

**NOTICE TO CLAIMANTS THROUGH COUNSEL  
PAYMENT PERCENTAGE REDETERMINATION  
NGC BODILY INJURY TRUST**

Since the end of 2010, the Trustees of the NGC Bodily Injury Trust (the "Trust") have worked with professionals and Trust staff to determine the Trust's claim liability, reasonable future investment return, projected Trust expenses and other factors that are relevant to determining the Payment Percentage in accordance with Sections 2.2 and 3.2 e. of the Claims Resolution Procedures always cognizant of the Trust's mandate to "treat similar claims with similar circumstances as equivalently as possible" (CRP Section 1.1). The Trust's professionals, Legal Systems Analysis (Mark Peterson and Dan Relles) and Merrill-Lynch, have provided considered forecasts of claim liability and investment returns, respectively. The Trust engaged ARPC (Gary Wingo and Andras Molnar) to continue the calculation of the Payment Percentage. The Legal Representative engaged ARPC (Tom Vasquez and Amy Brockman) to make an independent calculation of the claim liability and then consult with Peterson and Relles to work toward a consensus forecast claim liability. This was accomplished and used in the Payment Percentage calculation.

The Trustees are appreciative of input received from the Legal Representative (Sandy Esserman) and members of the TAC (Russell Budd, Mark Iola and Bob Steinberg). It was very helpful to the Trustees in arriving at the redetermination of the Payment Percentage.

After a series of meetings to discuss input from the professionals, Legal Representative and members of the TAC, the Trustees voted unanimously to reduce the Payment Percentage from 55.6% to 41.0%. The Trustees considered many factors and determined that the following were reasons that support this decision:

1. Claim Liability remains volatile. Claim filings in 2011 through June have already exceeded those projected for the entirety of 2011. The Trust has more than 34,000 withdrawn claims and acknowledges that some of these could be reactivated. The Trust remains concerned about the possibility that firms may have older inventory of claims not yet filed that have statute of limitations tolling from long-standing lawsuits.
2. The Investment Returns continue to be subjected to various domestic and global economic issues, some unknown today and others that could arise in the future. While the allocation of the investment portfolio is both diversified and conservative, the impact of market forces could result less than projections.
3. The Trustees want to restart the process of distributing Notices of Determination – Allowance that has been suspended since February 2011. This process is expected to start again the week of July 18.
4. The Trustees, in accordance with Section 2.2 of the CRP and subject to consultation with the Legal Representative and the TAC, may make supplemental (catch-up) payments, as they have done in the past if they believe it appropriate as a result of a future increase in the Payment Percentage.