

Attention

Class Members, Current Opt-Outs, and Attorneys Representing Class Members or Opt-Outs in the Pondimin®/Redux™ Diet Drug Class Action Settlement

This Notice Is Being Sent:

- To inform you of a proposed Seventh Amendment to the Nationwide Class Action Settlement Agreement (the “Settlement Agreement”) between Wyeth and the certified class of which you are a member. Wyeth was formerly known as American Home Products Corporation. The Amendment affects certain Pondimin® and/or Redux™ users and their family members. The Amendment would only come into effect if this Court approves it.

- To alert you to these important dates:
 - Tuesday, November 9, 2004: deadline for filing written comments with this Court for or against approval of the Seventh Amendment.

 - Tuesday, November 9, 2004: deadline for electing not to participate in the Seventh Amendment.

 - Tuesday, January 18, 2005: date of this Court’s hearing to consider whether to approve the Seventh Amendment as fair, reasonable and adequate.

This Notice contains important information concerning a proposed material change in your rights under the Settlement Agreement. Please read this Notice carefully and discuss it with your personal attorney if you have one. More detailed information is also available. See “How Can I Get Additional Information?” below.

The Official Court Notice consists of two Parts, both included in the same package. This Part II should be read in conjunction with Part I, the Overview of the Seventh Amendment.



PART II OF THE OFFICIAL COURT NOTICE OF THE SEVENTH AMENDMENT TO THE NATIONWIDE CLASS ACTION SETTLEMENT AGREEMENT

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**PART II OF THE OFFICIAL COURT NOTICE OF THE SEVENTH AMENDMENT
TO THE NATIONWIDE CLASS ACTION SETTLEMENT AGREEMENT**

**I. THE PARTIES HAVE
PROPOSED TO CHANGE THE
EXISTING SETTLEMENT
AGREEMENT**

The Settlement Agreement was approved by the Court on August 28, 2000, when the Court also certified the diet drug class action of which you are a member. The Settlement Agreement became effective on January 3, 2002. Under the terms of that Settlement, the Court appointed the AHP Settlement Trust (the "Trust") to administer benefits. This Notice and the Seventh Amendment relate primarily, although not entirely, to the portion of the Settlement Agreement which provides compensation and opt-out rights for Class Members who have been or might in the future be diagnosed with specified levels of regurgitation from the valves in the left side of the heart ("VHD") and other medical conditions (a "Matrix Level condition"). That compensation is referred to as "Matrix" compensation. The amount of Matrix compensation depends upon the claimant's medical condition and ranges from the lowest amounts for Matrix Level I to the highest amounts for Matrix Level V.

The Trust has received many more claims for Matrix compensation than had been expected when the Settlement Agreement was approved in August 2000. Those expectations were based on expert testimony concerning the number of Class Members likely to qualify for and file such claims. In addition, medical audits of individual claim submissions have to date rejected approximately 60% of the claims filed for Matrix Levels I or II compensation. Those results have led to numerous disputes.

In a filing dated August 17, 2004, the Trust asserted that the Audit Failure rate may be as high as 88% for Matrix Level I and II claims. This contention was based on the Trust's re-evaluation of 926 claims that had previously passed the Trust's medical audit. The Trust's contention has not been proven in any legal proceeding and would likely be contested in litigation that could take years to resolve. There are other disputes and court proceedings related to the validity of many of the claims filed and to the actions of the Trust in administering benefits. For these and other reasons, there have been lengthy delays in paying valid claims. **Depending on how all of those disputes are resolved and future audit pass rates, there is a high likelihood that there will be insufficient funds available to the Trust to pay all eligible claimants.** Under the current Settlement Agreement, the Trust will pay Matrix benefits in full to those whose claims are found valid after audit. If the Trust runs out of money, however, all other claimants, even those with valid claims, would then receive nothing from the Trust. Neither the Court nor the parties are able to predict how those disputes and audits will be resolved. It is likely that many of those Matrix claimants would not be paid Matrix compensation under the Settlement Agreement in effect prior to the currently-proposed Seventh Amendment (the "Pre-Amendment Settlement Agreement"). Under those circumstances, some Class Members would have the right to sue Wyeth in the tort system (see discussion of "Sixth Amendment Opt-Out" right at pages 22-23 and of "Back-End Opt-Out" right at page 22).

Wyeth and Class Counsel, with the assistance of a liaison group of attorneys representing individual Class Members,

have agreed to the Seventh Amendment. That Amendment is subject to this Court's approval. If the Amendment becomes effective, Wyeth would pay an additional \$1.275 billion into a new fund (the "Supplemental Fund") to pay claims. The Amendment is intended to expedite payments and to allocate some part of the new \$1.275 billion fund to all eligible Class Members, many of whom would otherwise be unlikely to receive any payment at all from the Trust under the Pre-Amendment Settlement Agreement. **It is likely, however, that most, if not all, of those qualifying for existing Matrix Level I and II benefits will receive less, and most will receive substantially less, money under the Amendment than they would have received if there had been enough money to pay all claims under the current Settlement Agreement.**

Wyeth also agrees in the Seventh Amendment to guarantee that there will be money available to pay eligible claimants who participate in the Amendment and who meet modified Matrix Levels III, IV or V criteria by a new deadline, even if the Trust runs out of money. Matrix Levels III, IV and V apply to claimants who have had heart valve replacement or repair surgery or other comparable or greater levels of injury. See pages 15-17.

The Seventh Amendment also provides that Class Members will give up some of the rights they currently have, including the rights that some Class Members would have to opt out of the Settlement Agreement and sue Wyeth in the tort system. See pages 21-23.

Each Class Member covered by the Seventh Amendment has the right to elect not to participate in the Seventh Amendment. **Any eligible Class Member who does not exercise that election will automatically be covered by the Seventh**

Amendment, without taking any further action. As described below, participating Class Members might need to take further steps to obtain benefits. Any Class Member who does elect not to participate in the Seventh Amendment, however, would remain in the class and would continue to be subject to the terms of the Pre-Amendment Settlement Agreement. See pages 29-30. During a specified period of time in the future, Wyeth has the right to walk away from and terminate the Amendment. Wyeth has stated that it would exercise its walk-away right and not provide the \$1.275 billion of new funds or the other Seventh Amendment benefits unless there is a very high level of participation by eligible Class Members. See pages 29-30.

If you have previously exercised an opt-out right under the Settlement Agreement and would otherwise qualify to participate in the Seventh Amendment, you may, with Wyeth's consent, revoke your opt out at this time. **If you have previously exercised an Initial, Intermediate or Back-End Opt-Out and you also filed a Green Form claiming Matrix benefits before May 6, 2004 qualifying you for inclusion in the Seventh Amendment and, as a result, you are included in a list of Class Members described at page 9, your opt-out would be considered to be automatically revoked and you will be considered to be participating in the Seventh Amendment unless you take action and elect not to participate. See pages 10-11.**

This Court has preliminarily approved the Seventh Amendment, but it will not become effective unless finally approved by the Court after a hearing and any appeals have been concluded. Affected Class Members have the right to participate in that hearing. See pages 32-33.

This Notice is being sent to more people than those known to qualify to participate in

the Seventh Amendment. You are not necessarily eligible to participate merely because you receive this Notice. This document is Part II of that Notice, and it should be read in conjunction with Part I, the Overview of the Seventh Amendment.

II. THE CURRENT STATUS OF THE TRUST

A. What Are the Medical Conditions Qualifying for Matrix Compensation?

Under the Pre-Amendment Settlement Agreement, there are five defined levels of VHD that qualify for payment. Generally (although these conditions are defined at length in that Agreement), these can be described as:

Matrix Level I: mild or greater aortic regurgitation and/or moderate or greater mitral regurgitation with a finding of bacterial endocarditis; and/or severe aortic and/or mitral VHD without other medical signs of injury to the heart or any infection in the heart;

Matrix Level II: moderate to severe aortic and/or mitral VHD with medical signs of certain other conditions of the heart;

Matrix Level III: cases where aortic and/or mitral heart valve repair or replacement surgery is performed or recommended or where an individual has suffered a stroke from particular complications of regurgitation;

Matrix Level IV: serious complications of aortic and/or mitral VHD or valve-related surgery such as a serious stroke; and

Matrix Level V: very serious complications of aortic and/or mitral VHD or valve-related surgery, such as death or a heart transplant.

To be eligible for Matrix Level compensation, Class Members must have been diagnosed by echocardiogram between the commencement of diet drug use and the end of the Trust's "screening period" as having "FDA Positive" regurgitation or as having mild regurgitation of the mitral heart valve. For most people, the end of the Trust's screening period was January 3, 2003. For certain Class Members who received echocardiograms provided by the Trust in its screening program but who could not obtain an echocardiogram by that date, the diagnosis must have occurred by July 3, 2003, unless extended by the Court. "FDA Positive" refers to regurgitation of the aortic heart valve which is either mild, moderate or severe and/or regurgitation of the mitral heart valve which is either moderate or severe. The Pre-Amendment Settlement Agreement specifies requirements for such a diagnosis.

B. Why Have Many Matrix Claims Not Yet Been Decided by the Trust?

If you have filed a Matrix claim and it has not yet been decided, you are among a very large number of Class Members in the same situation. Here are some of the reasons why claims processing has taken so long.

The number of claims for Matrix benefits, particularly on Matrix Level II, have significantly exceeded the estimates made when the Settlement Agreement was negotiated and approved. Those estimates were based upon expert advice and testimony at that time presented by each of counsel for the class and counsel for Wyeth. Wyeth's financial obligation under the Pre-Amendment Settlement Agreement is

capped at a maximum amount. **If more than a small fraction of the claims currently on file for Matrix benefits were deemed valid (no one knows precisely how many), the Trust would not have enough money to pay the remaining claimants under the Pre-Amendment Settlement Agreement.**

There are almost 70,000 claims for Matrix benefits currently on file with the Trust and not fully processed, according to its database. Of those, about 43,000 contain enough information to identify claims for Matrix Levels I through V. And of those, more than 40,000 assert eligibility for Matrix Levels I or II. In November 2002, this Court ordered that 100% of all Matrix claims be audited by cardiologists retained by the Trust to assess whether there is a reasonable medical basis for the claims. At this time, approximately 5,500 claims have been audited. Of the claims audited that assert eligibility for Matrix Level I or II benefits, approximately 60% have been found to be without a reasonable medical basis and therefore not payable (see page one for a discussion of a recent Trust filing related to Audit pass rates).

Some claimants have asserted that the Trust's audit process is unfair, but there has been no court ruling on that assertion. Other claimants have disputed the Trust's conclusions on their individual claims. In addition, there have been appeals taken from the order to audit all claims. As of September 1, 2004, those appeals have been put on hold temporarily without any decision. See page 27. On March 30, 2004, Wyeth filed an emergency motion, arguing that further measures were required to identify possibly invalid claims in light of the high audit failure rate. This motion was contested by counsel for claimants. The Court has deferred ruling on that motion pending consideration of the Seventh Amendment.

Counsel for some claimants have asserted that the Trust's processing and payment of claims have not occurred with the speed and efficiency required by the Pre-Amendment Settlement Agreement. The Pre-Amendment Settlement Agreement sets several deadlines for the Trust's processing and payment of claims. In addition, the Court has issued audit rules that set additional deadlines by which the Trust must act, particularly with regard to steps to be taken after it receives audit results from the cardiologists it hires to review Matrix claims. The Trust has filed several requests with the Court for deadline extensions. The Court granted those extensions in part and denied them in part. Motions were also filed on behalf of some claimants arguing that the Trust was failing timely to pay claims that had passed audit and asserting that that failure was a violation of the Pre-Amendment Settlement Agreement and the audit rules. The Court has not ruled on those motions.

The Trust has initiated a "Claims Integrity Program" to identify possibly invalid claims, primarily for Matrix Levels I and II. A large number of disputes have arisen relating to that Claims Integrity Program, to the administration of claims processing by the Trust and to the outcome of particular audits, among other things. Those disputes are largely unresolved at this time.

The Trust has sued two doctors alleging that they fraudulently certified claims submitted to the Trust, causing it to pay millions of dollars in benefits to persons who did not have the required levels of heart valve regurgitation necessary to qualify them for benefits. The doctors have denied those allegations, and one of the doctors has counter-sued the Trust. In one of its complaints, the Trust alleged that the attorneys for the claimants whose claims

were certified by the defendant doctor had participated in a scheme with the doctor to submit medically unreasonable claims to the Trust. In addition, the Trust has raised the possibility that it might sue other doctors and some law firms by asking that they agree to extend the deadline for filing suits based on similar allegations of submitting improper claims to the Trust. The Trust has also put on hold further processing of claims certified by other doctors and/or submitted by some claimants' attorneys, moved to disqualify echocardiograms conducted by two echocardiogram providers and sought the right to take discovery from other echocardiogram companies as to their processes. As a result of the Trust's Claims Integrity Program, many law firms — including some of those who helped in the discussions leading to the Seventh Amendment (see pages 7-8) and/or many who have expressed active support for the proposed Seventh Amendment — have had claims submitted by them put on hold. Many of these law firms and claimants have challenged the Claims Integrity Program and the Trust's right to delay further processing of any claims or to conduct those other proceedings. Lawyers representing some claimants have also argued that the Trust has breached its duties to claimants and have asserted that claimants therefore have legal claims against the Trust. Disputes have also arisen as to the proper interpretation of the medical criteria for determining a Matrix Level condition under the Settlement Agreement.

The stated purpose of the Trust's Claims Integrity Program was to "ensure the prompt payment of legitimate claims, [and t]o protect the Trust from paying illegitimate...claims in the future...." Many lawyers for claimants and Class Counsel have questioned whether the program has achieved these goals. Application of the Claims Integrity Program led to an announcement by the Trust on April 15,

2004, that it was indefinitely suspending the processing and payment of claims for Matrix Level I and Matrix Level II benefits, even for claims that had passed audit. Some attorneys have asserted that the program changed claims criteria for echocardiograms after key deadlines had passed. Counsel for some claimants have also objected to the amount of money spent by the Trust on administrative and legal expenses, including the Claims Integrity Program. Motions addressing all these issues from various viewpoints — Class Counsel, the Trust, Wyeth and counsel for claimants — are pending before the Court.

Some claimants' attorneys moved to replace the Trustees and to discharge Class Counsel. These motions were denied by the Court. An appeal has been taken from the denial of the motion to discharge Class Counsel, but that appeal is still pending.

These disputes have delayed the resolution of claims and have caused the Trust to spend substantial resources on legal and claims auditing fees. **Depending on how all of those disputes are resolved and future audit pass rates, it is likely that there will be insufficient funds available to the Trust to pay all payable claims.** Neither the Court nor the parties are able to predict how those disputes and audits will be resolved.

If the Seventh Amendment becomes effective, it would end these disputes, by, among other things, terminating the Trust's Claims Integrity Program as to participating Class Members (see pages 26-27); ending the Trust's pending lawsuits against doctors and barring the Trust or Wyeth from bringing any suits against claimants, their attorneys or their doctors to recover amounts paid out as Matrix compensation (see pages 25-26); barring participating Class Members from bringing any suits against the Trust's trustees, officers or employees

arising out of the performance of their duties under the Pre-Amendment Settlement Agreement (see pages 23-25); and releasing Wyeth and confirming prior releases of Wyeth (see pages 23-25).

C. How Much Money Is Left in the Trust?

Approximately \$1.7 billion remained available to the Trust as of June 30, 2004. This included both the funds actually in the hands of the Trust and the remaining amount Wyeth is required to pay into the Trust under the Pre-Amendment Settlement Agreement. In addition to the payment of pending Matrix Level I and II claims, that amount will also be used to pay a number of different types of claims and other expenses, including: (i) valid claims for Matrix Level III, IV and V benefits; (ii) Matrix compensation to at least some of those who have received post-audit determination letters from the Trust prior to May 6, 2004 advising them that their Matrix Level I or II claims are payable (“Pre-May 6 Payable PADLs”); (iii) a \$255 million reserve for Matrix benefits to those Class Members who have been paid Matrix compensation at one level but later progress to higher levels; and (iv) administrative expenses, including legal fees. It is likely that some part of this \$1.7 billion would also be used to pay some refunds of the diet drug purchase price provided in the Pre-Amendment Settlement Agreement but not yet paid and cash or medical services benefits provided in the Pre-Amendment Settlement Agreement but not yet paid (see page 17). (Wyeth is obligated to contribute additional amounts, in excess of that \$1.7 billion, if needed to pay unpaid cash or medical services benefits, subject to a limitation contained in the Pre-Amendment Settlement Agreement.) In light of these obligations and the large number of Matrix Level I or II claims on file, it is likely that only a small fraction of

the pending Matrix Level I and II claims could be paid by the Trust.

D. What Will Happen to Your Matrix Benefits if the Trust No Longer Has Funds and if the Seventh Amendment Does Not Become Effective?

If you qualify for Matrix benefits, but the Trust does not have the money to pay them, your rights could depend on whether, at the time the Trust runs out of available money, you qualify to exercise a “Sixth Amendment Opt-Out” right or a “Back-End Opt-Out,” or whether you do not qualify for any opt-out right. See pages 21-23. Briefly, the Sixth Amendment Opt-Out right gives Matrix claimants who filed their claim by May 3, 2003 and whose claims are not paid because of the inadequacy of the Trust’s resources and to whom Wyeth does not voluntarily make payment, the right to sue Wyeth in the tort system, although not for punitive damages. The Back-End Opt-Out right would be available to some Class Members who meet Matrix compensation criteria and who have not claimed Matrix benefits from the Trust, similarly permitting them to sue Wyeth for compensatory damages. Persons who elected the Accelerated Implementation Option do not have any of these opt-out rights.

Under the Pre-Amendment Settlement Agreement, the Trust will stop paying new Matrix claims when Wyeth’s remaining obligation to the Trust has been reduced to \$255 million. The only exception is for Class Members previously paid on a lower Matrix Level but whose medical condition has progressed to a higher Matrix Level. If the Trust ran out of money available to pay Matrix claimants who had not previously received any Matrix benefits, some of those claimants would then have the right to a Sixth Amendment Opt-Out, assuming that that right is not found invalid by the appellate court. See pages 22-23, 27. In

addition, some Class Members would have the right under those circumstances to exercise a Back-End Opt-Out if they had not filed a claim for Matrix benefits.

If none of these opt-out rights is available to you, and if your claim is not paid before the Trust's funds are exhausted, you would receive nothing from the Trust. The terms of the Pre-Amendment Settlement Agreement and the Court's injunction implementing that agreement provide that you may not assert any claim against Wyeth or any other "Released Party" (see Appendix A) based on any injury arising out of your use of Redux or Pondimin. It is therefore Wyeth's position that all such claims would be barred. It is likely that many claimants would be in that position. However, counsel for many Class Members have argued that, if their claims are not paid, then claimants' rights would have been violated and they should not be precluded by the Pre-Amendment Settlement Agreement from suing Wyeth, including for punitive damages. Wyeth disputes that argument. The courts have not decided this dispute. It would likely require many years of litigation, with an uncertain outcome, before those arguments could be finally decided. See pages 23, 24.

III. THE SEVENTH AMENDMENT — GENERAL

The situation described above led to discussions involving Counsel for the Class (identified at page 34), counsel for a number of individual Class Members (identified in the following paragraph), and counsel for Wyeth. Those discussions resulted in a proposal to create a new \$1.275 billion fund, in which all qualifying Matrix Level I and II claimants would share, rather than, as under the Pre-Amendment Settlement Agreement, paying some claimants in full and leaving nothing with which to pay other similar

claims. These discussions also focused on: providing a greater level of assurance that funds would be available for a significant period into the future to pay Class Members who progressed to meet modified Matrix Levels III, IV and V criteria; providing certain other benefits to Class Members who did not have Matrix Level medical conditions but who might develop those conditions in the future; ending the disputes described at pages 3-6; eliminating rights some Class Members would have to sue Wyeth in the tort system by exercising Intermediate Opt-Out, Back-End Opt-Out or Sixth Amendment Opt-Out rights; releasing any right that Class Members might have to claim their rights were violated in connection with the Pre-Amendment Settlement Agreement, including in the event the Trust's resources are exhausted; barring the Trust or Wyeth from suing claimants, their attorneys or certifying physicians to recover amounts previously paid for Matrix benefits; reducing the cost and delay arising from the Trust's audit program and its Claims Integrity Program; compromising the disputes relating to the medical criteria applicable to Matrix Level conditions; eliminating claim-specific litigation; providing an expeditious administrative method to distinguish between payable Matrix claims and those claims that do not qualify for a matrix payment; and otherwise facilitating prompt review and disposition of claims.

Class Counsel, and particularly Michael D. Fishbein, participated in those discussions and negotiations on behalf of the class as a whole as its fiduciary. Wayne R. Spivey, of Shrager, Spivey & Sachs, Philadelphia, Pennsylvania, and Jerry Alexander of Alexander & Associates, Omaha, Nebraska, each of whom represents a number of Class Members, encouraged and facilitated those discussions and participated in negotiating a term sheet setting forth the principal terms of a

proposed amendment. Because Wyeth was not willing to proceed with negotiations towards any amendment without assurances that it would receive substantial support from other Class Members, Class Counsel and Messrs. Alexander and Spivey, together with Jim Doyle of Fleming & Associates, Houston, Texas, Tony Martinez, of Martinez, Berrera & Martinez, Brownsville, Texas, and Ellen Presby, of Baron & Budd, Dallas, Texas, obtained written support from firms representing a large number of Class Members. See page 26. The drafting and finalization of the Seventh Amendment then proceeded, in which Class Counsel participated on behalf of the class as a whole and in which Messrs. Spivey, Alexander, Doyle and Martinez and Ms. Presby also participated. Those attorneys for individual Class Members were subsequently approved by the Court as members of the Seventh Amendment Liaison Committee (“SALC”) (see page 15).

What follows is a summary of some of the terms of the Seventh Amendment. You can get the complete text of the Amendment and of other relevant documents, as explained at page 33. **The terms of the Amendment, not all of which are summarized here, are controlled by the full text of the Amendment rather than by this summary.**

IV. HOW DO YOU KNOW IF THE PROPOSED SEVENTH AMENDMENT APPLIES TO YOU, AND IF SO, HOW WILL YOU BE CATEGORIZED FOR THAT PURPOSE?

Your rights would be significantly affected by the Seventh Amendment if you fall within one of the following two categories, unless you timely elect not to participate in the Amendment. **IF YOU ARE IN ONE OF THOSE CATEGORIES AND YOU TAKE NO ACTION, YOU**

WILL BE BOUND BY THE SEVENTH AMENDMENT IF IT IS APPROVED BY THE COURT. (If you have previously exercised an Initial, Intermediate or Back-End Opt-Out, however, see pages 10-11.) Whether you are in Category One or in Category Two is important because the category will determine how you are treated in the Seventh Amendment, including how much money you might receive.

A. Category One

To be in Category One, a diet drug user must meet all of the following requirements:

- (1) you must have filed with the Trust on or before May 3, 2003 either a Pink Form (exercising an Accelerated Implementation Option (“AIO”), a Blue Form or Part I of a Green Form and/or on whose behalf a Green Form Part II was substantially completed and submitted to the Trust on or before that date by an attesting physician; and
- (2) you must have filed with the Trust Part II of a Green Form that was substantially completed and signed by an attesting physician and which contains sufficient information about your medical condition to support a claim for Matrix Level I or II compensation, but not a claim for Matrix Level III, IV or V compensation. If you had exercised any opt-out under the Pre-Amendment Settlement Agreement (see pages 21-23), that Green Form filing must have been made before May 6, 2004. Any other Class Member must already have made that filing with the Trust or must do so by November 9, 2004.

In addition, you are not in Category One if any of the following applies to you:

- (1) you have received payment of any Matrix compensation from the Trust; or
- (2) the Trust sent you a letter on or before July 21, 2004 telling you that a determination denying Matrix benefits had been made after audit on your Green Form described in section A(2) above; or
- (3) the Trust sent you a Pre-May 6 Payable PADL (see page 6); or
- (4) you have signed an individual release of claims against Wyeth arising from the diet drugs or your claims against Wyeth have been dismissed with prejudice unless that dismissal expressly preserved your right to seek benefits under the Settlement Agreement.

If you received a Pre-May 6 Payable PADL, you are not eligible to participate in the Seventh Amendment, and your claim will continue to be processed by the Trust. If the Trust's cardiologist found that you have a Matrix Level I or II condition, but that determination has not been subjected to the Trust's post-audit review processes and you were not issued a Pre-May 6 Payable PADL, you will be eligible for Category One benefits without any further medical review by the Fund Administrator; these claims, however, may be reviewed to ensure there was not a fraudulent manipulation of the echocardiogram tape or disk.

Based on data obtained from the Trust's claims processing database, Wyeth and Class Counsel have preliminarily identified those believed to fall into Category One and have compiled a list of the claim numbers assigned by the Trust (the "DDR" number)

to those persons (the "Initial Category One Class Member List"). There are approximately 40,500 Class Members on that list. **That list is published on the Trust's official website located at: www.settlementdietdrugs.com.** You should examine that list to determine whether or not you have been included in it. There are procedures available by which you could be added to that list if you qualify. You must do so prior to **Tuesday, November 9, 2004**. If you are not on the list and you believe you should be, see Section 16, Question 10 of Part I of the Notice, the Overview of the Seventh Amendment.

B. Category Two

This category consists of all users of Pondimin or Redux who are not included in Category One and, with certain other exceptions, who registered or believed they registered with the Trust for benefits by May 3, 2003 and who were diagnosed between the commencement of diet drug use and the end of the Trust's screening period (see page 3) either with FDA Positive regurgitation or mild mitral regurgitation. More specifically, to be in Category Two, a diet drug user must meet all of the following requirements:

- (1) you must have filed with the Trust on or before May 3, 2003 either a Pink Form (exercising the AIO), a Blue Form, a Gray Form or Part II of a Green Form or you must have a good faith belief at this time that you timely registered for benefits under the Pre-Amendment Settlement Agreement and the Court determines that you have timely registered for those benefits; and
- (2) you must have been diagnosed as having either mild mitral regurgitation or FDA Positive

regurgitation after diet drug use and before the end of the Trust's screening period (see page 3).

In addition, you are not in Category Two if any of the following applies to you:

- (1) you have filed a Green Form before November 9, 2004, containing sufficient information about your medical condition to support a claim for any Matrix compensation benefits; or
- (2) you have received payment of any Matrix compensation from the Trust; or
- (3) you are included in Category One, as described above; or
- (4) you have signed an individual release of claims against Wyeth arising from the diet drugs or a court has dismissed your claims against Wyeth with prejudice unless that dismissal expressly preserved your right to seek benefits under the Settlement Agreement.

C. Family Members

If you are a spouse or child or other "derivative" claimant of someone who used Pondimin and/or Redux, you will be in either Category One or Category Two if that diet drug user is in that category. Only the diet drug user may make an election not to participate in the Seventh Amendment. That election, and other acts by the diet drug user under the Seventh Amendment, will apply to the diet drug user's spouse, other family members and other derivative claimants.

D. If You Are on the Category One Class Member List, You May Elect to be Treated as a Category Two Person Instead

Class Members on the Category One Class Member List may elect, rather than participating in the Supplemental Fund, to be treated as a Category Two Class Member. The benefits available to a person who exercises that election are described at page 21. A person exercising such an election would be entitled to all the benefits to which a Category Two Class Member would be entitled. The only exception is that a person electing to be treated as a Category Two rather than a Category One Class Member would have the right to receive any previously unpaid "Cash/Medical Services Benefits" (see page 21) without any medical review or audit if that person's claim documents indicate that he or she has FDA Positive regurgitation and he or she otherwise qualified under the Pre-Amendment Settlement Agreement for the benefit. You would give up your chance to receive any of the Category One benefits.

If you wish to switch from Category One to Category Two, you must complete the Category Two election form and send it to the Fund Administrator. See page 35 for that address. You may obtain a copy of the Category Two election form from the Fund Administrator or from the Trust's website www.settlementdietdrugs.com. The completed and executed form must be postmarked no later than **Wednesday, March 9, 2005**. If you exercise that election, your decision is final and binding, and it cannot be retracted.

E. Previous Opt-Outs Who Are Also on the Initial Category One Class Member List

If you have previously sought both (a) to exercise any form of opt-out and (b) to claim Matrix benefits by filing a Green Form before May 6, 2004 which meets the requirements for your inclusion in Category One (see pages 8-9), your opt-out will be considered to be automatically revoked and

you will be considered to be a Category One Class Member, without any further action on your part, unless you elect not to participate in the Seventh Amendment.

If you have done both (a) and (b) in the previous paragraph and if you wish to maintain your status as an opt-out and pursue claims in the tort system, you must elect not to participate in the Seventh Amendment. See pages 29-30. Otherwise, it will no longer be possible for you to continue to pursue a claim in court. Even if you do elect not to participate in the Seventh Amendment, you should be aware that Wyeth's position is that Class Members do not have the right to an Intermediate Opt-Out or a Back-End Opt-Out when they have filed a claim with the Trust for Matrix compensation. Class Counsel's position is that Class Members who have filed a claim with the Trust for Matrix compensation nonetheless have a right to an Intermediate Opt-Out if otherwise timely and proper.

F. Previous Opt-Outs Who Are Not on the Initial Category One Class Member List

If you have previously exercised any form of opt-out, and if you have not also claimed Matrix benefits by submitting a substantially completed Green Form to the Trust before May 6, 2004 in which the unaudited answers to Part II of the Form support a claim for Matrix Level I or II benefits, you may still participate in the Seventh Amendment as a Category Two Class Member if Wyeth consents to your revoking that opt-out. If you do revoke that opt-out, you will receive a \$2,000 payment as a member of Category Two if you are eligible for that payment (see pages 9-10, 20), and if eligible you will also be entitled to recover for any future actual surgery or other benefits available to Category Two

Class Members. You would also have the benefit of Wyeth's guarantee that there would be sufficient funds to pay that compensation. Under some circumstances, you might also receive the "cash/medical services benefit" (see pages 17-18). You would waive all further rights to seek any compensation against Wyeth in the tort system, and you will have no future right to opt out (see pages 21-23). See also page 20 concerning certain medical expense reimbursements.

If you wish to revoke such an opt-out, write to the following address and request Wyeth's consent to revoke your opt-out and participate in the Seventh Amendment as a Category Two person:

Wyeth
c/o Orran L. Brown
BrownGreer PLC
P.O. Box 85006
Richmond, VA 23285-5006

V. WHAT ARE THE BENEFITS AVAILABLE TO CATEGORY ONE CLASS MEMBERS?

The benefits available to Category One persons will depend on whether or not they are found to be eligible to share in the Supplemental Fund.

A. Wyeth's New Financial Commitment and Establishment of a Supplemental Fund to Administer Category One Claims

Under the Seventh Amendment, Wyeth agrees to pay an additional \$1.275 billion, which it is not required to pay under the Pre-Amendment Settlement Agreement, less certain credits. Wyeth will deposit those funds, not into the Trust, but into the newly established Supplemental Fund to be administered by a Fund Administrator (see

page 15). Only Category One Class Members have the right to participate in the Supplemental Fund.

One goal of the Supplemental Fund is to streamline the paying of claims. The Trust's audit program does not apply to these claims, and neither does its Claims Integrity Program. The Supplemental Fund will be administered by a Fund Administrator appointed by the Court (see page 15). Prior to the Fund Administrator's determination of a Class Member's status, there will be a medical review of the Class Member's claim. The Fund Administrator will hire board-certified cardiologists to conduct that medical review in order to determine whether each Category One claim meets required injury levels. Those cardiologists will review each echocardiogram tape or disk. Unlike the Trust, the Fund Administrator will not rely on a certification from the claimant's physician. Nor will any audit be conducted of whether there is a "reasonable medical basis" for that certification. Instead, the cardiologists hired by the Fund Administrator will determine eligibility.

If a claimant disputes the results of that review, the Class Member would be entitled, for a fee to be set by the Fund Administrator, to a second review by a different cardiologist conducted without knowledge of the outcome of the first review. If that cardiologist determines that the claim is valid, it will be paid. Class Members will have no right to challenge the Fund Administrator's actions or, after such a second review, its determination of any person's status, which will be final and binding. Such determination would not be subject to appeal, challenge, show cause orders or review of any kind before any court, agency, arbitrator, mediator or otherwise.

This is intended to be a more streamlined process than under the existing Trust. However, no payments will be made unless and until this Court has approved the Seventh Amendment and any appeals from such approval have been resolved.

Under the Seventh Amendment, pending claims which contain sufficient information to support Matrix Level I or II benefits filed by Seventh Amendment participants would be shifted from the Trust to the Supplemental Fund. Accordingly, under the Seventh Amendment, all Class Members covered by the Amendment would give up forever any right to claim Matrix Level I or II benefits from the Trust.

B. Benefits Available to Category One Class Members Who Pass the Fund Administrator's Medical Review

If the Fund Administrator determines as a result of the medical review process that a Category One person has the medical condition required for a pro rata share of the Supplemental Fund, that person is eligible to receive the following benefits. See page 19 for information about how to claim these benefits, which will require among other things proof of diet drug use:

(1) Participation in the Supplemental Fund

First, that person would receive a pro rata share of the \$1.275 billion, less other expenses, credits and payments as described below. The amount of the payment each qualifying person would receive will vary and will depend on the number of people participating in the Supplemental Fund, the number of people who qualify for payment after medical review and their respective injury levels, duration of diet drug use and age at the time of diagnosis. It is not known at this time what the payment level will be

for each qualifying claim. Here is how it will work:

The amount in the Supplemental Fund to be shared will be Wyeth's deposit of \$1,275,000,000, plus interest earned on that money until it is disbursed from the Supplemental Fund, less (i) the costs and expenses incurred by the Fund Administrator, (ii) the amounts expended at \$2,000 each for Category One Class Members who fail medical review or elect not to undergo that review (see page 17), (iii) a credit to which Wyeth will be entitled of \$2,000 each for Category One Class Members who elect to become Category Two Class Members; (iv) a further credit to which Wyeth will be entitled if there are more than 6,400 diet drug users who make that election. The amount of the credit described in item (iv) will be determined by multiplying \$5,500 for each person who shifts to Category Two in excess of 6,400 people.

The Fund Administrator, as a result of the medical review process discussed above, will assign to each participating Category One Class Member a "Relative Payment Value." Each person's percentage share of the Supplemental Fund's balance will be the percentage his or her Relative Payment Value represents of the total of all the Relative Payment Values assigned by the Fund Administrator. See the following subsection. The latter number will depend on (1) the number of Class Members who submit materials to the Fund Administrator documenting a claim for a pro rata share of the Supplemental Fund, (2) the number and ages of claimants found eligible to share on a pro rata basis (which could be higher or lower than the approximately 40,500 claims referred to at page 9), (3) the percentage of those found eligible who qualify for High Threshold as opposed to Low Threshold and (4) within each threshold category, the percentage of claimants who either are

found to have Alternative Causation Factors or used the diet drugs 60 days or less.

No one can predict at this time how much money will be paid to each qualifying Category One Class Member from the Supplemental Fund. However, most, if not all, of those Class Members would receive less than the amount specified in the Pre-Amendment Settlement Agreement, and most Class Members would receive substantially less than that specified amount. On the other hand, all qualifying Category One Class Members will receive payment from the Supplemental Fund, while only a small fraction of claimants could receive the amounts specified in the Pre-Amendment Settlement Agreement before the Trust ran out of available funds. Appendix E sets forth the Matrix compensation amounts payable for each severity level and age group, with and without reduction factors, under the Pre-Amendment Settlement Agreement. **These specified amounts, however, will only be paid if there are sufficient funds in the Trust to pay them. As explained above, it is highly likely that there will not be enough money available in the Trust to pay all eligible claimants.**

After the Fund Administrator has completed the medical review process for at least 50% of the claims of Category One Class Members and after the Seventh Amendment becomes effective, the Fund Administrator may distribute a portion (but no more than 40%) of each person's estimated share of the Supplemental Fund. The Fund Administrator is not required to do so, however, and will do so only after the Seventh Amendment is finally approved and only if the Court finds that such a partial distribution will not place at risk the Supplemental Fund's ability fully to pay all eligible Category One Class Members. After the medical review process has been completed as to all claims, each person found eligible will receive the balance of his

or her share of the Supplemental Fund that is available for distribution, less any interim distribution that may have been made.

The Court has the power to award legal fees to those attorneys who helped to create the benefits provided by the Seventh Amendment, including the Supplemental Fund, for the common benefit of all participating Class Members. See pages 28-29. If such an award is made from the Supplemental Fund, it will be prorated among all persons receiving a pro rata distribution from the Supplemental Fund. If you are represented by a lawyer, your share of the “common benefit” fee will be deducted from your lawyer’s share of the distribution. It will not affect the net amount that you are entitled to recover. If you are not represented by an attorney, your share of that fee will be deducted from your distribution.

(a) The Determination of Relative Payment Values

The Relative Payment Value will take into account whether the diet drugs were used for fewer than 61 days or for 61 days or more; whether the Fund Administrator’s cardiologist concludes that the person has a “High Threshold Condition” or a “Low Threshold Condition”; whether the person has any “Alternative Causation Factor”; and the age of the person at time of first diagnosis. The Fund Administrator, based on those factors, will use a grid to determine each participating person’s Relative Payment Value. A copy of the grid is in Appendix B. There are four columns in the grid: (1) High Threshold Condition with no Alternative Causation Factors and 61 or more days of diet drug use; (2) Low Threshold Condition with no Alternative Causation Factors and 61 or more days of use; (3) High Threshold Condition and either Alternative Causation Factors or 60 days or less of use; and (4) Low Threshold

Condition and either Alternative Causation Factors or 60 days or less of use.

The Seventh Amendment takes the Matrix Level I and II medical criteria in the Pre-Amendment Settlement Agreement and divides them into “High Threshold” and “Low Threshold” Conditions. That division recognizes that certain medical conditions on Levels I and II are more serious than others. The Amendment weights claims differently from the way they are weighted under the Pre-Amendment Settlement Agreement. Conditions on the High Threshold will be paid more than those on the Low Threshold. In addition, some changes have been made in the criteria determining qualification for payment. See Appendix C for a summary of those changes.

Relative Payment Values are also affected by the presence of medical factors that can cause some of the same health conditions as those claimed to have been caused by the diet drugs. These are referred to as “Alternative Causation Factors.” Many of the same “Alternative Causation Factors” used in the Pre-Amendment Settlement Agreement are also used in determining the Relative Payment Values under the Amendment, but some have been changed and others have been eliminated. Those changes have been made primarily to streamline the review process. See Appendix D for a comparison of those factors under the Pre-Amendment Settlement Agreement and under the Seventh Amendment.

For all these reasons, each Category One Class Member’s pro rata share will be based on the benefits provided under the Seventh Amendment, not on the amounts of Matrix compensation they would have received under the Pre-Amendment Settlement Agreement.

(b) How Will the Supplemental Fund Be Administered?

A Fund Administrator will administer the Supplemental Fund, in consultation with Class Counsel and SALC. See pages 7-8. All of the law firms to which the members of the SALC belong represent a large number of Class Members who would qualify as either Category One or Category Two Class Members. The SALC is to serve as a liaison between counsel for Category One Class Members and Category Two Class Members, on the one hand, and Class Counsel, Wyeth and the Court, on the other hand. See pages 7-8. The Fund Administrator is to be appointed by the Court, and is to be nominated by Class Counsel and the SALC jointly. They have agreed to nominate Heffler, Radetich & Saitta, LLP, as Fund Administrator. In addition, a Medical Review Coordinating Committee (“MRCC”) will, among other things, develop and implement a protocol to train cardiologists to conduct medical reviews and assist the Fund Administrator in the development and implementation of quality control procedures to secure, to the extent reasonably possible, uniform application of the medical criteria specified in the Seventh Amendment. The members of the MRCC are to be nominated by Class Counsel and the SALC jointly, and they have agreed to nominate Dean Karalis, M.D.; Gregg Reis, M.D.; and Frank Silvestry, M.D., as the initial members.

(2) Further Benefits for Those Who Progress to Higher Matrix Levels, and Wyeth’s Guarantee

Under the Seventh Amendment, Category One and Category Two persons who were diagnosed as having FDA Positive or mild mitral regurgitation before the end of the Trust’s screening program have the right to claim compensation at Matrix Levels III, IV or V if their condition

worsens to that level and if they meet modified criteria before a new deadline. This benefit will be administered by the Trust. For these Class Members, Wyeth guarantees that there will be sufficient funds available with which to pay those benefits. Those payments to Category One or Category Two Class Members would be reduced by any payment that person had previously received from the Supplemental Fund or the Trust. **If you elect not to participate in the Seventh Amendment, then Wyeth does not guarantee this payment.**

For those participating in the Seventh Amendment, there will be a new deadline for submitting a Matrix Level III, IV or V claim to the Trust. To meet the new deadline, the medical condition that qualifies you for Matrix Level III, IV or V benefits must both be diagnosed and also occur by the earlier of December 31, 2011, or fifteen years from the last date of diet drug use. Under the Pre-Amendment Settlement Agreement, the deadline for initially qualifying for Matrix benefits is December 31, 2015. Also, under the Pre-Amendment Settlement Agreement, if a person qualifies for Matrix benefits by December 31, 2015, he or she may continue to receive higher amounts of Matrix compensation if the condition which qualified him or her for that payment progresses after that date to a more severe condition. For example, under the Pre-Amendment Settlement Agreement, if you receive compensation for Matrix Level I before December 31, 2015 and progress to Level III in 2016, you would be eligible for an additional payment. Under the Seventh Amendment, if you qualify for Matrix Level III in 2011 but progress to Level IV in 2012, you would not be eligible for a further payment in 2012 or thereafter.

The medical criteria for Matrix Levels III, IV and V have been changed or clarified

for persons covered by the Seventh Amendment. Appendix F summarizes the differences between the Pre-Amendment Settlement Agreement's criteria and those applicable under the Amendment.

Briefly, under the Pre-Amendment Settlement Agreement, Matrix Level III included persons who were indicated for surgery to repair or replace a heart valve, but who did not have the surgery for specified reasons. Under the Seventh Amendment, that criterion no longer applies, and only actual surgery to repair or replace the aortic or mitral heart valve would qualify on Level III for persons covered by the Amendment. In addition, under the Seventh Amendment, for any claim based on complications of left atrial enlargement with chronic atrial fibrillation, a sworn statement must be submitted by an examining physician, along with contemporaneous medical records, that establishes to a reasonable degree of medical certainty and to the reasonable satisfaction of the Trust that the left atrial enlargement and chronic atrial fibrillation were a direct consequence of either moderate or severe mitral regurgitation. For this purpose, an examining physician must be a board-certified or board-eligible cardiologist or cardiothoracic surgeon who either (i) has treated the Class Member for the condition that forms the basis for the Matrix claim or (ii) is as familiar with the Class Member's condition as one who has treated the Class Member.

All claims seeking the modified Matrix Level III, IV, or V benefits are subject to the Trust's audit process, in which a Trust auditing cardiologist will review the echocardiogram and other material submitted in support of the claim to determine whether there is a reasonable medical basis for the medical conditions asserted in the Class Member's Green Form. The echocardiogram tape or disk must comply with the requirements of the Pre-

Amendment Settlement Agreement, as amended by the Seventh Amendment, but will be reviewed in audit regardless of whether it was allegedly obtained without adequate physician supervision, regardless of the identity of the person or entity that performed the echocardiogram, or regardless of the attorney representing the claimant. See pages 3-6. The Trust will not pay any claim that it determines in the audit process has no reasonable medical basis. As part of the audit process, the Trust still will review all Matrix claims to ensure there was no misrepresentation of material fact and can contest the validity of an echocardiogram tape or disk where there is substantial evidence that the tape or disk constitutes or contains a material representation of fact as to certain matters.

If the Trust does not have enough money to pay the modified Matrix Levels III, IV or V benefits to persons covered by the Seventh Amendment, Wyeth will deposit in the Trust enough additional money to pay those benefits. **This guarantee is only applicable to persons participating in the Seventh Amendment.** Those who elect not to participate in it will not have the benefit of that guarantee. For people who elect not to participate in the Seventh Amendment and for those who are not eligible to participate in the Amendment, the Settlement Agreement's existing provisions will continue to apply. For people not covered by the Seventh Amendment, the Trust will stop paying new Matrix claims when Wyeth's financial obligation has been reduced to \$255 million. After that time, the Trust will only pay claims of persons who were previously paid Matrix compensation and whose medical condition has progressed to a higher level. Those who are not covered by the Seventh Amendment and who became eligible to claim Matrix benefits for the first time will continue to have the right to a Sixth Amendment Opt-Out or a Back-End Opt-Out, if they

otherwise qualify for those rights (see pages 22-23).

(3) No Cash/Medical Services Benefit from the Trust

Under the Pre-Amendment Settlement Agreement, Class Members diagnosed as FDA Positive by the end of the Trust's screening period (see page 3) and who had used the diet drugs for 61 or more days have the right to receive either \$6,000 in cash or up to \$10,000 in value of valve-related medical services to be provided by the Trust. Persons diagnosed as FDA Positive by the end of the Trust's screening period and who had used the diet drugs for fewer than 61 days have the right to receive either \$3,000 in cash or up to \$5,000 in value of valve-related medical services to be provided by the Trust. These benefits are referred to as the "Cash/Medical Services Benefits." Category One Class Members who receive a pro rata share of the Supplemental Fund after medical review will not receive an additional amount from the Trust under the Pre-Amendment Settlement Agreement for these Cash/Medical Services Benefits.

C. Benefits Available to Category One Class Members Who Fail Medical Review

If the Fund Administrator determines as a result of its medical review process that a Category One Class Member does not have the medical condition required for a pro rata share of the Supplemental Fund, the benefits that person is eligible to receive are as follows. See page 19 for information as to how to claim these benefits, which will require among other things proof of diet drug use.

(1) Payment of \$2,000

A Category One Class Member who fails to qualify for a share of the

Supplemental Fund on medical grounds will nevertheless receive a payment of \$2,000 from the Supplemental Fund, less attorneys' fees of up to \$650 if he or she is represented by counsel.

(2) Further Benefits for Those Who Progress to Higher Matrix Levels, and Wyeth's Guarantee

A Category One Class Member who fails to pass the Fund Administrator's medical review but who was diagnosed as having FDA Positive or mild mitral regurgitation after diet drug use and before the end of the Trust's screening period would have the right to Matrix Levels III, IV or V compensation if the person's condition worsens so as to qualify at those levels, as modified by the Seventh Amendment, before December 31, 2011 or fifteen years after the last use of the diet drugs, whichever is earlier. See pages 15-17. Such a person would have the benefit of Wyeth's guarantee that there would be enough money available to pay such compensation if and when that person qualifies for it.

See page 15 for information about the new deadline applicable to qualification for Matrix Levels III, IV or V compensation under the Seventh Amendment.

(3) Opportunity to Receive Trust's Cash/Medical Services Benefit

If the medical review conducted by the Fund Administrator results in a finding that a Category One Class Member is not eligible for a pro rata share of the Supplemental Fund, but that he or she was diagnosed with FDA Positive regurgitation between the commencement of diet drug use and the end of the Trust's screening period, then the claim will be forwarded to the Trust for payment of the Cash/Medical Services Benefit. In this case, the Trust will be required to pay that benefit without

conducting any audit or further medical review.

D. Benefits Available to Category One Class Members Who Fail to Comply with the Fund Administrator's Procedural Requirements

The Fund Administrator will ask Category One Class Members to comply with certain filing deadlines and proof submissions before a claim is sent for medical review. Even if a Category One Class Member fails to comply with those requirements, he or she will continue to be eligible for certain benefits. Those benefits would not include participation in the pro rata distribution of the balance in the Supplemental Fund, but would include the following. See page 19 for information as to how to claim these benefits, which will require among other things proof of diet drug use.

(1) Payment of \$2,000

If a Category One Class Member does not timely complete the claims process, he or she will be eligible to receive \$2,000 by the Fund Administrator, less attorneys' fees of up to \$650 if he or she is represented by counsel.

(2) Further Benefits for Those Who Progress to a Higher Matrix Level, and Wyeth's Guarantee

Even if a Class Member fails to comply with the Fund Administrator's requirements for obtaining medical review, he or she would continue to be eligible for Matrix Level III, IV or V compensation from the Trust if he or she was diagnosed as having FDA Positive or mild mitral regurgitation between the commencement of diet drug use and the end of the Trust's screening period and if his or her condition worsens within the Seventh Amendment's deadline to meet

its requirements for compensation at those levels. See page 15 for information about the new deadline applicable to qualification for Matrix Levels III, IV or V compensation under the Seventh Amendment.

(3) No Cash/Medical Service Benefit from the Trust

If a Category One person does not timely complete the Fund Administrator's claims process, he or she would no longer have the right to obtain any unpaid Cash/Medical Services Benefits from the Trust.

E. Family Members and Other Derivative Claimants

Family members of a diet drug user and others who have made a derivative claim for benefits, will have the right to receive a 2 percent share of the amount their diet drug user is to receive as a pro rata distribution from the Supplemental Fund. That amount will be deducted from the amount paid to the diet drug user. The 2 percent is an aggregate limitation describing *the total amount* that *all* family members and other derivative claimants may recover in connection with a single claim. Thus, for example, if the amount to be distributed in connection with a single claim is \$50,000, then the total amount to be paid to family members and derivative claimants will be \$1,000. If there is one family member entitled to share in the distribution, he or she would receive \$1,000. If there are four family members entitled to share in the distribution, they would each receive \$250.

Family members and other derivative claimants will not share in the \$2,000 payments that their diet drug user receives.

F. How to Make a Claim for Category One Benefits

There are deadlines for Category One benefits that do not apply in the existing Pre-Amendment Settlement Agreement. To be eligible for Category One benefits, you must have a substantially completed Green Form in which the unaudited answers to Part II support a Matrix Level I or II claim on file with the Trust before November 9, 2004, (or May 6, 2004 if you have also exercised an Initial, Intermediate or Back-End Opt-Out right). If the Seventh Amendment receives Trial Court approval, the Fund Administrator will establish rules, forms and procedures that will be used in administering benefit claims by Category One Class Members under the Seventh Amendment. If you wish to be eligible for Category One benefits, then you will be required to submit the following proof in support of your claim to the Fund Administrator by a date to be set by the Fund Administrator:

(1) Proof of diet drug use, as required in the Pre-Amendment Settlement Agreement and the Seventh Amendment.

(2) A copy of the echocardiogram tape or disk that forms the basis of the claim for benefits which must comply with the criteria set forth in the Seventh Amendment.

(3) In the case of a claim that is based in part on the medical condition of bacterial endocarditis, sufficient medical proof of the condition must be provided.

(4) A sworn statement on a form provided by the Fund Administrator setting forth your date of birth, the date of the echocardiogram supporting your claim, and whether or not you previously received any payment of Matrix benefits from the Trust or received notice that your claim for Matrix benefits was denied by the Trust.

All Category One Class Members will be required to submit this material, even if they previously submitted certain materials to the Trust. If necessary, the Fund Administrator may request additional information in support of a claim for benefits.

The Fund Administrator's address is:

Seventh Amendment Fund Administrator
c/o Heffler Radetich & Saitta LLP
P.O. Box 30
Philadelphia, PA 19105-0030

If the Fund Administrator finds that there are technical deficiencies by a Class Member in compliance with any of the conditions to the processing or payment of claims under the Seventh Amendment, including deficiencies regarding the echocardiogram tape or disk supporting the claim, the Fund Administrator shall notify the Class Member or his/her counsel, if represented, of the technical deficiencies by a notice of deficiency and shall allow the otherwise eligible claimant 60 days from the date of receipt of that notice to correct the deficiencies. **If the deficiencies are not corrected within the 60-day period, the Fund Administrator shall reject the claim and the Class Member will be entitled to receive only the \$2,000 minimum payment from the Fund Administrator.** If such a Class Member later corrects those deficiencies and progresses to the modified Matrix Levels III, IV or V, that Class Member would receive the benefits attributable to those conditions and would have the benefit of Wyeth's guarantee that the Trust would have funds available with which to pay those benefits.

VI. WHAT ARE THE BENEFITS AVAILABLE TO CATEGORY TWO CLASS MEMBERS?

Category Two persons will not participate in the Supplemental Fund. Unless they elect not to participate in the Seventh Amendment, they will forego any right to claim Matrix Level I or II compensation from the Trust and future opt-out rights. However, they will be eligible for the following benefits. See pages 20-21 for information as to how to claim these benefits, which will require among other things proof of diet drug use.

A. Payment of \$2,000

Even though Category Two Class Members do not have a Matrix Level condition, they will be entitled to receive \$2,000 from the Trust, unless they elect not to participate in the Seventh Amendment. Attorneys' fees of up to \$650 will be deducted for those represented by an attorney.

B. Further Benefits for Those Who Progress to a Higher Matrix Level, and Wyeth's Guarantee

A Category Two Class Member whose condition worsens to Matrix Levels III, IV or V, as modified by the Seventh Amendment and within the Amendment's deadline, will have the right to the compensation attributable to those levels, unless they elect not to participate in the Seventh Amendment. See pages 15-17. Those Matrix Level III, IV or V compensation benefits will be paid by the Trust, and Wyeth will guarantee that the Trust will have enough money to pay those benefits.

C. Opportunity to Receive Trust's Cash/Medical Services Benefit

Category Two Class Members who have not previously received a Cash/Medical Services Benefit from the Trust to which they are entitled would receive those benefits. Eligibility for that payment would depend upon the submission of proof of diet drug use, the submission of a Green Form Part II or a Gray Form documenting that the diet drug user had an echocardiogram performed after the commencement of diet drug use and before the end of the Trust's screening period (see page 3) that demonstrated FDA Positive valvular regurgitation and a copy of the echocardiogram tape or disk — all in accordance with the provisions of the Pre-Amendment Settlement Agreement. Wyeth will continue to have the right to designate up to 10 percent of these claims for audit.

D. How to Make a Claim for Category Two Benefits

Within 30 days after the Seventh Amendment becomes effective, a list will be posted on the Trust's official website, www.settlementdietdrugs.com, which will contain the Trust's identification numbers for the Class Members who appear to be eligible for Category Two benefits. If you are on that list, you need to do nothing further to collect Category Two benefits.

If you are not on that list, but you are a potential Category Two Class Member, you will get a letter from the Trust telling you to submit the information it needs in order to provide you with Category Two benefits. You will be required to submit to the Trust, if not previously submitted, the following proof in support of your claims:

(1) Proof of diet drug use, as required in the Pre-Amendment Settlement Agreement.

(2) A copy of the echocardiogram tape or disk that forms the basis of the claim for benefits.

(3) A Gray Form or Part II of a Green Form completed by a board-certified or board-eligible cardiologist who verifies on such form that you were diagnosed with mild mitral regurgitation or FDA Positive regurgitation based on an echocardiogram performed after the start of your use of Pondimin and/or Redux and before the close of the screening period, which for most Class Members was January 3, 2003.

All of this information must be submitted to the Trust within seven months after the Seventh Amendment becomes effective or you will not receive Category Two benefits. The letter from the Trust will tell you either to send this required information to the Trust or to tell the Trust if you have provided that information to it previously. Within 60 days after you respond to that letter, the Trust will either pay you Category Two benefits or let you know why your claim is not eligible for those benefits.

VII. WHAT ARE THE BENEFITS AVAILABLE FOR THOSE CATEGORY ONE CLASS MEMBERS WHO ELECT TO BE TREATED AS CATEGORY TWO CLASS MEMBERS?

Class Members who qualify for Category One but who timely elect to be treated as being in Category Two will receive all the benefits that a Category Two Class Member would receive. Those benefits include the \$2,000 payment from the Trust and the Cash/Medical Services Benefit, if not previously paid to that person. The Trust will not audit or conduct a medical review of claims of such a person before providing the foregoing benefits,

although proof of diet drug use will be required before the Cash/Medical Services Benefit can be paid. The benefits available to a Category One Class Member electing to become a Category Two Class Member will also include eligibility for Matrix compensation at Levels III, IV or V, as modified by the Seventh Amendment, if the person's medical condition worsens and qualifies for those benefits, as well as Wyeth's guarantee that there would be enough money available to the Trust to pay those Matrix benefits in the future. See page 10 for information as to the steps you need to take.

VIII. OTHER PROVISIONS OF THE SEVENTH AMENDMENT AFFECTING CLASS MEMBERS

There are many other provisions of the Seventh Amendment, but here is a summary of some additional provisions affecting individual Class Members.

A. Termination of Further Opt-Out Rights

The benefits provided to Category One and Category Two Class Members under the Seventh Amendment would constitute their exclusive opportunity to get compensation from Wyeth or any other "Released Party" (see Appendix A) as a result of their use of Pondimin and/or Redux, unless they elect not to participate in the Seventh Amendment. Therefore, four types of opt-out rights which would otherwise have given eligible Class Members opportunities in the future to sue Wyeth or any other Released Party are terminated for those participating in the Amendment: Intermediate Opt-Out rights, Back-End Opt-Out rights, Sixth Amendment Opt-Out rights and Financial Insecurity Opt-Out rights. The following is a summary of the rights and limitations

relating to the terminated opt-outs, as relevant to Category One and Category Two Class Members. The full text of the provisions governing these rights are set forth in the Pre-Amendment Settlement Agreement, and those terms are controlled by that agreement rather than by this summary. You may obtain a copy of that document, as explained at page 33 below.

(a) *Intermediate Opt-Out Right:*

Class Members who did not exercise the Accelerated Implementation Option (“AIO”) and who were first diagnosed as FDA Positive by an echocardiogram after September 30, 1999 but prior to the end of the screening period had the right until May 3, 2003 to exercise an Intermediate Opt-Out and sue Wyeth or other “Released Parties.” That lawsuit would be subject to certain restrictions, including that they could only sue based on the heart valve diagnosed as FDA Positive and that they could not seek punitive, exemplary or any multiple damages.

Intermediate Opt-Out rights not exercised by May 3, 2003 have already expired, with the exception of Class Members who timely registered, and were eligible, for the Trust’s echocardiogram screening program but who were not provided an echocardiogram by the Trust on a timely basis. Those persons have the right (terminated for those who participate in the Seventh Amendment) to exercise an Intermediate Opt-Out for a period of 120 days after the date on which they were provided such an echocardiogram.

(b) *Back-End Opt-Out Right:*

Persons who have not filed a claim for Matrix benefits have the right to exercise a Back-End Opt-Out but only if they are diagnosed as FDA Positive or as having mild mitral regurgitation between the

commencement of diet drug use and the end of the screening period and if they are first diagnosed with a Matrix Level condition after September 30, 1999. That right (terminated for those who participate in the Seventh Amendment) would permit such a person to sue Wyeth and any other “Released Party.” The lawsuit would be subject to specified restrictions, including the restriction against seeking punitive, exemplary or any multiple damage, and it may only be based on the diagnosed Matrix Level condition. This right is only available to Class Members:

- who did not elect the AIO;
- who registered for settlement benefits, based on FDA Positive VHD or mild mitral regurgitation or endocardial fibrosis, by May 3, 2003;
- who did not file a claim for Matrix benefits; and
- who exercise the Back-End Opt-Out right either before May 3, 2003 or who do so within 120 days of the date on which the Class Member first knows or should reasonably have known of a Matrix Level condition.

(c) *Sixth Amendment Opt-Out Right:*

Persons who filed a Green Form claim for Matrix benefits on or before May 3, 2003, but who do not receive them because of inadequate Trust funding, might be entitled to sue Wyeth and other “Released Parties” under what is known as the “Sixth Amendment Opt-Out” right. That lawsuit would be subject to certain restrictions, including all those applicable to Back-End Opt-Out suits. In addition, a Sixth Amendment Opt-Out may sue only Wyeth and may not join with any other plaintiff, among other restrictions. This right (terminated for those who participate in the

Seventh Amendment) is only available to Class Members:

- who have not received any Matrix Level benefits from the Trust;
- who would have qualified to exercise a Back-End Opt-Out if they had not claimed Matrix benefits;
- who did not elect the AIO;
- who filed a claim for Matrix benefits on or before May 3, 2003;
- who are determined by the Trust, after audit, to qualify for Matrix Level benefits; and
- who do not receive such benefits because payment would reduce the Trust's financial resources to less than \$255 million. But if Wyeth chooses voluntarily to pay that Class Member the amount of Matrix compensation which he/she would have received had the Trust had sufficient funds, the Sixth Amendment Opt-Out may not be exercised and the Class Member may not sue Wyeth.

Some Class Members are appealing the Court's approval of the amendment of the Settlement Agreement that added the Sixth Amendment Opt-Out right. If the approval of that amendment were overturned by the appellate court, otherwise eligible claimants would have no right under the Pre-Amendment Settlement Agreement to sue Wyeth under the Sixth Amendment Opt-Out right. The appellants have sought a ruling, and therefore the appellate court could rule, that the Pre-Amendment Settlement Agreement does not preclude valid Matrix claimants who go without payment from suing Wyeth, including for punitive damages. See following section. No decision has been issued in that appeal and,

although the parties to that appeal have requested that the appellate court stay any decision on that appeal pending final approval of the Seventh Amendment, as of September 1, 2004, the appellate court had not ruled on that request. See page 27.

(d) The Financial Insecurity Opt-Out Right:

The Financial Insecurity Opt-Out provides that, if Wyeth defaults on a financial obligation to the Trust which is not cured and which the Court finds was either due to financial inability to pay or deliberate unwillingness to pay, and if this occurs more than once within a two-year period, and if the collateral for Wyeth's financial obligations has been depleted by more than 50% of the then-required amount and if the Court determines that the remaining collateral is not likely to be sufficient to pay remaining Matrix compensation benefits, then all diet drug users who were diagnosed as FDA Positive or as having mild mitral regurgitation between the commencement of diet drug use and the end of the screening period and who have registered for settlement benefits or who are diagnosed as having endocardial fibrosis by specified dates, would have the right to opt out of the settlement and pursue any and all claims against Wyeth or other "Released Parties," without limitations. This right is terminated for those who participate in the Seventh Amendment.

B. Release of Claims and Covenant Not to Sue

For participating Class Members, the Seventh Amendment would release and discharge (1) all "Settled Claims" against any "Released Party" arising out of or relating to the use of Pondimin or Redux (see Appendix A for an explanation of those defined terms); (2) all claims against any Released Party arising out of any acts or

omissions of the Trust, its officers, agents, employees, attorneys and all other persons acting on its behalf; and (3) all claims against Wyeth and its affiliates arising out of Wyeth's role in drafting, negotiating, obtaining approval of or the administration of the Pre-Amendment Settlement Agreement. In addition, all releases from Settled Claims previously provided by participating Class Members to Released Parties are reaffirmed, notwithstanding any allegations about, for example, the manner in which the Pre-Amendment Settlement Agreement was negotiated, the alleged inadequacy of the representation provided to Class Members in connection with its negotiation, the alleged inadequacy of notice provided to the class in connection with the Pre-Amendment Settlement Agreement, the process by which it was approved, the payment of claims to Class Members not qualified for payment, or any alleged inadequacy of funds available to the Trust to pay Matrix compensation benefits. The Seventh Amendment bars participating Class Members from initiating, asserting, prosecuting or maintaining any claim, motion, appeal or other manner of seeking to enforce any of the released claims.

These releases and covenants not to sue, as an example, would preclude such Class Members from making the arguments that have been asserted in the appeal from the Court's approval of the Sixth Amendment Opt-Out right. In that appeal, some Class Members argue that they may not be precluded by the Settlement Agreement from suing Wyeth, including for punitive damages, because: it barred their tort claims but did not provide sufficient funds to pay all valid claims; the original class notice did not adequately disclose the risk to Class Members of the Trust's not having sufficient money to pay all valid claims; some or all of the Class Members were not adequately represented in negotiating the Settlement Agreement; and there was a mutual mistake

of fact in entering into the Settlement Agreement because the parties were mistaken about the number of claims that would be filed against the Trust. Wyeth disputes those arguments. Similarly, the Seventh Amendment would bar participating Class Members from arguing that they should not be barred by the Settlement Agreement from suing Wyeth, including for punitive damages, because Class Counsel did not adequately represent a particular group of Class Members in negotiating the Settlement Agreement. Some Class Members argue in their appeal on behalf of Class Members with pulmonary hypertension not arising from valvular heart disease or primary pulmonary hypertension (see the following subsection) that that group of Class Members should not be barred from such a suit because they were allegedly not adequately represented. Other Class Members have claimed that they are in a group of Class Members not adequately represented because they were not diagnosed as having FDA Positive regurgitation by the applicable deadlines under the Pre-Amendment Settlement Agreement.

In addition, if any other person establishes a right on behalf of Class Members, or some group of them, not to be bound by the Pre-Amendment Settlement Agreement, Class Members participating in the Seventh Amendment waive and relinquish any such right.

Category One and Category Two Class Members participating in the Seventh Amendment will not be able to assert any claim against any Trustee, officer or employee of the Trust arising from the performance of their duties under the Pre-Amendment Settlement Agreement as to which the Trustee and/or the Trust officer or employee may have a right of indemnity from the Trust or against the Trust with respect to any such claims.

Of course, these releases and covenants not to sue would not deprive anyone covered by the Seventh Amendment from asserting or enforcing rights expressly given to them by the Settlement Agreement, as amended by the Seventh Amendment.

To obtain a share of the Supplemental Fund, other than the minimum \$2,000 payment, and to obtain Matrix compensation from the Trust at Matrix Levels III, IV or V, a person covered by the Seventh Amendment would be required to sign a document confirming these releases and agreements. In addition, distributions of \$2,000 payments by the Fund Administrator or by the Trust to Category One and Category Two Class Members will be accompanied by a notice specifying that the cashing of those checks would constitute confirmation of these releases and covenants not to sue. However, all Category One and Category Two Class Members participating in the Seventh Amendment will be deemed to have provided these releases and covenants not to sue, regardless of whether or not they sign such a statement or cash such a check. The Seventh Amendment releases and covenants not to sue would not apply to any Category One or Category Two Class Member who elects not to participate in the Seventh Amendment.

Class Members who elect not to participate in the Seventh Amendment will continue to be subject to the releases and covenants not to sue contained in the Pre-Amendment Settlement Agreement and the bar order entered by the Court when it approved the settlement in August 2000. That Bar order precluded Class Members from asserting Settled Claims against Wyeth and other Released Parties.

C. Termination of Trust Lawsuits Against Certifying Physicians and Preclusion of Other Similar Suits Against

Claimants, Their Physicians or Their Attorneys by Wyeth or the Trust; Possible Effect on You

The Seventh Amendment bars the Trust or Wyeth from asserting any civil claim against any person to recover amounts paid by the Trust before July 21, 2004. The Seventh Amendment also bars the Trust or Wyeth from asserting any civil claim against any person to recover amounts paid by the Trust after that date pursuant to a Pre-May 6 Payable PADL (see page 6). This restriction will not apply to any lawsuit by Wyeth or the Trust arising out of a claim submitted by a Class Member who has elected not to be covered by the Seventh Amendment.

If approved, therefore, the Seventh Amendment would end the lawsuits brought by the Trust against the doctors discussed at pages 4-5. The Trust would be barred from bringing such lawsuits against claimants, their attorneys or their certifying doctors. Wyeth would also be barred from bringing any such suits.

It could be asserted that this bar against suits by the Trust or by Wyeth would be a benefit for certain attorneys, apart from the effects of the Seventh Amendment on their clients or on other Class Members, because, among other things, Wyeth and the Trust have made allegations against certain attorneys in connection with claims they have submitted on behalf of clients, as discussed at pages 4-5. These attorneys have vigorously denied such allegations. Moreover, neither Wyeth nor the Trust has made such allegations against most attorneys representing Class Members. Specifically, there have been no such allegations against Class Counsel. Under these circumstances, Class Counsel does not have any financial stake in any Seventh Amendment term which precludes the kind of lawsuits described above. Class Counsel has an independent fiduciary obligation to

the class as a whole and has made an independent determination that the anti-lawsuit provisions of the Seventh Amendment are in the best interests of the class because such lawsuits would likely lead to protracted litigation, are likely to cost the Trust more than it will actually recover, and would create an environment that is not conducive to expeditious claims resolution. In addition, Class Counsel has made a determination that the Seventh Amendment as a whole is in the best interests of the class. You may choose to rely on these determinations by Class Counsel or you may choose to seek independent legal advice in deciding whether to participate in the Seventh Amendment.

D. Undertakings by Certain Lawyers for Class Members; Possible Effect on You

Because Wyeth was not willing to proceed with negotiations towards any amendment to the Settlement Agreement without assurances that the amendment would receive substantial support from other Class Members, Messrs. Alexander, Spivey, Doyle and Martinez and Ms. Presby (see pages 7-8) obtained written support from firms representing a large number of Class Members. In the negotiations, Wyeth stated that unless there was a very high level of participation by eligible Class Members in the Seventh Amendment, Wyeth would exercise its right to terminate the Amendment. Lawyers representing many claimants have signed a term sheet (the form of which is attached to the Seventh Amendment) stating that they believe the Seventh Amendment is in the best interests of their clients and committing that they will recommend to all their clients that they participate in it and not object to it. These law firms have recognized that there is a conflict between representing some claimants who want to be part of the Seventh Amendment and some who do not.

This is because clients who decide not to participate, or to object to the Amendment, could lead to Wyeth's terminating the Seventh Amendment to the detriment of those clients who wish to participate. Those law firms further stated that they would take all lawful measures to withdraw from representing any client who elected not to be covered by, or who objects to, the Seventh Amendment and would therefore forego any legal fees related to any such client's claims. All eligible Class Members who are represented by their own attorney may wish to discuss with an attorney the potential conflict described here and its impact on your decision-making regarding all issues relating to the Seventh Amendment.

E. Effect on Claims Integrity Program and Certain Other Proceedings

This Court has stayed, or put on hold, the processing, auditing and payment of claims for Matrix Level I or II benefits, except claims for which a post-audit determination letter had been issued by May 6, 2004 finding a claim either payable or not payable. In addition, the Court has stayed the Trust's Claims Integrity Program. Those stays will continue until the Seventh Amendment is approved or disapproved by the Court or Wyeth exercises its "walk-away" right.

If the Seventh Amendment becomes effective, the Trust's Claims Integrity Program discussed at pages 4-5 and all related legal proceedings with respect to claims by Category One and Category Two Class Members will cease. This will not affect the Trust's audit program as to Matrix claims that are not transferred to the Supplemental Fund and processed by the Fund Administrator. For such claims, the Trust will continue to review in its audit process all Matrix claims of all Class Members to determine whether there is a reasonable medical basis for the claim,

before it can be paid. In addition, the Trust may determine whether any material misrepresentation of fact has been made in connection with any claim for Matrix compensation at Matrix Levels III, IV, or V by Category One or Category Two Class Members and may bring legal challenges to those claims on that ground. For this purpose, however, an allegation of material misrepresentation may not be based solely on (i) whether an echocardiogram tape or disk was allegedly obtained without adequate physician supervision, (ii) the identity of the person or entity that performed the echocardiogram, or (iii) the identity of the attorneys representing the claimant. The Trust's existing audit and Claims Integrity programs will resume, however, for all Class Members who elect not to participate in the Seventh Amendment.

In addition, appeals from some orders entered by this Court have been the subject of requests for stays while the Seventh Amendment approval process is completed and will be dismissed if the Amendment is approved. Specifically, (1) some Class Members have argued on appeal that this Court's order refusing to discharge Class Counsel was in error; (2) some Class Members have argued on appeal that this Court's order directing that all claims for Matrix benefits be audited was in error; (3) some Class Members have argued on appeal that this Court's order approving the Sixth Amendment was in error (see page 23); and (4) some Class Members have argued that this Court was in error when it directed that 78 claims submitted by one law firm should not be paid based upon the record at that time. In response to those requests for stays, as of September 1, 2004, the appellate court had granted temporary stays of the appeals discussed above numbered (1), (2) and (4) but had not ruled on the request for stay of number (3).

Two other appeals by Class Members are pending as to which there is no stay. In one of those appeals, some Class Members assert that persons who exercised Intermediate Opt-Out or Back-End Opt-Out rights were not adequately represented in the negotiation of the Settlement Agreement. In the other appeal, the Class Members assert that persons having pulmonary hypertension not arising from VHD and not meeting the Settlement Agreement's definition of primary pulmonary hypertension ("PPH") were not adequately represented in the negotiation of the Settlement Agreement. Both groups of Class Members argue that their rights were violated and that the Settlement Agreement does not bind them or others similarly situated and does not bar them from asserting claims against Wyeth or from the types of claims they may assert. Wyeth vigorously disputes the validity of those arguments. Those two appeals have not yet been argued and no decision has been issued.

F. Amounts Owed to Medicare or Health Insurance Companies; Class Member Indemnity

If any of your diet drug-related medical expenses were paid by Medicare or any other governmental entity or by a private health insurance carrier, or you received medical services from them for any diet drug-related condition, the Seventh Amendment requires participating Category One and Category Two Class Members to reimburse those third parties for those medical expenses or services out of payments under the Amendment from either the Supplemental Fund or the Trust to the extent that such governmental entity or private health insurance carrier has a lawful right to such reimbursement. Distributions to Class Members represented by an attorney will be paid in the first instance to that attorney, who will be obligated to make that reimbursement out of the distribution

before making payment to the Class Member.

If Medicare or the other governmental entity or the private insurance carrier, with an asserted legal right to reimbursement of medical expenses as described above, sues Wyeth, the Fund Administrator or the Trust for any of those medical expenses not paid, participating Class Members who receive a pro rata share of the Supplemental Fund and participating Class Members who receive Matrix compensation from the Trust for Matrix Level III, IV or V will be required to indemnify Wyeth, the Fund Administrator and the Trust against any claim such a governmental entity or private insurer asserts against them. A statute relating to Medicare's rights provides that the agency which administers it may seek twice the amount of the reimbursement to which it is entitled, together with other penalties. If Medicare obtains such double recovery or other penalties, the Class Member's indemnity obligation will include that double payment and those penalties. The indemnity also includes the costs incurred by those indemnified for investigation and defense. This Court will have jurisdiction to determine any claims for such indemnification.

For those Class Members participating in the Seventh Amendment who are represented by counsel, the provisions of the Pre-Amendment Settlement Agreement relating to claims for reimbursement of medical expenses will no longer apply. Those provisions would, however, continue to apply for persons covered by the Seventh Amendment but not represented by an attorney. Under those provisions, if the Trust is aware of a claim by any governmental or private party who has paid any such medical expenses, the Trust is to determine the payability of the claim and to deduct any amount found payable to such a party from the Matrix compensation payable

to the Class Member. The Trust's determinations in this regard may be reviewed on appeal by a member of a board of arbitrators appointed by the Court and ultimately by the Court on an appeal from the decision of the arbitrator.

IX. ATTORNEYS' FEES

From the \$2,000 payments to be made by either the Fund Administrator or the Trust under the Seventh Amendment to Class Members represented by their own counsel, an amount not to exceed \$650 will be deducted for attorneys' fees. No such deduction would be made from those payments in the case of unrepresented Class Members.

The Seventh Amendment provides that the Court shall determine whether and to what extent a "common benefit percentage" of the Supplemental Fund should be set aside to pay attorneys for professional services that are found by the Court to be of "common benefit" to Category One Class Members. Subject to the Court's approval, the persons who could participate in that "common benefit" fee would include Class Counsel, members of the SALC and possibly other attorneys. If the Court awards a "common benefit" fee payable from the Supplemental Fund, that award will be prorated among all of those who receive a pro rata share of the Supplemental Fund. If you are represented by counsel, your share of that "common benefit" fee will be deducted from your attorney's share of the recovery and will not affect the net amount you receive. If you are not represented by counsel, your share of the "common benefit" fee will be deducted from your distribution. No such "common benefit" fee deduction will be made from any minimum \$2,000 payment from the Supplemental Fund.

The Pre-Amendment Settlement Agreement provides that the payment of Matrix compensation by the Trust will be subject to a 9 percent deduction for common benefit attorneys' fees, which may be reduced when the Court makes a final determination of the amount of "common benefit" fees to award in connection with this settlement. That provision will continue to apply to Matrix Level III, IV or V compensation payable to Class Members participating in the Seventh Amendment.

X. YOUR RIGHT TO ELECT NOT TO PARTICIPATE IN THE SEVENTH AMENDMENT AND WYETH'S WALK-AWAY RIGHT

You may elect not to participate in the Seventh Amendment and to continue instead to be covered by the Pre-Amendment Settlement Agreement. This election right is referred to in the Seventh Amendment as the "Seventh Amendment Opt-Out." **If you are eligible to participate in the Seventh Amendment but take no action, you will be covered by and bound by the Seventh Amendment.** If you exercised any opt-out right under the Pre-Amendment Settlement Agreement and have not claimed Matrix benefits by submitting a substantially complete Green Form to the Trust in which the un-audited answers to Part II support a claim for Matrix benefits, you would need to obtain Wyeth's consent to revoke your opt-out in order to participate in Category Two under the Seventh Amendment. You might need to supply additional information in order to claim your benefits, however.

Wyeth has the right, in its sole discretion, to terminate and "walk away" from the Amendment before Saturday, January 8, 2005. Wyeth has stated that an important factor in its decision whether to terminate the Amendment will be the extent of Class Members' participation in the

Seventh Amendment. Wyeth has stated that it would walk away unless there is a very high level of participation by eligible Class Members in the Seventh Amendment.

The exercise of an election not to be covered by the Seventh Amendment is not the equivalent of opting out of the class or opting out of the Settlement Agreement. If you elect not to participate in the Amendment, you will remain a member of the Class and you will continue to be subject to the Pre-Amendment Settlement Agreement with such rights, limitations, restrictions and obligations as you would have otherwise had in the absence of the Seventh Amendment. If you elect not to be covered by the Amendment, that election will have no impact on your coverage by any future amendments to the Settlement Agreement.

The deadline for electing not to be covered by the Seventh Amendment is **Tuesday, November 9, 2004**. To exercise that election, an eligible Class Member who had used the diet drugs must send a written statement that he or she is exercising that election, either postmarked or delivered by that deadline, to the following address:

If by mail:

Wyeth
c/o Orran L. Brown
Attn: Seventh Amendment Opt-Outs
P.O. Box 85006
Richmond, VA 23285-5006

If by delivery:

Wyeth
c/o Orran L. Brown
Attn: Seventh Amendment Opt-Outs
BrownGreer PLC
115 South 15th Street
Richmond, VA 23219-4209

That document must clearly identify (1) the name of the Class Member making that election, (2) the “DDR” claim number that has been assigned by the Trust to that Class Member’s claim, (3) the Class Member’s address, (4) the Class Member’s Social Security number and (5) the name of the attorney for the Class Member, if any. The document must be personally signed by the Class Member who used the diet drugs, and not by his or her attorney or by any family member or by anyone else.

A form is available for your use in exercising this election, although there is no requirement that you use that form. If you wish to receive a copy of the form, it is available to you on the Trust’s website, www.settlementdietdrugs.com.

XI. CONSIDERATIONS RELATING TO THE TRUST

The Trust will be affected by the terms and operation of the Seventh Amendment in a number of ways other than those specifically applicable to Class Members who participate. The following are among the ways in which the Trust will be affected.

The most significant impact on the Trust will be in the shifting of Matrix Level I and II claims from the Trust to the Supplemental Fund. The effect of that shift on the Trust is that the number of Matrix compensation claims which it must process, audit and possibly pay will be very substantially reduced. The Trust’s remaining financial resources will then be available to a much greater extent for the payment of its other obligations. The effect of that shift on the Trust will depend upon the number of Category One Class Members who elect not to participate in the Seventh Amendment, assuming Wyeth does not walk away and terminate it.

The Trust will be required under the Seventh Amendment to process and pay \$2,000 to each Category Two Class Member and to each person who qualifies for Category One but elects to shift to Category Two. However, apart from the cost of processing and making those payments, the Trust will not be adversely affected. Wyeth is obligated by the Seventh Amendment to deposit into the Trust the amount required to make those \$2,000 payments. Those deposits will not reduce the amount of Wyeth’s remaining obligation to the Trust under the Pre-Amendment Settlement Agreement. To the extent those \$2,000 payments are for Category One persons who elect to shift to Category Two, Wyeth will receive a credit against its \$1.275 billion obligation to the Supplemental Fund.

The Fund Administrator, the MRCC, the escrow agent which will hold the Supplemental Fund’s money and participating cardiologists will be indemnified by the Supplemental Fund for any costs of defending against, and for any liability based on, any claim arising from an act, omission or transaction by them in good faith under the Seventh Amendment and/or any procedure, document, rule or agreement arising from the Seventh Amendment. If the Fund Administrator, after using its best efforts, is unable to procure and maintain commercially reasonable amounts and types of insurance against such liabilities and if the Supplemental Fund has insufficient money to satisfy its indemnity obligation, the Court for good cause may authorize the Trust to indemnify the Fund Administrator, the MRCC, the escrow agent and participating physicians for the same liabilities for which the Supplemental Fund would otherwise have indemnified them.

The Trust is obligated by the Seventh Amendment to pay the costs of the printing and mailing of this Notice.

Under the terms of the Pre-Amendment Settlement Agreement, Wyeth is entitled to receive certain credits against its financial obligation to the Trust based on amounts Wyeth pays as a result of a claim asserted by an Initial or Back-End Opt-Out person. The Seventh Amendment terminates Wyeth's right to those credits.

In order to expedite the Trust's processing of Matrix Levels III, IV and V claims, the parties sought, and the Court has ordered, the resumption of a "Party Assisted Processing" procedure for those claims. Under that order, on receipt of such a claim, whether by persons covered by the Seventh Amendment or by other persons, the Trust is to forward the claim to Class Counsel. Class Counsel will determine if the claims are properly documented and, if not, will contact the claimant to explain what is missing and otherwise assist the Class Members in completing the claim. If the claim cannot be made complete, Class Counsel will return it to the Trust, which will close the file and not process the claim further. If Class Counsel determines that a claim is complete, the claim will be forwarded to Wyeth for its review. If Wyeth believes that the claim is payable, Wyeth will notify the Trust of that belief and the Trust will not conduct any further review or audit of the claim, but will seek approval from the Court for payment of the claim. If Wyeth believes that the claim is not payable, Wyeth will notify the Trust that the claim is disputed, specifying the dispute, and the Trust will send that dispute to a cardiologist for audit. Members of the SALC may assist in the implementation of these procedures and will have access to information about the process and the claims to which it relates, on a confidential basis.

The parties have also sought, and the Court has entered, an order relating to the manner in which the Trust is to process Pre-May 6 Payable PADLs (see page 6). There

are the approximately 900 claims which the Trust has determined after audit are payable and has sent the claimant a letter to that effect on or before May 6, 2004. The new order directs the Trust to segregate those claims into one of the following three categories: (1) claims where, despite the issuance of the Pre-May 6 Payable PADL, the Trust now asserts that there was an intentional manipulation of the echocardiogram tape or disk submitted in connection with the claim but not detected by the Trust until after the completion of the audit on the claim; (2) claims which the Trust has placed on hold because the echocardiogram supporting the claim was allegedly acquired without physician supervision or because the claimant's attesting physician was subject to an unanswered medical practices questionnaire issued by the Trust as part of its Claims Integrity Program; and (3) claims that are complete and ready to be paid. The Trust must pay all claims in the third category within 30 days after the entry of the new order. The Trust must continue processing the second category of claims and pay these claims, to the extent found payable, within 30 days after the date on which the Seventh Amendment is approved by this Court. For claims in the first category, the Trust must notify Wyeth, Class Counsel, the SALC and the claimant or claimant's counsel, if represented, and provide a specific factual basis for the assertion of intentional manipulation of the echocardiogram. Thereafter, such claims will be subject to further procedures in accordance with the Pre-Amendment Settlement Agreement.

The parties have also proposed to the Court for its approval, separately from the Seventh Amendment, a proposed Eighth Amendment to the Pre-Amendment Settlement Agreement. The proposed Eighth Amendment will not become effective unless and until approved by the Court. The Eighth Amendment relates to

the “Show Cause” process that Class Members may follow to appeal any denial by the Trust of a Matrix claim. The Eighth Amendment, if approved by the Court, would authorize a mediation program for claims that are subject to Show Cause proceedings. Under that program, the Trust, Wyeth and the claimant could participate in a non-binding mediation, presided over by a mediator appointed by the Court. Currently, a Matrix compensation claim must either be denied in full or paid in full by the Trust. Under the Eighth Amendment, however, the Trust would be permitted to resolve a claim by compromise, either at or below the level of compensation provided for in the Pre-Amendment Settlement Agreement, if the claimant and Wyeth agree.

**XII. FAIRNESS HEARING AND
PROCEDURE FOR
OBJECTING TO THE
SEVENTH AMENDMENT —
WHEN IS THE FAIRNESS
HEARING AND WHAT IS IT
ABOUT?**

The Court will hold a Fairness Hearing at the United States Courthouse, 601 Market Street, Philadelphia, PA 19106 on Tuesday, January 18, 2005, at 9:30 a.m., to determine whether the proposed Seventh Amendment is fair, reasonable and adequate and to consider any other matters deemed appropriate by the Court. The Court may, without further notice to Class Members, continue the hearing to another or additional dates. The Seventh Amendment will become effective only if the Court approves it and if any appeals from that approval are resolved without change in that approval.

Any Class Member may object to the proposed Seventh Amendment, either on his or her own or through counsel. In order to do so, such Class Members must file specific and detailed written objections with

the Clerk of the Court and serve them on Wyeth and Class Counsel at the following addresses:

Clerk of the Court
United States District Court for the
Eastern District of Pennsylvania
601 Market Street
Philadelphia, PA 19106

With copies to:

Arnold Levin, Esq.
Levin, Fishbein, Sedran & Berman
510 Walnut Street – Suite 500
Philadelphia, PA 19106-3875

and

Orran L. Brown, Esq.
BrownGreer PLC
P.O. Box 85006
Richmond, VA 23285-5006

Objections must be filed no later than Tuesday, November 9, 2004. Any objections to the Seventh Amendment must be detailed and must express specific objections.

You may, but are not required to, appear at the hearing to voice your objection to the Seventh Amendment. You may have your own attorney appear on your behalf at the fairness hearing if you wish. Persons wishing to speak at the hearing are required to file written objections in the manner and within the time described above and must request in writing time to speak at the hearing, specifying their interest and whether or not they are represented by counsel. Those requests should be mailed to the Clerk, with copies to the attorneys identified above. **Do not call the Court. All requests must be in writing. Requests for time to speak at the hearing must be postmarked no later than Tuesday, November 9, 2004.**

Those who do not wish to object to the proposed Seventh Amendment do not need to appear at the Fairness Hearing or file any papers.

This is the only opportunity Class Members will have to object to the Seventh Amendment. It is important for you to understand that if you do not object in the manner described above, within the deadline specified, you will be viewed as having waived your right to object to this Seventh Amendment at any time in the future.

XIII. HOW CAN I GET ADDITIONAL INFORMATION?

This Official Court Notice is just a summary of the proposed Seventh Amendment and of the existing Settlement Agreement, as it has been amended previously. If there is any conflict between this Notice and the Settlement Agreement, the terms of the Settlement Agreement will govern.

If you would like to receive a copy of the Seventh Amendment and the Settlement Agreement, you may write to the Trust at P.O. Box 7939, Philadelphia, Pennsylvania 19101, or you may call the Trust at 1-800-386-2070. You also may view a copy of the Seventh Amendment and the Settlement Agreement on the Trust's website at the following address:

www.settlementdietdrugs.com.

You may inspect documents on file with the Court, including the Seventh Amendment and the Settlement Agreement, at the Clerk's Office at the United States District Court for the Eastern District of Pennsylvania, during regular business hours, and may obtain copies of documents by payment of the prescribed charges. The Clerk's Office is not permitted to give legal advice.

If you have any questions about the Seventh Amendment, you may also consult your own counsel or, if you are not already represented, at your own expense, an attorney of your choice who is familiar with handling diet drug claims.

* * *

This Notice was approved on August 26, 2004, by the United States District Court for the Eastern District of Pennsylvania for distribution to Class Members as an Official Notice of the Court.

You should save this Notice for reference concerning your rights and benefits and the important deadlines.

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APPENDIX A
CERTAIN DEFINITIONS IN
PRE-AMENDMENT SETTLEMENT AGREEMENT

1. **“Released Parties”** means:

- a. Wyeth and each of its subsidiaries, affiliates, and divisions, along with each of their respective current and former officers, directors, employees, attorneys, agents, and insurers;
- b. Any and all predecessors, successors, and/or shareholders of Wyeth and each of its subsidiaries, affiliates, and divisions; provided, however, that any such person or entity shall be considered a Released Party only to the extent that such person or entity is sued in its capacity as a predecessor, successor, and/or shareholder of Wyeth or its subsidiaries, affiliates, and divisions;
- c. Any and all suppliers of materials, components, and services used in the manufacture of Pondimin[®] and/or Redux[™], including the labeling and packaging thereof, along with each such person's or entity's predecessors, successors, parents, subsidiaries, affiliates, and divisions, and each of their respective current and former shareholders, officers, directors, employees, attorneys, agents, and insurers; provided, however, that no person or entity described in this subsection shall be a Released Party with respect to any claims based upon his, her or its own independent negligence or culpable conduct;
- d. All distributors of Pondimin[®] and/or Redux[™], including wholesale distributors, private label distributors, retail distributors, hospitals and clinics, and their respective predecessors, successors, parents, subsidiaries, affiliates, and divisions, and their respective current and former shareholders, officers, directors, employees, attorneys, agents, and insurers; provided that: (1) such persons and entities described in this section shall be a Released Party only as to claims as to which such persons would have a statutory or common-law right of indemnity against Wyeth; (2) no person or entity described in this section shall be a Released Party to the extent that any claim is based upon his, her or its own independent negligence or culpable conduct, including, without limitation, negligence or professional malpractice asserted against hospitals, clinics, and diet centers; and (3) no person or entity described in this section shall be a Released Party with respect to the manufacture, sale, or distribution of any Phentermine hydrochloride or Phentermine resin pharmaceutical product.
- e. All physicians who prescribed, and all pharmacists and pharmacies who dispensed, Pondimin[®] and/or Redux[™] to the extent that liability against such physicians, pharmacists or pharmacies is based on:
 - (1) the prescription or dispensing of Pondimin[®] and/or Redux[™] in a manner consistent with the product labeling; and/or
 - (2) the prescription or dispensing of Pondimin[®] for any period longer than a "few weeks"; and/or
 - (3) the prescription or dispensing of Pondimin[®] and/or Redux[™] for concomitant use with Phentermine hydrochloride or Phentermine resin; and/or
 - (4) a claim that the physician's or pharmacist's liability stems solely from having prescribed or dispensed Pondimin[®] and/or Redux[™]; and/or
 - (5) a claim that the physician's or pharmacist's liability stems solely from the prescription or dispensing of a defective or unreasonably dangerous product.

Physicians, pharmacists and pharmacies are not Released Parties with respect to any claims based on their independent negligence or culpable conduct, not consisting of the conduct described in paragraphs (1)-(5) above.

Notwithstanding the foregoing, manufacturers, sellers, wholesalers, or distributors of any Phentermine hydrochloride or Phentermine resin pharmaceutical product are not Released Parties

with respect to the manufacture, sale, or distribution of any Phentermine hydrochloride or Phentermine resin pharmaceutical product, and Les Laboratoires Servier S.A. and all of its affiliates and subsidiaries, including, without limitation, Servier S.A.S., Oril, Orsem, Servier Amerique, Science Union et Cie, Institut de Recherches Internationales Servier, Servier Research and Interneuron Pharmaceuticals, Inc. are not Released Parties.

2. **“Settled Claims”** means any and all claims, including assigned claims, whether known or unknown, asserted or unasserted, regardless of the legal theory, existing now or arising in the future by any or all members of the Settlement Class arising out of or relating to the purchase, use, manufacture, sale, dispensing, distribution, promotion, marketing, clinical investigation, administration, regulatory approval, prescription, ingestion, and labeling of Pondimin[®] and/or Redux[™], alone or in combination with any other substance, including, without limitation, any other drug, dietary supplement, herb, or botanical. These "Settled Claims" include, without limitation and by way of example, all claims for damages or remedies of whatever kind or character, known or unknown, that are now recognized by law or that may be created or recognized in the future by statute, regulation, judicial decision, or in any other manner, for:
- a. personal injury and/or bodily injury, damage, death, fear of disease or injury, mental or physical pain or suffering, emotional or mental harm, or loss of enjoyment of life;
 - b. compensatory damages, punitive, exemplary, statutory and other multiple damages or penalties of any kind;
 - c. loss of wages, income, earnings, and earning capacity, medical expenses, doctor, hospital, nursing, and drug bills;
 - d. loss of support, services, consortium, companionship, society or affection, or damage to familial relations, by spouses, parents, children, other relatives or "significant others" of Settlement Class Members;
 - e. consumer fraud, refunds, unfair business practices, deceptive trade practices, Unfair and Deceptive Acts and Practices ("UDAP"), and other similar claims whether arising under statute, regulation, or judicial decision;
 - f. wrongful death and survival actions;
 - g. medical screening and monitoring, injunctive and declaratory relief;
 - h. economic or business losses or disgorgement of profits arising out of personal injury; and
 - i. prejudgment or post-judgment interest.

Notwithstanding the foregoing, Settled Claims do not include claims based on primary pulmonary hypertension (“PPH”) (another defined term), including claims for compensatory, punitive, exemplary or multiple damages based on PPH; provided, however, that if a Class Member receives settlement benefits from Fund B, he/she may not bring a lawsuit based upon a claim for PPH, unless the Class Member was diagnosed with PPH before the Class Member had left-sided heart valve abnormalities (other than those which produce trivial, clinically insignificant left-sided regurgitation) or Endocardial Fibrosis. In addition, notwithstanding the foregoing, Settled Claims do not include claims arising from the exposure of unborn children, *in utero*, to Pondimin[®] or Redux[™], and persons alleging exposure *in utero* to Pondimin[®] or Redux[™] shall not be considered Diet Drug Recipients eligible for benefits under the Pre-Amendment Settlement Agreement.

* * *

The Seventh Amendment provides that receipt of a pro rata share of the Supplemental Fund or any Matrix compensation from the Trust would have the same effect as to claims based on PPH as receipt of “settlement benefits from Fund B” in the Pre-Amendment Settlement Agreement quoted above.

APPENDIX B
RELATIVE PAYMENT VALUES UNDER THE SEVENTH AMENDMENT

The following grid provides the Relative Payment Values, or weightings, of claims for purpose of determining their pro rata shares of the Supplemental Fund under the Seventh Amendment. The “Alpha” column provides the Relative Payment Value in each age range for persons with a High Threshold Condition, no Alternative Causation Factors and 61 days or more of diet drug use. Column “Beta” provides in each age range the Relative Payment Value for persons with a Low Threshold Condition, no Alternative Causation Factors and 61 or more days of diet drug use. The “Delta” column provides the Relative Payment Value in each age range for persons with a High Threshold Condition and either Alternative Causation Factors or 60 days or less of diet drug use. The “Epsilon” column sets forth the Relative Payment Value of persons in each age range with a Low Threshold Condition and either Alternative Causation Factors or 60 days or less of diet drug use.

A G E A T F I R S T D I A G N O S I S		61 + Days of Diet Drug Use; No Alternative Causation Factors		≤ 60 Days of Diet Drug Use and/or Alternative Causation Factors	
		High Threshold Grid Level Alpha	Low Threshold Grid Level Beta	High Threshold Grid Level Delta	Low Threshold Grid Level Epsilon
	≤24	100.00	33.54	20.00	6.71
	25-29	95.00	31.87	19.00	6.37
	30-34	90.25	30.27	18.05	6.05
	35-39	85.74	28.76	17.15	5.75
	40-44	81.45	27.32	16.29	5.46
	45-49	77.38	25.95	15.48	5.19
	50-54	73.51	24.66	14.70	4.93
	55-59	69.83	23.42	13.97	4.68
	60-64	66.34	22.25	13.27	4.45
	65-69	59.71	20.03	11.94	4.01
	70-79	29.85	10.01	5.97	2.00

**APPENDIX C
COMPARISON OF EXISTING LEVEL I AND II MATRIX COMPENSATION
REQUIREMENTS WITH HIGH THRESHOLD AND LOW THRESHOLD
CRITERIA**

EXISTING SETTLEMENT AGREEMENT MEDICAL CONDITIONS FOR LEVEL I AND II BENEFITS		SEVENTH AMENDMENT CLASSIFICATION
L E V E L I	Severe Aortic Regurgitation And No Complicating Factors.	High Threshold Condition
	Severe Mitral Regurgitation And No Complicating Factors.	Low Threshold Condition
	FDA Positive Aortic or Mitral Regurgitation With Bacterial Endocarditis.	Low Threshold Condition
L E V E L II	Severe Aortic Regurgitation And Pulmonary Hypertension.	High Threshold Condition
	Severe Aortic Regurgitation And Abnormal Left Ventricular Dimension.	High Threshold Condition
	Moderate Aortic Regurgitation And Abnormal Left Ventricular Dimension.	High Threshold Condition
	Severe Aortic Regurgitation And Low Ejection Fraction (< 50%).	High Threshold Condition
	Moderate Aortic Regurgitation And Low Ejection Fraction (< 50%).	High Threshold Condition
	Severe Mitral Regurgitation And Pulmonary Hypertension.	High Threshold Condition
	Moderate Mitral Regurgitation And Pulmonary Hypertension.	Low Threshold Condition
	Severe Mitral Regurgitation And Abnormal Left Atrial Size.	Low Threshold Condition
	Moderate Mitral Regurgitation And Abnormal Left Atrial Size.	Low Threshold Condition
	Severe Mitral Regurgitation And Abnormal Left Ventricular End-Systolic Dimension.	High Threshold Condition
	Moderate Mitral Regurgitation And Abnormal Left Ventricular End-Systolic Dimension.	Low Threshold Condition
	Severe Mitral Regurgitation And Low Ejection Fraction ($\leq 60\%$).	High Threshold Condition (Ejection Fraction < 50%)
		Low Threshold Condition (Ejection Fraction 50% or greater)
	Moderate Mitral Regurgitation And Low Ejection Fraction ($\leq 60\%$).	Low Threshold Condition
	Severe Mitral Regurgitation And Arrhythmias With An Enlarged Left Atrial Size.	Low Threshold Condition
	Moderate Mitral Regurgitation And Arrhythmias With An Enlarged Left Atrial Size.	Low Threshold Condition

**APPENDIX D
COMPARISON OF EXISTING REDUCTION FACTORS WITH
SEVENTH AMENDMENT ALTERNATIVE CAUSATION FACTORS**

EXISTING SETTLEMENT AGREEMENT REDUCTION FACTORS	SEVENTH AMENDMENT ALTERNATIVE CAUSATION FACTORS	
A O R T I C V A L V E	The following congenital aortic valve abnormalities: unicuspid, bicuspid or quadricuspid aortic valve, ventricular septal defect associated with aortic regurgitation.	Same
	Aortic dissection involving the aortic root and/or aortic valve.	Same
	Aortic sclerosis in people who are ≥ 60 years old as of the time they are first diagnosed as having FDA Positive aortic or mitral regurgitation.	Same
	Aortic root dilatation > 5.0 cm.	Same
	Aortic stenosis with an aortic valve area < 1.0 square centimeter by the Continuity Equation.	Same
M I T R A L V A L V E	The following congenital mitral valve abnormalities: parachute valve, cleft of the mitral valve associated with atrial septal defect.	Same
	Mitral Valve Prolapse.	Same
	Chordae tendineae rupture or papillary muscle rupture; or acute myocardial infarction associated with acute mitral regurgitation.	Same
	Mitral annular calcification.	Same
	M-Mode and 2-D echocardiographic evidence of rheumatic mitral valves (doming of the anterior leaflet and/or anterior motion of the posterior leaflet and/or commissural fusion), except where a Board-Certified Pathologist has examined mitral valve tissue and determined that there was no evidence of rheumatic valve disease.	Same, except that exception for review by Board-Certified Pathologist is not included
	Diagnosis of Mild Mitral Regurgitation and not Moderate Mitral Regurgitation or Severe Mitral Regurgitation by an Echocardiogram performed between the commencement of Diet Drug use and the end of the Screening Period.	Same
B O T H V A L V E S	Heart valve surgery prior to Pondimin [®] and/or Redux [™] use on the valve that is the basis of claim.	Same
	Bacterial endocarditis prior to Pondimin [®] and/or Redux [™] use.	Not Included
	FDA Positive Aortic or Mitral regurgitation (confirmed by Echocardiogram) prior to Pondimin [®] and/or Redux [™] use for the valve that is the basis of claim.	Not Included
	A diagnosis of Systemic Lupus Erythematosus or a diagnosis of Rheumatoid Arthritis and valvular abnormalities of a type associated with those conditions.	Not Included
	Carcinoid tumor of a type associated with aortic and/or mitral valve lesions.	Not Included
	History of daily use of methysergide or ergotamines for a continuous period of longer than 120 days.	Not Included
	Diet Drug Ingested for 60 days or less.	Although not an “Alternative Causation Factor” under the Seventh Amendment, Diet Drug-Use for 60 days or less does reduce benefit levels the same as the Alternative Causation Factors

APPENDIX E
PRE-AMENDMENT SETTLEMENT AGREEMENT
MATRIX BENEFIT PAYMENT AMOUNTS

The tables below set forth the Matrix compensation benefits provided in the Pre-Amendment Settlement Agreement, inflation adjusted for the year 2004, for Matrix levels I and II. The application of each Matrix depends on factors contained in Section IV.B.2 of the Pre-Amendment Settlement Agreement.

FOR PERSONS WHO USED THE DIET DRUGS FOR 61 OR MORE DAYS AND HAVE NO ALTERNATIVE CAUSATION FACTORS

Matrix	Severity Level	Age at diagnosis										
		≤ 24	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65-69	70-79
A-1	I	\$128,750	\$122,313	\$116,197	\$110,386	\$104,867	\$99,624	\$94,642	\$89,910	\$85,415	\$76,873	\$38,437
	II	\$669,497	\$636,023	\$604,222	\$574,011	\$545,310	\$518,044	\$492,142	\$467,536	\$444,159	\$399,744	\$199,872

FOR FAMILY MEMBERS AND OTHER DERIVATIVE CLAIMANTS OF THOSE ON MATRIX A-1

Matrix	Severity Level	Age at diagnosis										
		≤ 24	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65-69	70-79
A-2	I	\$1,301	\$1,235	\$1,174	\$1,115	\$1,059	\$1,006	\$956	\$908	\$862	\$769	\$520
	II	\$6,763	\$6,424	\$6,103	\$5,798	\$5,508	\$5,233	\$4,971	\$4,722	\$4,486	\$3,997	\$1,999

FOR PERSONS WHO USED THE DIET DRUGS FOR 60 DAYS OR LESS AND/OR HAVE ALTERNATIVE CAUSATION FACTORS

Matrix	Severity Level	Age at diagnosis										
		≤ 24	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65-69	70-79
B-1	I	\$25,750	\$24,463	\$23,239	\$22,078	\$20,973	\$19,926	\$18,929	\$17,982	\$17,083	\$15,375	\$7,688
	II	\$133,899	\$127,205	\$120,845	\$114,802	\$109,062	\$103,609	\$98,428	\$93,507	\$88,832	\$79,948	\$39,974

FOR FAMILY MEMBERS AND OTHER DERIVATIVE CLAIMANTS OF THOSE ON MATRIX B-1

Matrix	Severity Level	Age at diagnosis										
		≤ 24	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65-69	70-79
B-2	I	\$520	\$520	\$520	\$520	\$520	\$520	\$520	\$520	\$520	\$520	\$520
	II	\$1,353	\$1,285	\$1,220	\$1,160	\$1,102	\$1,047	\$995	\$945	\$897	\$799	\$520

APPENDIX F

MATRIX LEVEL III — V REQUIREMENTS IN PRE-AMENDMENT SETTLEMENT AGREEMENT WHICH ARE MODIFIED UNDER THE SEVENTH AMENDMENT¹		
PRE-AMENDMENT SETTLEMENT AGREEMENT		SEVENTH AMENDMENT MODIFICATIONS
L E V E L I I I	Severe Mitral or Aortic Regurgitation <u>and</u> ACC/AHA Class I indications for surgery to repair or replace the involved valve(s) <u>and</u> surgery not performed and a statement from the attending Cardiologist or Cardiothoracic Surgeon, supported by medical records, regarding the recommendations made to the patient regarding valve surgery and the reason why surgery was not performed.	Class Member has to have actual surgery performed. Valve surgery that is medically recommended, but not performed, whether because of medical contraindications or because of patient choice, will not qualify for Level III Matrix Compensation Benefits.
	Moderate or Severe Mitral Regurgitation and a stroke, as a consequence of chronic atrial fibrillation with left atrial enlargement, that results in a permanent condition that meets the criteria of AHA Stroke Outcome Classification Functional Level II, as determined six months after the stroke.	Basic criteria for a stroke-based claim are the same as under existing Settlement Agreement, <u>but</u> Seventh Amendment, in addition, requires a statement under penalty of perjury from an examining physician, along with supporting contemporaneous medical records, establishing that the claimant had chronic atrial fibrillation with left atrial enlargement as a direct consequence of moderate or severe mitral regurgitation.
L E V E L I V	Moderate or Severe Mitral Regurgitation and a stroke, as a consequence of chronic atrial fibrillation with left atrial enlargement, that results in a permanent condition that meets the criteria of AHA Stroke Outcome Classification Functional Level III, as determined six months after the stroke.	Basic criteria for a stroke-based claim are the same as under existing Settlement Agreement, <u>but</u> Seventh Amendment, in addition, requires a statement under penalty of perjury from an examining physician, along with supporting contemporaneous medical records, establishing that the claimant had chronic atrial fibrillation with left atrial enlargement as a direct consequence of moderate or severe mitral regurgitation.
	Mild, Moderate or Severe Aortic Regurgitation or Moderate or Severe Mitral Regurgitation, in addition to a peripheral embolus due to either (i) bacterial endocarditis contracted after use of Pondimin [®] and/or Redux [™] , or to (ii) atrial fibrillation with left atrial enlargement, that results in severe permanent impairment to the kidneys, abdominal organs, or extremities.	Basic criteria are the same as under existing Settlement Agreement <u>but</u> , in the case of a peripheral embolus caused by atrial fibrillation with left atrial enlargement, Seventh Amendment also requires a statement under penalty of perjury from an examining physician, along with supporting contemporaneous medical records, establishing that the claimant had chronic atrial fibrillation with left atrial enlargement as a direct consequence of moderate or severe mitral regurgitation.
	Mild, Moderate or Severe Mitral or Aortic Regurgitation and (i) New York Heart Association Functional Class I or Class II Symptoms, <u>and</u> (ii) either (a) valvular repair or replacement surgery on the valve or valves with the required level of regurgitation or (b) ineligibility for such surgery due to documented medical reasons and (iii) significant damage to the heart muscle, defined as (a) an ejection fraction <30% with aortic regurgitation or <35% with mitral regurgitation in individuals who have <u>not</u> had valve surgery or (b) an ejection fraction of <40% six months after valvular repair or replacement surgery.	Basic criteria are the same as under existing Settlement Agreement, <u>but</u> in the case of ineligibility for surgery due to medical reasons, the individual must have ACC/AHA Class I indications for surgery and the medical reasons that make him or her eligible for surgery have to be documented contemporaneously in the Diet Drug Recipient’s medical records by the attending Board-Certified Cardiothoracic Surgeon or Board-Certified Cardiologist and certified to under penalty of perjury by an Examining Physician, and such medical reasons have to be more than acute conditions requiring a postponement of surgery.

¹ Modifications apply only to Category One and Category Two persons.

	Moderate or Severe Mitral Regurgitation and a stroke, as a consequence of chronic atrial fibrillation with left atrial enlargement, that results in a permanent condition that meets the criteria of AHA Stroke Outcome Classification Functional Level IV or V, as determined six months after the stroke.	Basic criteria for a stroke-based claim are the same as under existing Settlement Agreement, <u>but</u> Seventh Amendment, in addition, requires a statement under penalty of perjury from an examining physician, along with supporting contemporaneous medical records, establishing that the claimant had chronic atrial fibrillation with left atrial enlargement as a direct consequence of moderate or severe mitral regurgitation.
L E V E	Mild, Moderate or Severe Mitral or Aortic Regurgitation and (i) New York Heart Association Functional Class III or Class IV Symptoms, and (ii) either (a) valvular repair or replacement surgery on the valve or valves with the required level of regurgitation or (b) ineligibility for such surgery due to documented medical reasons and (iii) significant damage to the heart muscle, defined as (a) an ejection fraction <30% with aortic regurgitation or <35% with mitral regurgitation in individuals who have <u>not</u> had valve surgery or (b) an ejection fraction of <40% six months after valvular repair or replacement surgery.	Basic criteria are the same as under existing Settlement Agreement, <u>but</u> in the case of ineligibility for surgery due to medical reasons, the individual must have ACC/AHA Class I indications for surgery and the medical reasons that make him or her ineligible for surgery have to be documented contemporaneously in the Diet Drug Recipient's medical records by the attending Board-Certified Cardiothoracic Surgeon or Board-Certified Cardiologist and certified to under penalty of perjury by an Examining Physician, and such medical reasons have to be more than acute conditions requiring a postponement of surgery.
L V	Death resulting from a condition caused by valvular heart disease or valvular repair or replacement surgery that occurred after the use of Pondimin [®] and/or Redux [™] , supported by a statement from the attending Board-Certified Cardiothoracic Surgeon or Board-Certified Cardiologist, supported by medical records.	Basic criteria are the same as under existing Settlement Agreement, <u>but</u> Seventh Amendment requires prior or simultaneous eligibility for benefits under Matrix Levels I or II, as defined in the existing Settlement Agreement, or prior or simultaneous eligibility for benefits based upon High Matrix Level Qualifying Factors, as defined in the Seventh Amendment.
	Mild, Moderate or Severe Valvular regurgitation, and qualification for benefits under Matrix Levels II, III or IV, as defined in the Settlement Agreement, and ventricular fibrillation or sustained ventricular tachycardia, which results in hemodynamic compromise.	Basic criteria are the same as under existing Settlement Agreement, <u>but</u> in the case of a supporting Matrix Level claim based upon ineligibility for surgery due to medical reasons, the individual must have ACC/AHA Class I indications for surgery and the medical reasons that make him or her ineligible for surgery have to be documented contemporaneously in the Diet Drug Recipient's medical records by the attending Board-Certified Cardiothoracic Surgeon or Board-Certified Cardiologist and certified to under penalty of perjury by an Examining Physician, and such medical reasons have to be more than acute conditions requiring a postponement of surgery.

