20 days -- would end on a Saturday, Sunday, or federal holiday, then the ending date shall be the next business day after the Saturday, Sunday, or federal holiday.
- 10.2 To comply with a deadline a submission must be postmarked by the date of the deadline.

## SF-DCT REVISED PROOF OF LIEN FORM FOR ALLOWABLE FEES AND/OR EXPENSES

**Read these Instructions carefully. Failure to follow them will result in the return of the form to you without a decision.**

**INSTRUCTIONS: File one Proof of Lien form for each claimant. Do not combine multiple claimants on one form or the form will be returned to you without a decision. PRINT legibly and attach itemized documentation of allowable expenses only. See attached Q&A's.**

1. Name of Law Firm / Entity Asserting a lien	2. Applicable Tax ID, EIN, or SSN of person asserting a lien																					
3. Name of Contact Person at Law Firm / Entity Asserting a Lien																						
4. Address (Street, City, State, Zip)																						
5. Telephone Number:	6. Email:																					
7. Name and address (last known) of Claimant against whom you are asserting a lien.																						
8. Provide at least <b>one</b> of the following: SID #, SSN, or Proof of Claim # (preferably in this order) of claimant against whom you are asserting a lien																						
9. Check one of the following: <input type="checkbox"/> I am an attorney who represented the claimant on one or more of her benefit payments. Go to Q10. <input type="checkbox"/> I am NOT an attorney but I am asserting a lien for medical expenses. Go to Q12.																						
10. <input type="checkbox"/> I am asserting a lien for <u>ATTORNEY FEES</u> per the schedule in the Plan. (Complete the following questions. Check all boxes to which the lien applies, including future payments such as Premium and Increased Severity Payments. Failure to check applicable boxes now will be deemed a waiver of the right to assert a lien of these payments in the future.)  Date representation began: _____ Date representation terminated (if applicable): _____  Attach a copy of the contract of representation and letter terminating representation (if applicable).																						
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 40%;">Check which payment(s) the lien applies to</th> <th style="width: 20%; text-align: center;">✓</th> <th style="width: 40%;">Amt. Attorney Fee Claimed with this lien</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Rupture Payment</td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">Rupture Premium Payment</td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">Disease Payment</td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">Disease Premium Payment</td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">Increased Severity Disease Payment</td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">Increased Severity Disease Premium Payment</td> <td></td> <td></td> </tr> </tbody> </table>	Check which payment(s) the lien applies to	✓	Amt. Attorney Fee Claimed with this lien	Rupture Payment			Rupture Premium Payment			Disease Payment			Disease Premium Payment			Increased Severity Disease Payment			Increased Severity Disease Premium Payment			
Check which payment(s) the lien applies to	✓	Amt. Attorney Fee Claimed with this lien																				
Rupture Payment																						
Rupture Premium Payment																						
Disease Payment																						
Disease Premium Payment																						
Increased Severity Disease Payment																						
Increased Severity Disease Premium Payment																						

11. Have you previously received attorney fees for this Claimant (including any fees from benefit payments made in the Revised Settlement Program)? If so, state the amount of the benefit awarded to claimant, the amount of attorney fees paid to you, and the date the fees were paid.

Claimant Award Amount: \_\_\_\_\_ Attorney Fees Paid to You: \_\_\_\_\_ Date: \_\_\_\_\_

Claimant Award Amount: \_\_\_\_\_ Attorney Fees Paid to You: \_\_\_\_\_ Date: \_\_\_\_\_

Attach additional pages if necessary.

12. I am asserting a lien for ALLOWABLE EXPENSES. You must provide ITEMIZED documentation for each expense. You must include all allowable expenses incurred as of the date of the lien submission. You can amend this form for allowable expenses but only for expenses incurred **after** the date this form was submitted.

Period of time Claimed Expenses were incurred	Total Amount of Allowable Expenses Claimed
_____, _____ to _____, _____ (mo/day/ year) (mo/day/ year)	\$ _____

**ATTACH an itemized list that clearly identifies the type of allowable expense, amount, and date the expense was incurred. Do not submit any other documentation except for the itemized list. Do not include non-allowable expenses on the itemized list. This will delay the decision on your lien claim and possibly result in this claim being returned to you without a decision.**

13. Have you previously received reimbursement for expenses for this Claimant? No. Yes. If so, state the date and amount of payment that was received and whether it satisfied all outstanding allowable expenses at the time.

Were all prior reimbursements for allowable expenses only?

Date: \_\_\_\_\_ Amount Received: \_\_\_\_\_ Yes No Explain: \_\_\_\_\_

14.  Check this box if you are asserting a lien for attorney fees and/or expenses because you either cannot locate your client to distribute a payment or are unable to distribute a payment because the claimant is deceased. **You must have returned the entire claimant award(s) in question to the SF-DCT before your lien will be reviewed.** On a separate piece of paper, describe the efforts you have taken to locate your client, the last known address and contact information for the client, and/or any contact information for heirs and/or probate administrators and representatives, if applicable. The statement must include a reason why you cannot distribute the claimant's payments directly to the claimant.

If you are terminating your representation of the claimant for the reason(s) noted above, you must notify the SF-DCT in writing when you submit this Proof of Lien form.

**15. CERTIFICATION: SIGN AND DATE**

**Forms that are not signed will be returned and the lien will not be reviewed.**

I declare under penalty of perjury that the above information and statements are true, correct, and accurate.

\_\_\_\_\_  
Signature of Person asserting a lien

\_\_\_\_\_  
Date signed

\_\_\_\_\_  
Printed name

\_\_\_\_\_  
Position

**DEADLINE: You must return this completed, signed Proof of Lien form on or before 30 days from the date the form was sent to you by the SF-DCT. If you have any questions about your deadline, contact the SF-DCT.**



Dear [NAME]

The Settlement Facility - Dow Corning Trust ("SF-DCT") acknowledges receipt of your correspondence in which you assert a lien against a tort Claimant who has elected to participate in the Settlement Option. The Settlement Facility and Fund Distribution Agreement ("SFA") provides at Section 10.09 that:

10.09 No Execution. All funds in the Settlement Facility are deemed *in custodia legis* until such times as the funds have actually been paid to and received by a Claimant, and no Claimant or any other party can execute upon, garnish or attach the Settlement Facility in any manner or compel payment from the Settlement Facility of any Claim. Payment of Claims will be governed solely by the Plan, this Settlement Facility Agreement, the Claims Resolution Procedures, and the Funding Payment Agreement.

While the SF-DCT is not legally obligated to recognize your asserted lien, the United States Court of the Eastern District of Michigan entered an Order dated \_\_\_\_\_, 2018 establishing "Revised Procedures For The Review of Asserted Liens Against Settling Implant Claimants" ("Procedures"). A copy of the Revised Procedures is attached. Please review them as they contain important information and deadlines that affect your asserted lien claim. Also enclosed is a "Revised Proof of Lien" form which you are required to complete and return to the SF-DCT on or before 30 days from the date of this letter. Failure to timely return the form will result in the denial of your ability to proceed on the lien claim with the SF-DCT.

If you are an attorney who is not able to locate your client or is unable to distribute funds to the heirs of a claimant, you must return the entire claimant payment(s) in question to the Settlement Facility before your lien request will be reviewed.

The SF-DCT is not able to answer questions about the validity of the lien or provide you with any information concerning whether the Claimant has filed a claim or is entitled to recover any compensation at this time.

SETTLEMENT FACILITY - DOW CORNING TRUST

Enclosures

Dear [Claimant Name),

The Settlement Facility - Dow Corning Trust (SF-DCT) has received a Revised Proof of Lien form in which the Alleged Lienholder has identified you as a person against whom they are asserting a lien. A copy of the Revised Proof of Lien form and any supporting documentation provided to the SF- DCT is attached.

The United States District Court for the Eastern District of Michigan has entered an Order approving "Revised Procedures For The Review of Asserted Lien Claims Against Settling Implant Claimants" ("Procedures"). A copy of the Procedures is attached. Please review them as they contain important information and deadlines that affect your claim. Also enclosed is a "Notice of Objection or Resolution of Lien" form which you are required to complete and return to the SF-DCT on or before 45 days from the date of this letter. **Failure to timely return the form may result in the recognition of the lien claim by the SF-DCT and the reduction in any approved payment you may be entitled to from the SF-DCT.**

The SF-DCT is not able to answer questions about the validity of the lien or provide you with any information about the Alleged Lienholder other than what is attached.

SETTLEMENT FACILITY - DOW CORNING  
TRUST

Enclosures

### NOTICE OF OBJECTION OR RESOLUTION OF LIEN

**Deadline.** You must complete and return this Notice of Objection or Resolution of Lien form within 45 days of the date of the accompanying letter from the SF-DCT.

1. **YOUR NAME.** Clearly write or type your full name and SID here. If you do not know your SID number, then include your Social Security Number.

2. **OBJECTION TO LIEN.**

2A. I object to and dispute the validity of the lien.

2B. I agree that the lien is valid, but I object to the amount of the lien asserted.

If you checked Box 2B, what is the amount of the lien that you believe is appropriate:

\_\_\_\_\_

**If you checked Box 2A or Box 2B above, you must provide a written statement and documentation that supports your position. Failure to do so may result in the recognition of the lien by the SF- DCT.**

3. **RESOLUTION OR AGREEMENT TO LIEN.**

3A. I agree to the lien amount and acknowledge and agree that the SF-DCT is authorized to withhold the lien amount from my approved payment, consistent with the Plan Documents.

3B. I have reached a separate agreement with the Alleged Lienholder as to the appropriate amount of the lien. The SF-DCT is authorized to withhold \$ \_\_\_\_\_ from my approved payment. (The Alleged Lienholder must send a signed statement confirming agreement.)

4. **SIGNATURE.** I declare under penalty of perjury that the above information and statements are true, correct and accurate.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

**SETTLEMENT FACILITY – DOW CORNING TRUST  
CHART OF ATTORNEY FEES AND EXPENSES**

<b>ATTORNEY FEES</b>	
10% of the first \$10,000; 22.5% of the next \$40,000; 30% of the amount in excess of \$50,000.	Plan 5.10.1 Annex A 9.01(a) Guide Q-11
Former attorney receives the lowest of the plan, fee agreement, quantum merit	Order 6/30/05 6.06
Must be credible evidence of work done on behalf of claimant	Order 6/30/05 6.06
No fees for expedited payment option or explant payment	Plan 5.10.2 Annex A 9.01(b) Claimant's Info Guide Q. 11-2
Class 6.1 or 6.2 can ask for adjustment	Plan 5.10 Annex A 9.01(c)
Attorney fees received in MDL or RSP count in calculation	Claimant's Info Guide Q. 11-7
Plan overrules agreement with client	Plan 5.10

**Summary for Expedited Release and Explant**

	Explant	Expedited Release
Attorney fees	No	No
Expenses	Very specific ones allowed	Yes if meets all requirements.

**SETTLEMENT FACILITY – DOW CORNING TRUST  
CHART OF ATTORNEY FEES AND EXPENSES**

<b>ALLOWABLE EXPENSES</b>	
Medical evaluation expenses;	Order 7/22/04 Q.2 Claimant's Info Guide Q. 11-4
Costs of medical records;	Order 7/22/04 Q.2 Claimant's Info Guide Q. 11-4
Medical bills;	Order 7/22/04 Q.2 Claimant's Info Guide Q. 11-4
Expenses advanced for explant procedure or records for procedure;	Order 7/22/04 Q.1 Claimant's Info Guide Q.
Court costs, court reporter expenses, expert witness fees, expenses of medical witnesses, and travel costs incurred for depositions or court appearances in your case.	Order 7/22/04 Q.2 Claimant's Info Guide Q. 11-4
Expenses on Expedited Release Claim	Order 7/22/04 Q 2; Guide Q 11-3
<b>NON-ALLOWABLE EXPENSES</b>	
Interest on either a loan or on expenses	Order 10/6/05 Q 12 Lien Judge ruling
Percentage of an expense for many clients but see Q4	Order 10/6/05 Q 13-no Order 7/22/04 Q-4 -yes
Cost of attending meetings/seminars	Order 10/6/05 Q 14
Are expenses reasonable in relation to the work performed and the result obtained	Order 6/30/05 6.05
Plan overrules agreements with client	Plan 5.10
<b>LIEN ISSUES</b>	
If no objection is filed, SF-DCT is NOT required to honor the lien if it is deficient or invalid	Order 6/30/05 4.02(b)
Must provide specific written documentation	Order 6/30/05 6.05

## **SECTION 11 – ATTORNEY FEES AND EXPENSES**

### **Q11-1. What attorney fees are allowed on my settlement benefits?**

Fees charged by an attorney cannot exceed the sum of —

1. 10% of the first \$10,000;
2. 22.5% of the next \$40,000; and
3. 30% of the amount in excess of \$50,000 paid.

### **Q11-2. Are attorneys fees allowed on the \$5,000 Explant Payment?**

No.

### **Q11-3. Are attorneys fees allowed on the \$2,000 Expedited Release Payment?**

No, but certain expenses may be deducted as described in Q11-4.

### **Q11-4. What expenses can my attorney deduct from any payments I receive from the Settlement Facility?**

Certain expenses — if allowable under applicable state law and the individual arrangement between you and your attorney — can be charged against your payment if they are solely attributable to your claim or case. Chargeable expenses are limited to the following types of cost incurred on your behalf: medical evaluation expenses, expenses incurred in obtaining copies of your medical records, medical bills paid on your behalf, court costs, court reporter expenses, expert witness fees, expenses of medical witnesses, and travel costs incurred for depositions or court appearances in your case.

### **Q11-5. Can my attorney be reimbursed out of my \$5,000 Explant Payment for out-of-pocket expenses (s)he paid on my behalf? (These expenses were not related to my explantation surgery; they have to do with things like ordering copies of my medical records, delivery services, long-distance calls, and the like.)**

No.

### **Q11-6. If my attorney paid more than \$5,000 to help me pay to have my breast implants taken out, is (s)he entitled to keep my \$5,000 Explant Payment?**

Yes, if your attorney paid that money for the surgery for which your Explant Payment was made and has not been reimbursed.

**Q11-7. I was approved in the RSP for ACTD Level “A” at \$50,000. However, this amount was reduced to \$25,000 because I also had a Dow Corning breast implant. My attorney received \$4,375 from the \$25,000 for his fees. Does the amount I recovered in the RSP count toward the attorney fee schedule in this settlement program or does the calculation start over at 10% of the first \$10,000?**

Your recovery from the RSP is included here for purposes of calculating your attorney fees. If you recovered the remaining \$25,000 on your ACTD “A” claim from the Settlement Facility, attorney fees would be calculated as follows: 10% of the first \$10,000 or \$1,000 in attorneys fees, plus 22.5% of \$40,000 or \$9,000. Thus, the total attorneys fees on your combined \$50,000 recovery are \$10,000. Since your attorney has already received \$4,375 in fees from your RSP award, (s)he would receive an additional \$5,625 in attorneys fees from your Dow Corning award.

**Q11-8. I had an attorney but now want to handle the claim myself. What do I need to do?**

Write a letter to the Settlement Facility asking that your attorney be removed as the attorney of record. The Settlement Facility will notify the lawyer and (s)he may then assert a lien on any recovery you may receive. Be sure to put your full name and social security number on the letter. If your attorney continues to assert a claim for a fee for the earlier representation, any benefit check will be made jointly payable to you and your attorney.

**Q11-9. If I choose to litigate against DCC Litigation Facility, Inc., how much can my attorney keep for fees?**

Generally, the payment of your attorney’s fees will be governed by the individual agreement between you and your attorney and any applicable state law.

**Q11-10. I opted-out of the RSP, but I want to settle my claim for my Dow Corning breast implant in the Settlement Facility. What attorney fees will I be responsible for from my payment from the Settlement Facility?**

Fees charged by an attorney cannot exceed the sum of:

1. 10% of the first \$10,000;
2. 22.5% of the next \$40,000; and
3. 30% of the amount in excess of \$50,000 paid.

**Q12. Can a law firm charge interest on expenses the firm advanced or for a loan the firm took out to handle a claimant’s estate?**

No. Interest on either a loan or on expenses advanced are not chargeable to the claimant.

**Q13. Can a law firm charge each client it represents a percentage of expenses it incurred on behalf of all clients?**

No, the allowable expenses must be related to the client's individual case as set forth in Q11-4 in the Claimant Information Guide.

**Q14. Can a law firm charge the client for expenses incurred in attending meetings or seminars on breast implant issues?**

No.