UNITED STATES DISTRICT COURT EASTERN DISTRICT OF LOUISIANA

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IN RE: CHINESE-MANUFACTURED
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DRYWALL PRODUCTS
LIABILITY LITIGATION
CIVIL DOCKET NO. 09-MD-2047 "L"
NEW ORLEANS, LOUISIANA
THURSDAY, OCTOBER 20, 2016, 9:00 A.M.
THIS DOCUMENT RELATES TO
ALL CASES
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TRANSCRIPT OF MONTHLY STATUS CONFERENCE PROCEEDINGS
HEARD BEFORE THE HONORABLE ELDON E. FALLON
UNITED STATES DISTRICT JUDGE
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PROCEEDINGS RECORDED BY MECHANICAL STENOGRAPHY. TRANSCRIPT
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## P-R-O-C-E-E-D-I-N-G-S

THURSDAY, OCTOBER 20, 2016
M O R N I N G S E S S I O N (COURT CALLED TO ORDER)

THE DEPUTY CLERK: All rise.
THE COURT: Be seated, please. Good morning, ladies and gentlemen.

VOICES: Good morning, Your Honor.
THE COURT: Call the case.
THE DEPUTY CLERK: MDL No. 2047, In Re:
Chinese-Manufactured Drywall Products Liability Litigation. THE COURT: Counsel, make your appearances for the record, please.

MR. LEVIN: Good morning, Your Honor. Arnold Levin, for liaison counsel Russ Herman.

MR. ROSENBERG: Good morning, Judge Fallon.
Harry Rosenberg, liaison counsel for CNBM, BNBM, and Taishan, Your Honor.

MR. MILLER: Good morning, Judge. Kerry Miller, liaison counsel for Knauf.

THE COURT: We're here today for our monthly status conference. I met with lead and liaison counsel a moment ago to talk about the agenda. We don't have too much on the agenda
this morning. We have some motions following the agenda. I'll take the agenda in the order given to me. Any Pretrial Orders?

MR. LEVIN: Your Honor, the joint report has been filed, Joint Report Number 84. We have a date in November of Friday, the 18th, and in chambers, we discussed the date for December of Wednesday, December 21st, for the next conferences. THE COURT: So the next conference is November 18th, and following that, December 21st.

MR. LEVIN: Yes, sir.
At this point, I believe it's only the motions that are at issue.

THE COURT: Okay. Any report on the --
THE DEPUTY CLERK: Are both of those at 9 o'clock? THE COURT: Yes.

MR. WOODY: Good morning, Your Honor. Jake Woody from BrownGreer. I just have a very brief report.

Since the last status conference, we have been working on resolving claims made by Knauf against the GBI Fund pursuant to an assignment that they received when they remediated property.

We've been able to resolve about 200 of their claims, which is important because they are the final piece to allowing us to distribute the remainder of that money. I believe we're almost done. They filed a motion in the last few
days to extinguish some claims, which will also help. THE COURT: Does that finish the Knauf matter, the payout?

MR. WOODY: It's not finished yet. It's almost
finished. We have about a hundred other claims that we need to look at and verify the square footage and so forth.

Thank you, Your Honor.
THE COURT: Anything from Knauf?
MR. MILLER: Yes. Kerry Miller, again, Your Honor.
In that vein, Jake Woody just referenced a motion that Knauf filed a couple of days ago with respect to extinguishment and the closeout.

Danny Dysart is here, and he works with me. While we have people on the phone, we'd like to just highlight some of the important dates in that motion.

THE COURT: Okay.
MR. DYSART: Good morning, Your Honor. Danny Dysart on behalf of the Knauf defendants.

As Mr. Miller said, in connection with the statements at several previous status conferences and as part of the wrap-up of the Knauf class settlement, we're down to a fixed amount of claims -- or what we believe to be a fixed amount of claims.

As part of that, what we filed was a motion to extinguish the Knauf defendants' settlement obligations with
respect to the Knauf class settlement agreement, except for those claims that we have identified on two lists.

Those lists are found at Record Doc 20517. It's Exhibit A and Exhibit B. Those are the remaining claims that we are aware of as far as ARH claims or remediation program claims that need to be either resolved, remediated, or, if there is some issue with it, needs to go to the Special Master and be mediated with Mr. Balhoff.

The motion is currently set for submission on November 9. We would ask that if anyone believes that their claim is not listed on those two lists, and they should be, to notify Knauf counsel prior to that submission date.

At the November 18 status conference, if the lists are all settled, and there are no objections, Knauf would move at that time for an order extinguishing its obligations with respect to the settlement agreement, except for those claims listed on Exhibit A and Exhibit B.

THE COURT: You've already filed the motion.
MR. DYSART: Correct, Your Honor.
THE COURT: I just got it today. I'll post it on the website and give everybody notice, and we'll see what happens, whether there is a lot or a little or none. That will dictate as to whether or not we take it up at that time or we move it to another time.

But I want everybody to at least have notice that
this is going to extinguish the obligations of Knauf in connection with that settlement agreement, and then we'll see.

MR. DYSART: Thank you, Your Honor.
THE COURT: Thank you very much.
Anything from Taishan? Any report, Harry?
MR. ROSENBERG: No, Your Honor, nothing for today.
(WHEREUPON, at 9:05 a.m., the proceedings were concluded.)

## REPORTER'S CERTIFICATE

I, Cathy Pepper, Certified Realtime Reporter, Registered Merit Reporter, Certified Court Reporter in and for the State of Louisiana, Official Court Reporter for the United States District Court, Eastern District of Louisiana, do hereby certify that the foregoing is a true and correct transcript to the best of my ability and understanding from the record of the proceedings in the above-entitled and numbered matter.

## s/Cathy Pepper

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