Time and Expense Guidelines

Introduction

On April 8, 2005, Judge Fallon issued Pre-Trial Order #6. Included in the PTO were directives regarding Plaintiffs' Counsel's time and expense submissions. In accordance with PTO #6, this document sets forth the procedures and forms implemented by Plaintiffs' Liaison Counsel to carry out the time and expense submissions required by the Court and necessary to compile and maintain the records. All time and expenses submitted must be in accordance with PTO #6.

Only time and expenses incurred on matters common to all claimants in MDL 1657 will be considered. All time and expenses submitted must be incurred only for work authorized by the Plaintiff's Steering Committee.

Time Reporting

All time records shall be submitted together with a report summarizing the total of member firm time broken down by each separate name of time keeper and Litigation Task Definition of the time spent during the preceding month and the accumulated total of all time incurred by the firm during the particular recording period in the form set forth in Attachment "A". The summary report must be certified by a senior partner each month attesting to the accuracy and correctness of the monthly submission.

Check Requests and Reimbursement Forms

1. <u>Reimbursement Procedures And Requests For Payment Of Shared Expenses</u>. All requests for reimbursement and requests for payment of Shared Expenses must comply with these guidelines. Failure to follow the guidelines will result in delay and possibly nonpayment.

2. <u>Shared Expenses</u>.

    A. <u>Direct Payment of a Shared Expense</u>. Whenever possible, "Shared" vendor invoices should be sent to Russ Herman at Herman, Herman, Katz & Cotlar, L.L.P. for direct payment. Invoices should be sent within 72 hours of receipt so that the payment can be timely processed and made. When a payment must be made quickly, however, a firm may advance funds on behalf of the PSC and then seek reimbursement provided prior approval, in writing, is obtained from Plaintiffs' Liaison Counsel.

B. Check Request Forms. Every check request for a Shared Expense must be accompanied by a properly-completed check request form. A check request form is attached as Attachment "B". Each such form must provide sufficient information to allow Plaintiffs' Liaison Counsel and the CPA to account properly for the costs and to provide adequate detail to the court. Acceptable Example 1: "John Jones travel to New York to attend MDL hearing." Acceptable Example 2: "Transcript of deposition of John Q. Public, witness." Acceptable Example 3: 'Photocopies of discovery documents produced by defendant, Merck." "David Smith travel," "deposition transcript," and "photocopies" alone do not provide sufficient detail.

C. Receipts and Invoices. All check requests must be accompanied by invoices, receipts, or other adequate documentation. Credit card statements usually will not suffice; " Hilton - $2,561" does not distinguish among room charges, telephone charges, meals, and personal expenses (*e.g.,* movies, gift shop). Meal and meeting receipts should list each participant if practical and the business purpose for the meeting—for example: "PSC dinner meeting – Joe Jones, Frank Smith, and Russ Herman."

D. Approval of Check Requests. All check requests are subject to review and approval by Plaintiffs' Liaison Counsel.

E. Timing of Payments/Reimbursement. The check request form contains a "Date Check Needed" line. Plaintiffs' Liaison Counsel will try to meet all reasonable deadlines and rush requests when necessary. Unless a different payment date is requested, vendor invoices will be paid based on normal payment terms, usually net 30.

3. Legitimate Business Purpose. Only charges incurred for legitimate business purposes will be reimbursed. Personal costs, such as in-room movies, sightseeing, drinks where business is not conducted, credit card late fees or finance charges, babysitting fees, laundry charges (except for extended stays), or clothing, will not be reimbursed.

4. Common Held Costs and Expenses. All common held cost and expense records shall be submitted on a monthly basis together with a form that summarizes common held cost and expenses (see Attachment "C").

The summaries shall contain a compilation of the total Held expenses incurred by your firm for that particular month.

The summary form shall be certified by a senior partner in your firm each month attesting to the accuracy and correctness of the monthly submission.

If you have questions regarding Time and Expense Reporting

If there are any questions regarding any of this information, the guidelines or procedures, or the completion of any forms, please contact Leonard A. Davis, Herman, Herman, Herman, Katz & Cotlar, L.L.P., 820 O'Keefe Avenue, New Orleans, LA 70113, Phone: (504) 581-4892, fax: (504) 561-6024, e-mail: ldavis@hhkc.com or Philip Garrett, CPA, Wegmann-Dazet, 111 Veterans Blvd., Suite 1660, Metairie, LA 70005, Phone: (504) 837-8844, fax: (504) 837-0856, e-mail: pgarrett@wegmann-dazet.com, who shall assist you with these Time and Expense Billing Guidelines.