

PORTER HAYDEN BODILY INJURY TRUST REVISED PROCEDURE FOR COST-RECOVERY FOR CERTAIN CLAIM FILING PRACTICES

The Porter Hayden Bodily Injury Trust (the **Trust**) hereby revises its procedure (the **Procedure**) to recover costs to the Trust's finances' from certain claim filing methods. In this regard, the Trustee finds:

1. The Trust has been accepting claims for more than three years. More than 82,000 claims had been received before the inception of the original Procedure.

2. Approximately twenty-eight percent of all claims filed with the Trust to date have been either withdrawn or deferred. Processing of such withdrawn and deferred claims has to date cost the Trust at least \$220,000. Another thirty-five percent of all claims have resulted in deficiency notices, and such claims have, to date, a low rate of cure. Processing of these claims has cost the Trust at least \$280,000 so far.

3. The Porter Hayden Bodily Injury Trust Distribution Procedures (**TDP**) expressly permit the filing and then withdrawing or deferring of claims, or submitting incomplete claims, to satisfy an otherwise applicable statute of limitations which has not expired prior to such filing (collectively, **Limitations Filings**).

4. The costs of processing Limitations Filings directly reduce Trust assets otherwise available to pay claims.

5. It is in the best interest of the Trust and its beneficiaries to have those claimants who wish to file Limitations Filings fund the administrative costs of those filings.

For these reasons, the Trust's revised Procedure is to require payment upon filing the Trust's cost of processing such claims, which is currently \$1.00 (the **Filing Fee**).

A. If a claim subject to the Filing Fee is paid, its Filing Fee will be reimbursed at the rate of 100%, rather than at the Payment Percentage.

B. Withdrawn claims which are subsequently re-filed shall at re-filing pay the Filing Fee again at its then-current rate.

C. Electronic filers can post any sum in advance to satisfy the Filing Fee for subsequently filed claims, and are encouraged to do so. If a claim is filed without the Filing Fee or advanced payment of the Filing Fee, such claims will be accepted on a conditional basis. If conditionally accepted claims do not pay the Filing Fee within sixty days of filing, the

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conditional acceptance of such claims shall be revoked and such claims shall be rejected and treated for statute of limitations purposes as if never filed or conditionally accepted.

D. The Trustee has discretion to vary from the express terms of this Procedure for the purpose of achieving fairness and equity, guided in the exercise of that discretion by (i) not discouraging meritorious claiming, (ii) being reasonably secure in recovering filing fees imposed by the Procedure, and (iii) providing similar treatment to similarly situated claimants.

E. The Procedure shall not apply to pro se filers.

F. The Procedure is entirely prospective, and no filing fee shall be charged for any claim filed before the date of the Procedure, except for any withdrawn claim which is re-filed after the date of the Procedure.

Filers who complied with the original Procedure concerning a refundable Filing Fee will be refunded as soon as possible the difference between the refundable Filing Fee and the Filing Fee. The remaining balance will be refunded if the terms set forth herein are satisfied.