

MEMORANDUM OF UNDERSTANDING

Lenora Perrine et. al. v. E.I. du Pont de Nemours and Company,
et. al., Civil Action No. 04-C-296-2 (Cir. Ct. of Harrison County, W. Va.)

Comes now this 19th day of November 2010 the Plaintiffs in the
above-captioned matter by Ed Hill, Esq. and comes the Defendant E.I.
du Pont de Nemours and Company ("Defendant") in the above-captioned
matter by James B. Lees Jr., Esq. and hereby set forth the terms
and conditions of a proposed global resolution of this pending
litigation as between these parties:

1. Plaintiffs shall dismiss any and all pending claims against Defendant with prejudice and shall release Defendant from any and all liability in this litigation, except as provided by this agreement.

2. The Defendant shall pay to the Plaintiffs the sum of \$70,000,000.00 plus medical monitoring consistent with the Court Order dated February 25, 2008, as only modified by this agreement, under the following terms and conditions:

a. Although the parties understand that the final date of payment by Defendant to Plaintiffs depends on a number of factors and cannot be guaranteed, the parties agree to make all reasonable efforts to accomplish payment of the \$70,000,000.00 from Defendant to a Qualified Settlement Fund on or before December 31, 2010.

b. \$66,000,000.00 of the total \$70,000,000.00 payment shall be available to the Plaintiffs as directed by the Court for the purposes of paying for remediation services, medical monitoring costs and expenses, and attorney fees and expenses.

c. The remaining \$4,000,000.00 of the total \$70,000,000.00 payment shall be made available only for a cash payment program for the medical monitoring sub-class of Plaintiffs as directed by the Court. Said sum shall not be used for any purpose other than for the sole benefit of the medical monitoring sub-class.

3. In addition to the above, Defendant shall provide on a pay-as-you-go basis a medical monitoring program for all enrolled Plaintiffs consistent with the previous referenced Court Order as only modified by this agreement, under the following terms and conditions:

- a. There shall be an initial enrollment period of six (6) months beginning at a time reasonably determined by the Settlement Administrator for all Plaintiffs at which time any Plaintiff may enroll in the medical monitoring program to avail themselves of the future monitoring benefits of the program. No Plaintiff shall be entitled to participate in said program unless they have enrolled during the initial six (6) month enrollment period.
- b. After said enrollment period has expired, a Finance Committee comprised of representatives from class counsel, DuPont, and the Settlement Administrator shall be created for purposes of advising the Court on the structure and execution of the medical monitoring program. On an annual basis the Court, with the recommendation of the Finance Committee, shall direct DuPont to pay a sum certain that will be set aside for each such calendar year that reasonably secures such expenditures for each such calendar year. In each subsequent year after year one DuPont shall be credited with any amounts remaining from the prior year in determining the amount of payment for the subsequent year.
- c. The program shall provide those examinations and tests set forth in the Court's Order of February 25, 2008 with the exception that no routine CT scans shall be performed as part of the medical monitoring program. The Defendant does agree to provide CT scans that are diagnostically medically necessary as determined by a competent physician as relevant to possible exposure to the heavy metal contamination at issue in this litigation.
- d. Additionally, after the initial six (6) month sign-up period has concluded and the number of participating Plaintiffs, be they adults or minors, is known, the Defendant in the ordinary course of their business shall set aside reasonable reserves as required by applicable law which shall cover the estimated cost of such medical monitoring program.
- e. Public notice to class members to notify them of the initial six (6) month sign-up period shall be deemed sufficient if done on a state-wide basis. All advertising and other costs associated with any and all notice requirements under this agreement shall be paid from the \$1,000,000.00 start-up expenses referenced above. Notice of this settlement and court costs shall be paid by the defendant.
- f. It is contemplated by the parties that a Finance Committee shall exist for purposes of helping provide guidance and advice for the operation of this medical monitoring program with each party hereto having one (1) representative on said Committee. In the event any decision is reached with respect to the payment for services or costs in the medical monitoring program to which the Defendant takes exception, the Defendant shall have the right to have such objection or exception reviewed by the Court and,

if necessary, appealed within the West Virginia judicial system.

4. Defendant reserves the right to reasonably challenge the enrollment of any Plaintiff in the medical monitoring program and/or property remediation class. With respect to any challenge relevant to the issue of eligibility for enrollment the challenger shall pay reasonable costs and attorney fees if the challenge is not successful.

5. It shall be expressly understood by the parties that Defendant shall not be responsible for the payment of any other monies for any purposes associated with the execution of this agreement and that any and all Plaintiff attorney fees and Plaintiff expenses associated with the execution of this agreement shall come from the \$70,000,000.00 paid by the Defendant pursuant to this agreement.

6. It is expressly understood by the parties that no part or portion of the payments agreed to by the Defendant pursuant to this agreement are or should be considered a compromise or settlement of any punitive damage award returned against the Defendant, which shall now be vacated.

7. The parties agree that pursuant to any final settlement of this matter the Court, if at the conclusion of the Fairness Hearing approves the final settlement of this matter, will vacate any and all prior judgments relevant to this matter and enter a new judgment order accurately reflecting the terms and conditions of the final settlement of this matter.

8. Any and all pending motions and/or unresolved issues shall be deemed moot by this agreement, including, but not limited to, the pending motion for sanctions filed by the Plaintiffs in this action.

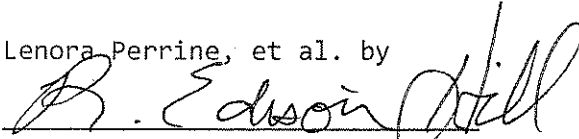
9. Plaintiffs shall maintain any and all copies, including electronic copies, of discovery which has been produced by Defendant to Plaintiffs in this litigation in a manner consistent with all Protective Orders entered in this case, and any and all Protective Orders are understood to continue in effect.

10. In the event members of the Plaintiff class are legally permitted to opt-out of this settlement at the discretion of the Court, the participation rate of the Plaintiffs participating in a final settlement of this matter, consistent with the terms and conditions set forth herein, must equal or exceed 90%. If this 90% participation rate is not achieved, Defendant shall have the option to void the settlement. However op-outs totaling 10% or less shall not reduce DuPont's obligations under this agreement.

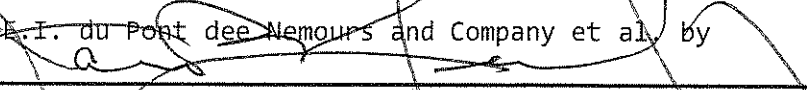
11. Defendant understands and agrees that this proposed agreement must be approved by the Plaintiffs' class representatives and the Court pursuant to a Fairness Hearing and that counsel for the Plaintiffs shall strive to obtain such approval of the class representatives by the close of business on Monday November 22, 2010. Plaintiffs understand and agree that this proposed agreement must be approved by certain officers within the Defendant organization and that Defendant shall strive to obtain that approval by the close of business on Monday November 22, 2010. It is understood that neither party currently has legal authority to bind their respective clients today, but does agree to make a good faith effort to obtain the approval of the terms and conditions of this Memorandum of Understanding by their respective clients by the close of business on Monday November 22, 2010.

Agreed to:

Lenora Perrine, et al. by


B. Edison Hill

E.I. du Pont de Nemours and Company et al. by



Dated: NOVEMBER 19, 2010