

# **Exhibit 15**



Benefit work. These submissions were provided to members of the Fee Committee.

5. The Committee has thus far met numerous times, the first meeting being on February 14, 2012 in Philadelphia, Pennsylvania. The Committee met in person again on:

- March 5 and 6 in Philadelphia, Pennsylvania;
- March 28 and 29 in San Diego, California;
- April 5 in Philadelphia, Pennsylvania;
- April 30 in Denver, Colorado;
- May 16 and 17 in Chicago, Illinois;
- June 6 and 7 in Philadelphia, Pennsylvania;
- July 9 and 10 in Philadelphia, Pennsylvania; and
- July 17 and 18 in Atlanta, Georgia.

Many of these meetings extended over 11- 12 hour periods. In addition, the Committee has exchanged literally hundreds of confidential communications and participated in multiple telephone conferences.

6. Among other items, the Committee discussed the particular criteria for evaluating time entries, as well as the various review processes that we thought appropriate to implement. For example, the Committee determined that it would be appropriate to request that each Common Benefit petitioning firm analyze or reanalyze its monthly time reports to ensure that the firm complied with the guidelines contained in the original time submission instructions, and to eliminate any time that would likely be disallowed – such as duplicative time entries, time

entries that predated the formation of the MDL, and excessive time spent reading or reviewing documents or deposition transcripts.

7. Additionally, the Committee invited each petitioning firm to submit a five-page narrative summarizing its contributions to the litigation. The Committee considered any such narratives *in addition* to the monthly narratives each firm was requested to submit throughout the litigation.

8. At the Committee's first two full days of in-person meetings, Committee members test-audited two law firms' time submissions in order to develop a list of initial questions to be answered and to settle upon a common methodology that the Committee would use in its forthcoming time audits. These participating firms' time entries were considered line by line, and the Committee agreed upon an appropriate approach for the many recurring issues, thereby enabling all Committee members to learn and apply the same guidelines when reviewing the other firms' time records in the future.

9. The Committee thereafter held numerous telephone conferences and in-person meetings where it discussed how the actual time submission reviews should be conducted. To ensure consistency in the auditing process, the Committee agreed upon rules that were to be consistently followed throughout the reviews of each individual firm's time submissions. The following are the eleven categories of time entries for which the Committee agreed it would not, absent justification, recommend disbursement of Common Benefit fees:

- Time spent on work not authorized by the Plaintiffs' Steering

Committee;

- Excessive time for a particular task;
- Duplicative time (e.g., time billed by two or more people in the same firm, unless both were required or requested to attend an event or work on a project together);
- Time related to prosecution of claims for individual clients, except that time spent on a case, once listed for trial or identified as a case which may need to be prepared for trial, will be allowed, from the date of such listing;
- Read-and-review time for persons not overseeing or directly participating in a project;
- All time spent on work that predated the formation of the MDL (October 16, 2007);
- All conference time such as Mealeys, AAJ, MTMP, except for any time actually presenting Avandia materials at such conference;
- Clerical time;
- Time for which time entry submission descriptions are incomplete;
- Time related to negotiating individual client settlements; and
- Time spent creating and compiling monthly time and expense submissions.

10. As the Chairperson of the Committee, I then assigned two Committee members to review each petitioning firm's time submissions, using the agreed-upon

criteria as listed above. I avoided assigning any Committee member to review the time of any firm with which it had a business or personal relationship.

11. Each Committee member analyzed the firms' time entries to which it was assigned to review, and then a second Committee member re-reviewed the time, with particular emphasis on any time that the first Committee member had declined to accept. The second reviewer was asked to challenge that decision if he or she thought it was appropriate. When an item was determined, by both Committee members, to not be of common benefit, it was marked for deduction, and the deductions were then tallied. If the time listed for an entry appeared to be excessive given the task described in the submitted records (e.g., a teleconference call or review of a report or deposition transcript), the assigned hours were cut and were deducted from the total amount of hours claimed. The hard copy of the audited time, with deducted time noted, was then kept as a record of deductions.

12. After the first and second reviewers had audited each firm's time submissions, the Committee again met in person, on at least three separate occasions, to perform final reviews wherein the entire Committee fully examined each firm's records, line-by-line, to ensure unanimity and consistency in the auditing process.

13. The Committee thereafter forwarded the individual firms' time submissions, along with the Committee's recommendations as to allowed and disallowed time, to the Court-appointed auditor of time and expense reports. Judge Rufe had earlier appointed Alan B. Winikur, CPA/ABV/CFF to audit all time and

expense reports submitted by Plaintiffs' counsel to the Avandia Common Benefit Fund (*see* PTO 109). Accordingly, all time records were submitted to Mr. Winikur, who then conducted an independent, *de novo* review of the time submissions. Where Mr. Winikur's independent review differed from the Committee's recommendations, Committee members consulted with Mr. Winikur to resolve any differences in time record evaluations.

14. The deductions were tallied by individual attorney and firm, and a chart was created showing the originally submitted time requests versus Mr. Winikur's recommended time approved. This information, broken down for each petitioning firm, was sent to each firm so that each firm was fully informed as to the amount of time allowed or declined per Mr. Winikur's recommendation.

15. Thereafter, Mr. Winikur sent an email to all petitioning firms, informing them that he had finalized his review of their time submissions and that, based on each firm's respective audit memoranda, the firms were invited to reserve a time slot to confer with the Committee and Mr. Winikur by phone on either July 9 or 10, 2012, should they wish to discuss the review process, the review results, or to add further explanation as to any item on which a question had been raised by Mr. Winikur.

16. The Committee and Mr. Winikur met in Philadelphia on July 9 and 10, and held telephonic interviews with the petitioning firms who opted to be heard on those dates. Comments and concerns expressed by these firms were taken into consideration by Mr. Winikur and the Committee, and in any instance where Mr.

Winikur found it appropriate, time entries that had previously been approved or disallowed were adjusted accordingly.

17. Thereafter, applying the six categories of rates, ranging from \$185 per hour to \$595 per hour, a lodestar of \$55,279,440 was calculated based on the roughly 134,000 hours that Mr. Winikur had approved as appropriate for payment (for time incurred between the JPML's transfer of this case to this Court through February 14, 2012, the date the PSC was dissolved). Mr. Winikur participated in all phases of these calculations and attended and participated in virtually all Committee meetings.

I declare under penalty of perjury under the laws of the State of Pennsylvania and the United States, that the foregoing is true and correct and that this Declaration was executed on August 3, 2012.

A copy of this Declaration will be filed by ECF and a signed original will be filed of record by first class mail or overnight delivery.

/s/ Dianne M. Nast  
DIANNE M. NAST