

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA

IN RE:	PROPULSID	:	MDL NO. 1355
	PRODUCTS LIABILITY LITIGATION	:	
		:	
		:	SECTION: L
		:	
THIS DOCUMENT RELATES TO ALL CASES		:	JUDGE FALLON
		:	MAG. WELLS ROBY

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**JOINT REPORT NO. 56 OF
PLAINTIFFS' AND DEFENDANTS' LIAISON COUNSEL**

Plaintiffs' Liaison Counsel (PLC) and Defendants' Liaison Counsel (DLC) jointly submit this Joint Report No. 56 in preparation of the July 25, 2007 Monthly Status Conference. To participate via telephone, dial-in information may be accessed on the Court's website at <http://propulsid.laed.uscourts.gov/>.

I. State Liaison Counsel/MDL Resolution Program II

The enrollment requirements have been met for the State Settlement Program (Propulsid II). Defendants have provided the PSC and SLC with proposed Escrow Agreements and are working with the parties to finalize such Agreements. Once the Escrow Agreements are executed, Defendants advise that will fund the various funds. The parties are discussing revising the deadlines for submission of enrollment and claim forms. The parties will be prepared to discuss this further at the July 25, 2007 Monthly Status Conference.

II. Trust Account

There has been one deposit into the Trust Account since the last Status Conference.

III. MDL Mediation and Resolution Program

The deadline for enrollment and the submission of Claim Forms for the First MDL Resolution Program has expired. The Special Master reports that there are over 15,000 claimants who enrolled, but did not submit claim forms. The DLC has advised that it will seek dismissal of claimants (except those granted extensions of time) and is discussing this issue further with the PSC.

The Special Master's office continues to review Claims Forms to determine if the Forms meet the qualifying criteria set forth in the Term Sheet. The Special Master's office advises that it will be submitting a Status Report to the Court in advance of the monthly status conference. The Special Master continues to notify the attorneys for the claimants that have deficiencies.

Thus far, the Special Master has submitted 805 Tier I, II and III claims to the Medical Panel for review. Of the 805 claims the Defendants have treated 648 on an expedited basis. Six (6) of the tiered claims submitted to the Panel have been found eligible by the Panel, and the Special Master has made those awards. Ninety seven (97) tiered claims are still in review by the Panel, 92 of which are considered expedited by the Defendants. The Special Master will report to the Court regarding the current status of claim administration.

Defendants continue to submit a list of plaintiffs/claimants whose records have already been obtained by defendants in whole or in part, so when necessary, the parties, the Special Master and the attorneys for these plaintiffs/claimants can expedite the submission and review of the Claim Forms for these individuals.

The weekly telephone conference with the Special Master, PLC, DLC and SLC continues to take place to discuss a number of administrative issues germane to the Resolution Program.

The parties will be prepared to discuss these issues further at the July 25, 2007 Monthly Status Conference.

IV. Pro se Plaintiffs

On January 3, 2007, this Court held a hearing on Defendants' Motion to Show Cause regarding pro se plaintiffs who have not enrolled in the Settlement Program, at which time the Court ordered the non-enrolled pro se plaintiffs dismissed. Defendants have submitted a list of pro se plaintiffs to be dismissed to the SLC and PSC for final review, which appear to contain an accurate list of pro se plaintiffs subject to the motion. The Defendants are prepared to submit the list to the Court to secure an Order of dismissal. The parties will be prepared to report to the Court on this issue at the July 25, 2007 Monthly Status Conference.

V. Emergency Motion for Distribution of Attorney's Fees

On November 23, 2005, the Court issued an Order and Reasons regarding the Emergency Motion for Distribution of Attorney's Fees with full reservation of rights to all attorneys who may claim any right to common fees and expense reimbursement. On December 5, 2005, Daniel E. Becnel filed a Motion to Reconsider the Motion. The matter has been reset for hearing on August 29, 2007 at 9:00 a.m.

On March 2, 2006 Dumas & Associates Law Corporation filed a Motion for Common Benefit Fees and Expenses Reimbursements. On April 4, 2006, the PLC filed a response to the motion. The hearing date has not been set.

VI. Liaison's Counsel Motion for Equitable Administration of the Settlement Agreement

On February 7, 2007, the PLC filed a Motion for Equitable Administration of the Settlement Agreement under Seal, which Defendants opposed. The matter was set for hearing on April 4, 2007, but was continued without date. Defendants filed a Motion for Judicial Declaration regarding Propulsid II under seal on March 13, 2007, which was also continued without date. The parties have withdrawn their Motions with a reservation of rights to reassert their positions if necessary.

NEW ITEMS

VII. Supplemental Agreement re Propulsid I and II

After numerous discussions between the parties, as well as with Special Master Juneau, the parties have reached an agreement, which is set forth in a "Supplemental Agreement re Propulsid MDL 1 and 2", that will be posted on the Court's website once it is fully executed.. The parties will be prepared to discuss this at the July 25, 2007 monthly status conference.

Respectfully submitted,

/s/ RUSS M. HERMAN

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CERTIFICATE OF SERVICE

I hereby certify that the above and foregoing Joint Report No. 56 of Plaintiffs' and Defendants' Liaison Counsel has been served upon all parties by electronically uploading the same to LexisNexis File & Serve, and that the foregoing was electronically filed with the Clerk of Court of the United States District Court for the Eastern District of Louisiana by using the CM/ECF system which will send a Notice of Electronic Filing on this 23rd day of July 2007.

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Monthly Status Conference
July 25, 2007- 9:00 a.m.

AGENDA

Current Matters:

1. State Liaison Counsel
2. Trust Account
3. MDL Mediation & Resolution Program
4. Pro Se Plaintiffs
5. Emergency Motion for Distribution of Attorney's Fees
6. Liaison's Counsel Motion for Equitable Administration of the Settlement Agreement
7. Supplemental Agreement re Propulsid I and II