

DII Industries, LLC Asbestos PI Trust

CLAIMS AUDIT PROGRAM

An audit program is authorized under section 5.8 of the Trust Distribution Procedures (TDP). The program is intended to ensure: that:

1. law firms are in compliance with the TDP and Electronic Filer Agreement;
2. the underlying documentation supporting a claim exists in the files of the law firm; and
3. the Trust is able to fulfill its purpose of being able to pay all valid claims that may presently exist or may arise in the future.

General requirements for a valid claim are discussed throughout the TDP, including in sections 5.7, 7.1 and 7.2. Claims to be included in the audits will be selected both randomly and for specific reasons. Audits will be conducted on claims in the processing queue, as well as on claims that have previously been paid. A claim that has been selected from the processing queue for audit will not be paid until the audit is complete. If a firm does not timely respond to an audit request on a paid claim, the Trust may place a hold on processing or payment of claim(s) in the processing queue.

Random Audits: A random audit may be conducted to verify or confirm the information submitted in support of a claim. Such an audit may include a request for the firm to produce:

- A. Additional documentation to support the authority of the personal representative to file the claim.
- B. Evidence to support that the selection of "Claimant's Jurisdiction" was appropriately made.
- C. Complete discovery responses, other pleadings or probate documentation.
- D. Transcripts and/or summaries of any depositions of the claimant or co-worker.
- E. Social Security Statements of Earnings.
- F. Releases for any settlements with the debtor entities.
- G. Physical examination reports, even if not required under the exception for pre-petition claimants.

- H. 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 on the claimant's condition.
- I. Documents evidencing the time of occupational exposure, such as employment records, wage statements, or other records describing occupation and/or job function.
- J. Supporting documents for asserted economic loss, including all underlying documents and information used by an expert who authored an economic report.

In order to minimize the impact on individual law firms and to include as many firms as possible in the audit, claims may be selected separately for each item to be checked. For example, one claimant may be asked to provide support for its medical claims while another may be asked to provide support for its product exposure claims.

The Trust does 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 a random audit.

TARGETED AUDITS - GENERAL: The Trust may conduct an audit of individual or multiple claims that fall into certain categories, including:

- A. Multiple claims listing the same address for the claimant.
- B. Unusually large number of claims based on diagnoses from the same physician, especially if large numbers show the same examination date.
- C. A large number of claims relying on the same evidence, such as a single affidavit for asbestos exposure and/or product identification.
- D. Exigent Hardship and Extraordinary claims.
- E. Any other claim(s) selected for audit by the Trustees or the Executive Director of the Trust.

TARGETED AUDITS – INDIVIDUAL CLAIMS: In the event that credibility or reliability of evidence submitted in support of a particular claim is called into question during the review of that claim, the Trust may, at its sole discretion, conduct a complete or partial audit of that claim. The audit may include:

- A. Requesting affidavit of physician or pathologist that the procedure was done in accordance with recognized medical standards.
- B. Requesting copies of credentials including certifications for the diagnosing physician or pathologist.

- C. Requesting a listing of any cases in which the diagnosing physician or pathologist has testified as a diagnosing or medical expert in any state or federal court.
- E. Checking documentation for evidence of the first diagnosis date.
- F. Requesting, to the extent not previously submitted, submission of X-rays, CT scans, detailed results of pulmonary function tests, laboratory tests, tissue samples, results of medical examinations, or review of other medical evidence.
- G. Review of ILO readings by an independent B-reader.
- H. Review of pathological records by another pathologist.
- I. Review of PFT results by another pulmonary specialist.
- K. Request of calibration records for PFT equipment.
- L. An affidavit (other than the claim form), interrogatory or deposition transcript of the claimant or a co-worker testifying to the nature and extent of exposure to an asbestos-containing product supplied, used, installed or manufactured by one or more of the Harbison-Walker Entities or the Halliburton Entities.
- L. Purchase orders, invoices, or other contemporaneous records showing the use of applicable products by an employer.
- M. Documents evidencing time and location of occupational exposure such as employment records, wage statements, tax returns showing occupation, social security records annotated with employer and job description, or other records describing occupation and/or job function.
- N. Copies of pleadings, including probate documentation.
- O. Supporting documents for asserted economic loss, including all underlying documents and information used by an expert who authored an economic report.

TARGETED AUDITS – MULTIPLE CLAIMS: If problems are found with claims submitted by specific firms or with medical evidence provided by specific doctors or facilities, the Trust may, in its sole discretion, audit multiple claims submitted by the firm, or which contain medical evidence from the individual doctor or facility. The audit may include any or all of the items listed above.

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.