

## **United Gilsonite Laboratories Asbestos Personal Injury Trust**

### **Claims Audit Program Adopted Under TDP**

Pursuant to Section 5.6 of the First Amended United Gilsonite Laboratories Asbestos Personal Injury Trust Distribution Procedures (as may be amended from time to time, the “*TDP*”), the Trustee (“*Trustee*”) of the United Gilsonite Laboratories Asbestos Personal Injury Trust (the “*Trust*”) has adopted a Claims Audit Program to ensure that law firms<sup>1</sup> are in compliance with all terms and conditions of the TDP and the Electronic Filer Agreement (“*EFA*”) and maintain within their respective claim files documentation that supports the information submitted electronically or via hard copy claim form. The audit of claims will be performed quarterly. Capitalized terms used herein and not otherwise defined shall have the meanings assigned to them in the TDP.

#### **I. Sample Selection**

Subject to the Trustee’s direction to review a different number of claims, Claims Processing Facility, Inc. (“*CPF*”) will randomly select 10 cancer claims each quarter for audit. The audit population, from which the sample will be selected, will consist of all claims in a Review Qualified<sup>2</sup> status.

Each claim selected for audit sample (each, an “*Audited Claim*”) will immediately be placed on administrative hold until the documentation required for the audit has been received from the law firm and the Trust has satisfactorily completed the review. Law firms will be afforded a thirty (30) day opportunity from the initial date of notice (date sample selection is received by the law firm) to satisfactorily provide the requested documentation for each claim selected. CPF will complete the audit within thirty (30) days after submission by the law firm of all requested claim information to CPF.

#### **II. Documentation Requirements**

- A. For each Audited Claim, the law firm will be required to provide all non-privileged documents of the types listed below upon which the law firm relied in submitting the medical and exposure information for the subject Audited Claim to the Trust:
  1. All transcripts of depositions and answers to interrogatories of (a) the claimant, (b) the injured party, and (c) if the Audited Claim is a secondary exposure claim, the occupationally exposed person (“*OEP*”), or Do-it-

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<sup>1</sup> For purposes of this Claims Audit Program, each *pro se* claimant will be treated as a law firm hereunder.

<sup>2</sup> Claims in the Review Qualified status are those claims where CPF has completed the review and approved an offer, but has not yet sent a release to the filer.

Yourself person (“*DIYP*”),<sup>3</sup> that address the injured party’s alleged exposure to asbestos or asbestos-containing products for which United Gilsonite Laboratories (“*UGL*”) has legal responsibility;

2. Social security records of the injured party (and of the OEP or DIYP if the Audited Claim is a secondary exposure claim);
3. All affidavits or sworn statements executed by the claimant, the injured party, co-workers, family members, or the OEP or DIYP (if the Audited Claim is a secondary exposure claim) related to the UGL claim;
4. Lawsuit filings filed against UGL for all claims alleging a pre-petition lawsuit filing naming UGL;
5. Lawsuit filings for all claims in which claimant is alleging a tolling agreement (along with a copy of the tolling agreement);
6. All B-reading interpretations and ILO forms (except for Disease Level VIII claims);
7. All chest x-ray/chest CT scan reports (except for Disease Level VIII claims);
8. All pathology or autopsy reports documenting asbestosis, asbestos-related pleural disease, malignant mesothelioma or a primary carcinoma of the lung, colon, esophagus, larynx, pharynx or stomach;
9. All admission, history & physical and discharge summaries of any hospitalizations for asbestos-related disease and/or any malignant disease which is recognized as compensable by the Trust;
10. All physical examination or pulmonary consultation reports; and
11. All non-privileged interpretive reports provided by experts retained by counsel or the claimant to review tests, x-rays, or diagnostic reports in order to render an opinion.

B. In addition, for each Audited Claim, the law firm will be required to provide the following documents if they are in the law firm’s files and are non-privileged:

1. Documentation sufficient to verify that the claimant who has submitted the Audited Claim has provided adequate proof of identification. Such proof may take the form of a government issued ID, Social Security records, military records, or other documents that verify the identity of the

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<sup>3</sup> For secondary exposure claims, see Sections 7 and 8 of the Claim Form for Unliquidated Asbestos Personal Injury Claims regarding the OEP and DIYP.

claimant. Information not relevant to CPF's use of the proof of identification may be redacted. In cases involving a personal representative, the personal representative's government issued ID will suffice;

2. Evidence supporting the selected Claimant's Jurisdiction;
3. If an excerpt or portion of a document or transcript was submitted in support of the Audited Claim, the full document or transcript;
4. Verified work histories of the injured party (and of the OEP or DIYP if the Audited Claim is a secondary exposure claim) during the time when the injured party was allegedly exposed to asbestos or asbestos-containing products for which UGL has legal responsibility; and
5. For Massachusetts and Louisiana pre-petition lawsuit filings against other defendants, proof that the lawsuit was pending against one or more defendant(s) as of the petition date.

The Trust will not require the production of original x-ray films and will not be re-reading such films or retesting claimants in the normal course of the claims audit. However, the Trust reserves the right to request such original evidence and expand the scope of the audit for targeted populations of claims in the event a pattern of submitting inaccurate, misleading or potentially fraudulent information is found.

### **III. Review**

CPF will review all documentation provided by the law firms in a timely manner in order to answer the following questions relative to each Audited Claim:

1. Is there documentation within the law firm's file to support the reliability of the exposure history provided as proof of claim for the Trust filing?
2. Is there documentation to support that the Audited Claim was filed in keeping with all applicable state or federal statutes of limitations?
3. Is there medical documentation consistent with established medical guidelines for establishing a diagnosis of an asbestos-related disease and supportive of the disease level for which the Audited Claim was submitted to the Trust?

### **IV. Issue Resolution**

Issues will be discussed with the Trustee on a regular basis throughout the course of each quarterly audit. In the event of any findings of concern, CPF will communicate the details of the findings to the law firm and the Trustee and request additional information or explanation from the law firm. If any patterns of particular concern are discovered, the scope of the audit can be

expanded and/or focused through additional targeted sampling to determine the extent of the issue.

In the event a law firm fails to timely provide documentation requested with respect to an Audited Claim or a supplemental request for information or explanation, the Trustee may, in his sole discretion, direct CPF to suspend processing and payment of all claims filed by such non-responsive law firm. In the event the documentation for an Audited Claim submitted by a law firm is not satisfactory to the Trustee, such Audited Claim will be rejected and removed by the Trust from the FIFO offer queue. The Trust may also take any action that is permitted under the TDP.

If the law firm disputes the findings of a claims audit, CPF will inform the Trustee and seek advice as to the appropriate course of action.

*The Trust reserves the right to adopt any other reasonable, or generally accepted audit procedures that it deems appropriate and warranted as circumstances may dictate.*

## **V. Management Representation**

Upon conclusion of the audit, each law firm will be required to sign a law firm management representation letter in the form attached hereto as Exhibit A.

## **VI. Reporting of Results**

Upon the conclusion of each quarterly audit, CPF will produce a report to the Trustee summarizing the findings and recommending specific actions to be taken as a result of any systemic issues identified or adverse findings that require corrective and/or disciplinary action. Depending on the nature of the issue to be addressed, such action may involve revisions to claims materials, filing requirements or the electronic filing system, or possible sanctions in the event of findings of fraud or abuse. CPF will communicate any potentially adverse findings to the law firm and the Trustee, and the law firm will be given an opportunity to resolve any concerns before any punitive follow-up actions are taken by the Trust. The particular nature of any sanctions to be imposed will be discussed as the need arises. Following conclusion of the audit of each Audited Claim, CPF will return to the law firm all materials submitted in connection with the audit; provided, however, the Trust may retain such materials where CPF identified concerns or adverse findings that were not resolved to the Trustee's satisfaction.

**EXHIBIT A**  
**LAW FIRM MANAGEMENT REPRESENTATION LETTER**

Law Firm

Date

Via Regular Mail or E-mail (\_\_\_\_\_@cpf-inc.com)

Claims Processing Facility, Inc.  
East – West Corporate Center  
1771 West Diehl Road  
Suite 220  
Naperville, IL 60563

Attention: \_\_\_\_\_

**Re: United Gilsonite Laboratories Asbestos Personal Injury Trust  
Claims Audit, Claimant (Insert Claimant Name, Claim ID)**

To Claims Processing Facility, Inc.:

We are providing this management representation letter in connection with the claims audit performed by Claims Processing Facility, Inc. (“CPF”) on behalf of the United Gilsonite Laboratories Asbestos Personal Injury Trust (“Trust”) covering **Claim ID # (INSERT CLAIM ID NUMBER)** for **(INSERT CLAIMANT NAME)**.

The undersigned is competent and authorized to make the representations set forth herein.

We understand that the claims audit was conducted pursuant to the claims audit program adopted by the Trust under TDP Section 5.6. We further understand that the Trust conducted the audit to ensure that the law firm representing the claimant named above has complied with the terms and conditions of the TDP and the Electronic Filer Agreement regarding the medical and exposure evidence submitted to the Trust to support the claim. Specifically, we recognize that the Trust conducted the audit to ensure that our law firm maintains in its files documentation which supports the information submitted electronically or by hard copy claim form.

We acknowledge our responsibility, as the filing law firm, to comply with the requirements of Rule 11(b) of the Federal Rules of Civil Procedure in presenting information to the Trust and to provide all non-privileged documentation required by the Trust’s claims audit program.

We confirm, to the best of our knowledge and belief, as of the date of this letter, that we have provided the Trust with complete and accurate copies of all of the documents required by the

audit of the above-named claim pursuant to the terms of the claims audit program, except for documents for which a reasonable basis exists to withhold such documents as protected by the attorney-client, common-interest, work product or any other privilege or protection recognized by the Claimant's Jurisdiction, and such privilege or protection has not been waived.

We acknowledge that CPF on behalf of and at the direction of the Trust, to the extent permitted by the Trust's claims audit program, may request additional non-privileged information or explanations.

Yours truly,

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(Signature)

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(Title)