

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF ILLINOIS**

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IN RE: PRADAXA (DABIGATRAN )  
ETEXILATE) PRODUCTS LIABILITY )  
LITIGATION )  
\_\_\_\_\_ )

3:12-md-02385-DRH-SCW  
MDL No. 2385

Judge David R. Herndon

This Document Relates to: All Cases

**SPECIAL MASTER’S REPORT AND RECOMMENDATION REGARDING  
THE DISTRIBUTION OF CASE MANAGEMENT ORDER NUMBER 88  
RESERVE FUNDS**

On May 28, 2014, the parties entered into the Pradaxa Product Liability Litigation Master Settlement Agreement (MSA) as detailed in prior orders entered by this Court. The MSA appointed the undersigned as Special Master to oversee the implementation of the settlement along with many other aspects of the litigation.

On December 29, 2014, the Court entered Case Management Order Number 88 regarding Phase One Payment allocations. The Court provided for the distribution of allocations to the claimants and, as clarified in Case Management Order Number 91, a reserve was created for any possible claims against the MSA. The Court stated that if the reserve funds are not expended to potential claimants, then the funds shall be distributed pro rata based upon the previous Phase One Payments at the same time as any excess Common Benefit Expense is distributed to Phase One Participating Claimants.

At this time, the Court is holding \$3,315,438.81 in reserve. Parties have continued to work with the Court and the Special Master to resolve outstanding claims against the settlement agreement, specifically certain claims that were dismissed by the Court and Special Master and were appealed to the Seventh Circuit Court of Appeals. The potential value of the currently appealed, unresolved claims (19 claims in total) is, \$2,440,063.06, as determined pursuant to resolution program guidelines.

Based upon the uncertainty of the outcome on appeal, and in the interests of finality and prompt payment to all claimants, it is recommended that a portion (far less than full value) of the reserve funds be utilized to resolve these 19 claims. The only situation in which the recommended reserve funds would be released to these claimants is in exchange for their agreement that all appeals, cases, and claims would be dismissed and no additional compensation would be sought from the settlement program. To bring finality and resolution to each and all of these claims, it is recommended that a total of \$607,500.00 of the reserve funds be released to these 19 claimants. This leaves the bulk of the reserve funds (\$2,707,938.81) to be distributed pro rata to all participating, qualified claimants and ensures their entitlement to those remaining funds as soon as possible.

Any remaining reserve funds will be distributed pro rata to participating, qualifying claimants, along with the approximately \$2.5M surplus of funds heretofore withheld for the payment of common benefit expenses. Distribution

of the expense fund surplus will be the subject of a separate Report and Recommendation.

Based on the circumstances before the Court in this litigation and the report herein, the Special Master recommends that the Court allow 14 days for any objections to this Report and Recommendation and barring any meritorious objections, asks the Court to adopt the Report and Recommendations Regarding the Distribution of Case Management Order Number 88 Reserve Funds and order the distribution of \$607,500.00 in accordance with the recommendations herein.

**Dated: September 1, 2015**

Respectfully Submitted,

/s/ Randi S. Ellis  
Randi S. Ellis

Court-Appointed Special Master