IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

IN RE DIET DRUGS (PHENTERMINE/FENFLURAMINE/ DEXFENFLURAMINE) PRODUCTS LIABILITY LITIGATION

MDL NO. 1203

THIS DOCUMENT RELATES TO ALL ACTIONS

SHEILA BROWN, ET AL. v. AMERICAN HOME PRODUCTS CORPORATION

CIVIL ACTION NO. 99-20593

OFFICIAL COURT NOTICE OF NATIONWIDE DIET DRUG CLASS ACTION SETTLEMENT

Your rights may be affected by the settlement of a class action lawsuit now pending in this Court. Please read this Notice carefully.

TO: All persons in the United States, its possessions and territories who ingested Pondimin® and/or Redux™ ("Diet Drug Recipients"), and their estates, administrators or other legal representatives, heirs or beneficiaries ("Representative Claimants"), and any other persons asserting the right to sue AHP or any Released Party independently or derivatively by reason of their personal relationship with a Diet Drug Recipient, including without limitation, spouses, parents, children, dependents, other relatives or "significant others" ("Derivative Claimants").

This Notice is being sent:

*To inform you of the provisional certification of a Settlement Class (defined below in section, *Definition of the Settlement Class*) and the preliminary approval of a class action Settlement Agreement executed on November 18, 1999, between American Home Products Corporation ("AHP") and lawyers representing users of the diet drugs Pondimin® (fenfluramine) and/or Redux™ (dexfenfluramine);

* To notify you of a Court hearing ("Fairness Hearing") on xxx to determine the fairness, adequacy and reasonableness of the proposed Settlement, and whether the Settlement Class should remain certified;

* To advise you of your rights as a Class Member to support, to object to, to participate in the benefits of the Settlement, or to exclude yourself ("opt out") from the proposed Settlement; and

* To alert you to these important dates and deadlines for Class Members:

    * xxx. Deadline for guaranteed participation in the Accelerated Implementation Option ("AIO"), which will allow you to receive Settlement Benefits quickly and regardless of whether or not the Settlement receives Final Judicial Approval (see the *Pink Form* in this booklet to register for the Accelerated Implementation Option).

    * xxx. Deadline for written comments on or objections to the Settlement.

    * xxx. Deadline for Initial Opt-Out from the Settlement Class (see the *Orange Form* in this booklet for opting out of the Settlement).

    * xxx. Fairness Hearing by the Court.

If you decide not to opt out of the Settlement Class and you choose not to participate in the AIO, it is important to timely submit a *Blue Form* in order to Register for Settlement Benefits. If you have serious heart valve disease, you must submit a *Green Form* in order to make a claim for "Matrix Payments" (see section, *Description of Settlement Benefits*, for an explanation of the Matrix Payments benefit). Notice of the deadlines for submitting these forms will be provided if and when the Settlement receives Final Judicial Approval. Although no deadline has yet been established for submission of the *Blue Form*, you may register for Settlement Benefits at this time, if you choose.

The nationwide Settlement Class has been provisionally certified under Rule 23(a), 23(b)(2) and 23(b)(3) of the Federal Rules of Civil Procedure for settlement purposes only. As such, *all* individuals who have used Pondimin® (fenfluramine) and/or Redux™ (dexfenfluramine) alone, or with phentermine as part of the diet drug combination popularly referred to as "Fen-Phen," are members of the Settlement Class unless they take steps to exclude themselves from the Settlement ("opt out") (see section, *Rights and Options of Settlement Class Members*, for instructions on how to opt out of the Settlement). As a Class Member, if you do *not* choose to exclude yourself from the Settlement, your rights will be determined by, and you will be bound by, the Settlement, if approved.

In addition to diet drug users, Class Members include certain "Representative Claimants" and "Derivative Claimants" (see section, *Definition of the Settlement Class*). Individuals whose claims against AHP and/or AHP Released Parties arising from diet drug use have been resolved by judgment on the merits or by release (other than releases provided pursuant to this Settlement) are *not* part of this Settlement Class.

If you do not opt out of the Settlement, and if you do not register for Settlement Benefits within the appropriate deadlines, you will not receive any Settlement Benefits, but you

will still be bound by the final order and judgment of the Court releasing all claims and potential claims against AHP and Released Parties as described in section, *Release of Claims*, of this Notice.

ABOUT CLASS ACTIONS
What is a class action settlement?

Class actions are lawsuits in which claims and rights of many people are decided in a single court proceeding brought by representative plaintiffs ("Class Representatives"). Class actions avoid the necessity for hundreds, or even thousands, of people to file similar individual lawsuits, enable the court system to resolve these claims in a more efficient and economical way, and seek to assure that people with similar claims are similarly treated. In a class action, the court has a responsibility to assure that prosecution of the class claims by the Class Representatives and Class Counsel is fair.

DESCRIPTION OF THIS ACTION
What is the Diet Drug Litigation Settlement about?

Individual and class action lawsuits have been filed in federal and state courts against AHP concerning the use of the prescription drugs Pondimin® and/or Redux™. Pondimin® is the trade name for the drug "fenfluramine;" Redux™ is the trade name for the drug "dexfenfluramine." Pondimin® and Redux™ were prescribed for weight loss. Pondimin® was marketed in the United States by A.H. Robins Company, Inc., and subsequently by AHP. Redux™ was marketed in the United States by AHP and Interneuron Pharmaceuticals, Inc. AHP marketed Pondimin® and Redux™ through its pharmaceutical division, Wyeth-Ayerst Laboratories. On September 15, 1997, AHP withdrew Pondimin® and Redux™ from the market and has not sold them since that date.

The lawsuits brought against AHP allege injury resulting from use of the diet drugs Pondimin® and/or Redux™, or potential injury requiring medical monitoring and screening. The injuries alleged by plaintiffs to result from the use of these diet drugs include heart valve regurgitation or valvular heart disease, or an increased risk of developing these conditions. AHP has defended vigorously against these lawsuits and maintains that it has acted responsibly at all times in relation to the marketing of these drugs.

To facilitate the legal process, all diet drug cases filed in the federal courts were transferred to MDL No. 1203 in the United States District Court for the Eastern District of Pennsylvania (the "Court") for coordinated or consolidated pretrial proceedings pursuant to 28 U.S.C. § 1407. In a number of states, the cases were similarly assigned to a centralized system for coordinated or consolidated proceedings.

One of the cases pending before the Court, Brown v. American Home Products Corporation, Civ. No. 99-20593, has been provisionally certified as a nationwide class

action. The Complaint in the Brown case seeks, in part, compensatory damages and injunctive relief for claims arising out of the use of Pondimin® and/or Redux™. AHP denies the material allegations of the Complaint and asserts that it is not liable to the plaintiffs' class in any way.

AHP and lawyers representing plaintiffs in diet drug actions have negotiated a nationwide class action Settlement Agreement that would include all individuals who are members of the class provisionally certified in the Brown case, as defined below (see section, *Definition of the Settlement Class*). This Settlement does not reflect an admission by AHP of any wrongdoing or liability for any of the plaintiffs' claims.

This proposed nationwide Class Action Settlement Agreement is intended, among other things, to resolve the claims of members of other diet drug class action lawsuits that have been brought against AHP and have been certified or conditionally certified. These additional class action lawsuits involving Pondimin® and/or Redux™ include, but are not limited to: United States District Court for the Eastern District of Pennsylvania, *In re Diet Drug Products Liability Litigation (Jeffers v. AHP),* MDL Docket No. 1203 (nationwide medical monitoring class); West Virginia (*Burch et al. v. AHP,* Civil Action No. 97-C-204(1-11) (statewide personal injury and medical monitoring class); Illinois (*Rhyne v. AHP*, 98 CH 4099) (statewide refund and monitoring reimbursement class); New Jersey (*Vadino et al. v. AHP*, Docket No. MID-L-425-98) (statewide Unfair and Deceptive Acts and Practices and medical monitoring class); New York *(New York Diet Drug Litigation*, Index No. 700000/98) (statewide medical monitoring class); Pennsylvania (*Pennsylvania Diet Drug Litigation*, Master Docket No. 9709-3162 C.C.P. Phila.) (statewide medical monitoring class); Texas (*Earthman v. AHP*, No. 97-10-03970 CV, Dist. Ct. Montgomery Co. Texas) (statewide medical monitoring class); and Washington (*St. John v. AHP*, 97-2-06368-4) (statewide medical monitoring class).

If you are a member of the nationwide Settlement Class that has been provisionally certified in this litigation and that is described below, you will be bound by the Settlement Agreement and the Court's final order and judgment if you do not choose to opt out of the Settlement Class, even if : (1) you are a class member in any of these other diet drug class actions; (2) you have an individual lawsuit pending that relates to diet drugs; or (3) you are represented by an attorney and contemplate bringing a lawsuit related to diet drugs.

The proposed Settlement Agreement has been preliminarily approved by the Court, and is subject to a Fairness Hearing and Final Judicial Approval. *This Official Court Notice is not an opinion of the Court regarding the merits of the litigation and does not reflect findings of fact by the Court.*

DEFINITION OF THE SETTLEMENT CLASS
How do I know if I'm a Class Member and if this lawsuit affects me?

If you have used the diet drugs Pondimin® and/or Redux™ and live in the United States or its possessions and territories, you are a member of a nationwide class that has been

provisionally certified in this litigation for settlement purposes only, regardless of whether or not you already have a lawsuit pending.* You *also* are a Class Member:

* Based upon certain legal relationships (such as an heir, beneficiary, the executor of an estate, an administrator or other legal representative) with someone who used Pondimin® and/or Redux™; or

* If you are a family member or a "significant other" of someone who used Pondimin® and/or Redux™ and assert the right to sue AHP or any Released Party by reason of that relationship (see section, *Release of Claims* for an explanation of Released Party).

Specifically, the Settlement Class encompasses three types of claimants:

* *Diet Drug Recipients*: all persons in the United States, its possessions and territories who used Pondimin® and/or Redux™; or

* *Representative Claimants*: the estates, administrators or other legal representatives, heirs or beneficiaries of Diet Drug Recipients; and

* *Derivative Claimants*: any other persons asserting the right to sue AHP or any Released Party by reason of their personal relationship with a Diet Drug Recipient, including without limitation spouses, parents, children, dependents, other relatives or "significant others."

Sub-grouping of Class Members

Now that I know I'm a Class Member, what Subclass am I in?

"Subclasses" of Class Members with certain similarities have been established under the Settlement Agreement and have been provisionally certified by the Court. If you are a Class Member, you are also a member of at least one of these Subclasses.

An important concept for understanding the breakdown of the Subclasses is to understand the definition of "FDA Positive," a heart valve condition that can be diagnosed through a simple, painless test called an "echocardiogram." You are considered "FDA Positive" if you have mild or greater regurgitation of the *aortic* valve and/or moderate or greater regurgitation of the *mitral* valve, as further defined in the Settlement Agreement.

Subclasses within the Settlement Agreement are as follows:

* Subclass 1(a):

* *Diet Drug Recipients* who:

> took Pondimin® and/or Redux™ for 60 days or less, and
> have *not* been diagnosed by a qualified physician as FDA

Positive by an echocardiogram performed between the start of Pondimin® and/or Redux™ use and September 30, 1999.

**All Representative and Derivative Claimants* whose claims are based on their personal or legal relationship with such Diet Drug Recipients described above.

* Subclass 1(b):

* *Diet Drug Recipients* who:

> took Pondimin® and/or Redux™ for 61 or more days, and
> have *not* been diagnosed by a qualified physician as FDA Positive by an echocardiogram performed between the start of Pondimin® and/or Redux™ use and September 30, 1999.

**All Representative and Derivative Claimants* whose claims are based on their personal or legal relationship with such Diet Drug Recipients described above.

* Subclass 2(a):

* *Diet Drug Recipients* who:

> took Pondimin® and/or Redux™ for 60 days or less, and
> *have been* diagnosed by a qualified physician as FDA Positive by an echocardiogram performed between the start of Pondimin® and/or Redux™ use and September 30, 1999.

* *All Representative and Derivative Claimants* whose claims are based on their personal or legal relationship with such Diet Drug Recipients described above.

* Subclass 2(b):

* *Diet Drug Recipients* who:

> took Pondimin® and/or Redux™ for 61 or more days, and
> *have been* diagnosed by a qualified physician as FDA Positive by an echocardiogram performed between the start

of Pondimin® and/or Redux™ use and September 30, 1999.

* *All Representative and Derivative Claimants* whose claims are based on their personal or legal relationship with such Diet Drug Recipients described above.

* Subclass 3: *Note:* This Subclass may include persons also included in Subclasses 1(a) and 1(b).

* *Diet Drug Recipients* who:

> *have been* diagnosed by a qualified physician as having Mild Mitral Regurgitation by an echocardiogram performed between the start of Pondimin® and/or Redux™ use and the end of the Screening Period; *but*
> > *have not* been diagnosed by a qualified physician as FDA Positive between the start of Pondimin® and/or Redux™ use and the end of the Screening Period (see section, *The Screening Program*).

* *All Representative and Derivative Claimants* whose claims are based on their personal or legal relationship with such Diet Drug Recipients described above.

SCOPE OF THE SETTLEMENT AGREEMENT

What types of claims does this Settlement Agreement cover?

This nationwide Class Action Settlement Agreement covers all of the "Settled Claims" against "Released Parties" arising from the use of Pondimin® and/or Redux™ at any time, but does not cover claims of Primary Pulmonary Hypertension ("PPH") as that condition is defined in the Settlement Agreement (see section, *Release of Claims,* for a definition of "Settled Claims" and "Released Parties"). PPH is a rare and serious pulmonary disease that should not be confused with high blood pressure, which is sometimes called "hypertension." Persons with PPH claims that meet the medical criteria defined in the Settlement Agreement may bring legal claims for PPH outside the Settlement whether they participate in the Settlement or choose to opt out, but only if the person was diagnosed with PPH before he or she had left-sided heart valve abnormalities or Endocardial Fibrosis.

The definition of PPH found in the Settlement Agreement is as follows:

"Primary Pulmonary Hypertension" ("PPH") is defined as either or both of the following:

1. For a diagnosis based on symptoms and findings prior to death:

a. (1) Mean pulmonary artery pressure by cardiac catheterization of > 25 mm Hg at rest or > 30 mm Hg with exercise with a normal pulmonary artery wedge pressure < 15 mm Hg ; or

(2) A peak systolic pulmonary artery pressure of > 60 mm Hg at rest measured by Doppler echocardiograph utilizing standard procedures; or

(3) Administration of Flolan to the patient based on a diagnosis of PPH with cardiac catheterization not done due to increased risk in the face of severe right heart dysfunction; and

b. Medical records which demonstrate that the following conditions have been excluded by the following results :

(1) Echocardiogram demonstrating no primary cardiac disease including, but not limited to, shunts, valvular disease (other than tricuspid or pulmonary valvular insufficiency as a result of PPH or trivial, clinically insignificant left-sided valvular regurgitation), and congenital heart disease (other than patent foramen ovale); and

(2) Left ventricular dysfunction defined as LVEF < 40% defined by MUGA, Echocardiogram or cardiac catheterization; and

(3) Pulmonary function tests demonstrating the absence of obstructive lung disease (FEV1/FVC > 50% of predicted) and the absence of greater than mild restrictive lung disease (total lung capacity > 60% of predicted at rest); and

(4) Perfusion lung scan ruling out pulmonary embolism; and

(5) If, but only if, the lung scan is indeterminate or high probability, a pulmonary angiogram or a high resolution angio computed tomography scan demonstrating absence of thromboembolic disease; and

c. Conditions known to cause pulmonary hypertension , , including connective tissue disease known to be causally related to pulmonary hypertension, toxin induced lung disease known to be causally related to pulmonary hypertension, portal hypertension, significant obstructive sleep apnea, interstitial fibrosis (such as silicosis, asbestosis, and granulomatous

disease) defined as greater than mild patchy interstitial lung disease, and familial causes, have been ruled out by a Board-Certified Cardiologist or Board-Certified Pulmonologist as the cause of the person's pulmonary hypertension.

-OR-

2. For a diagnosis made after the individual's death:

a. Autopsy demonstrating histopathologic changes in the lung consistent with primary pulmonary hypertension and no evidence of congenital heart disease (other than a patent foramen ovale) with left-to-right shunt, such as ventricular septal defect as documented by a Board-Certified Pathologist; and

b. Medical records which show no evidence of alternative causes as described above for living persons.

This definition of PPH ("the PPH Definition") is intended solely for the purpose of describing claims excluded from the definition of Settled Claims and for purposes of Section VII.B.4-5 [of the Settlement Agreement]. The Parties agree that the PPH Definition includes but is broader than the rare and serious medical condition suffered by the individuals described in L. Abenhaim et al., *Appetite-Suppressant Drugs and the Risk of Primary Pulmonary Hypertension, International Primary Pulmonary Hypertension Study Group,* 335 New England Journal of Medicine 606-16 (1996) ("the IPPHS study"). The subjects in that study exhibited significantly elevated pulmonary artery pressures with an average systolic pulmonary artery pressure of 88 mm Hg and average mean pulmonary artery pressure of 57 mm Hg. Two-thirds of the IPPHS patients demonstrated NYHA Class III or IV symptoms. While the IPPHS subjects would fall within the PPH Definition, the definition also includes persons with a milder, less serious medical condition.

OVERVIEW OF SETTLEMENT BENEFITS

What are the benefits I may be able to receive as a result of the Settlement?

The Settlement Agreement offers a range of benefits, depending on certain factors specified in the Settlement Agreement. These benefits include:

* Heart valve-related medical screening, including a Transthoracic Echocardiogram, as part of the "Screening Program";
* Ongoing medical services or a cash payment for Class Members who are FDA Positive by the end of the Screening Period;
* Compensation in the event of serious heart valve disease ("Matrix Payments");

* Refunds for certain purchases of Pondimin® and/or Redux™;
* A Medical Research and Education Fund for the benefit of Class Members; and
* A Registry for tracking the medical condition of Class Members and pay for medical research and education to benefit Class Members.

If you choose to participate in the Accelerated Implementation Option, you will receive Settlement Benefits sooner than other Class Members, regardless of whether the Settlement receives Final Judicial Approval. In exchange for the early receipt of benefits, you will not be able to opt out of the Settlement or object to the Settlement at the Fairness Hearing.

If you remain a Class Member and Register for Settlement Benefits by the appropriate deadlines, you will receive Settlement Benefits if and when the Settlement obtains Final Judicial Approval.

If you choose to opt out of the Settlement during the Initial Opt-Out period, you will not receive any Settlement Benefits but will retain all your legal rights to sue AHP in court if you choose to do so.

It is important to understand that you will not receive any benefits if the Settlement does not receive Final Judicial Approval, unless you choose the Accelerated Implementation Option.

The Screening Program

Diet Drug Recipients who are members of Subclass 1(b) will be eligible for one Transthoracic Echocardiogram and an associated interpretive physician visit as part of a Screening Program established by the Settlement. In addition, Diet Drug Recipients in Subclass 1(b) who do not participate in the Screening Program are eligible to receive some reimbursement for a Transthoracic Echocardiogram and an associated interpretive physician visit obtained independently of the Screening Program after the Initial Opt-Out period but before the Final Judicial Approval Date.

Diet Drug Recipients who are members of Subclass 1(a) are generally not eligible to participate in the Screening Program. However, they are eligible to receive some reimbursement for a Transthoracic Echocardiogram and an associated interpretive physician visit obtained independently of the Screening Program but during the period of time the Screening Program is ongoing, but only if that echocardiogram is FDA Positive. The Settlement also provides funds of up to $20 million to pay for Transthoracic Echocardiograms and associated interpretive physician visits for Diet Drug Recipients in Subclass 1(a) who are in need of such services and are otherwise unable to obtain them, or for other compelling reasons.

Funds are also available to provide a transthoracic echocardiogram and associated interpretive physician visit for members of Subclasses 1(a) and 1(b) upon Trial Court

Approval in cases of true financial hardship, or to reimburse such Class Members for echocardiograms that were previously performed (i) prior to September 30, 1999 in response to a statewide class action notice, or (ii) if there are compelling reasons for such reimbursement.

The Screening Program will be conducted for a 12-month period after Final Judicial Approval ("Screening Period"), in accordance with the terms and conditions set forth in the Settlement Agreement. The Screening Period may be extended for up to an additional six months by the Court.

Ongoing Medical Services or Cash Election

Diet Drug Recipients who are diagnosed by a qualified physician as FDA Positive between the start of use of Pondimin® and/or Redux™ and the end of the Screening Period are entitled to elect between a cash payment or additional heart valve-related medical services. To obtain this benefit, the Diet Drug Recipient must register for the benefit and make an affirmative election as to whether he or she wishes to receive cash or services within 120 days of the close of the Screening Period.

Compensation Benefits

The Settlement provides monetary Compensation Payments for Diet Drug Recipients who are diagnosed with serious heart valve disease. The Settlement also provides that Diet Drug Recipients with serious heart valve disease (or their associated Representative Claimants) will receive additional monetary compensation if their medical conditions progress over time. The Derivative Claimants associated with Diet Drug Recipients with serious heart valve disease may also be entitled to monetary Compensation Payments.

Refund Benefits

Certain Diet Drug Recipients or their associated Representative Claimants will be entitled to refunds for purchases of Pondimin® and/or Redux™. Class Members who used Pondimin® and/or Redux™ for 60 days or less are eligible for a refund of the purchase price in the amount of $30 per month of Pondimin® use and $60 per month of Redux™ use. Class Members who used Pondimin® and/or Redux™ for 61 or more days are eligible for a refund of the purchase price in the amount of $30 per month of Pondimin® use and $60 per month of Redux™ use, up to a maximum of $500 per Class Member, if there are settlement funds remaining to pay for this benefit after first providing other benefits to Class Members.

Medical Research and Education Fund

The Settlement establishes a fund, not to exceed $25 million, for medical research and education concerning cardiovascular disease for the benefit of all Class Members.

Medical/Legal Registry

The Settlement makes provisions to establish, operate and maintain a "Registry" to track the medical condition of Class Members, both for purposes of processing claims for benefits under the terms of the Settlement and for purposes of medical research and education for the benefit of all Class Members. The Settlement Agreement contains appropriate provisions to assure that the identity of each Class Member in the Registry is maintained in confidence.

DESCRIPTION OF SETTLEMENT BENEFITS

How will the benefits I am entitled to receive be determined?

The benefits awarded to individual Class Members will be determined by a number of criteria specified in the Settlement Agreement, including, but not limited to:

* How long the Diet Drug Recipient took Pondimin® and/or Redux™;
* Whether or not the Diet Drug Recipient develops a heart valve abnormality or lesion, when the Diet Drug Recipient develops that condition, and the level and seriousness of the heart valve disease or any resulting complications;
* The age of the Diet Drug Recipient;
* Other medical conditions of the Diet Drug Recipient; and
* Whether the Class Member is a Derivative Claimant.

Again, an important concept for understanding how you qualify for certain benefits is to understand the definition of "FDA Positive." As stated above, you are considered "FDA Positive" if you have mild or greater regurgitation of the *aortic* valve and/or moderate or greater regurgitation of the *mitral* valve, as defined in the Settlement Agreement.

(a) Benefits for Class Members Who Used Pondimin® and/or Redux™ for 61 or More Days

Class Members who used Pondimin® and/or Redux™ for 61 or more days are eligible for the following benefits:

* A refund of the purchase price in the amount of $30 per month of Pondimin® use and $60 per month of Redux™ use, up to a maximum of $500 per Class Member, ***if***:

> The Class Member is a Diet Drug Recipient who is a member of Subclass 1(b) or 2(b); *or*
> The Class Member is a Representative Claimant of such a Diet Drug Recipient; *and*
> The Class Member timely registers for the benefit; *and*
> There are settlement funds remaining to pay for this benefit after first providing other benefits to Class Members.

* As part of a Screening Program, one Transthoracic Echocardiogram and an associated interpretive physician visit ***if***:

> The Class Member is a Diet Drug Recipient; *and*
> The Class Member is a member of Subclass 1(b); *and*
> The Class Member timely registers for the benefit.

* Some reimbursement for an independently-obtained echocardiogram, subject to certain conditions set forth in the Settlement Agreement, ***if***:

> The Class Member is a Diet Drug Recipient in Subclass 1(b); *and*
> The Class Member does not accept the Accelerated Implementation Option; *and*
> The Class Member does not participate in the Screening Program; *and*
> The Class member obtains the Transthoracic Echocardiogram independent of the Screening Program after the end of the Initial Opt-Out Period but before the Final Judicial Approval Date; *and*
> The Class Member registers for the benefit within 120 days of the close of the Screening Period.

Note: The reimbursement amount would be either the cost of providing such an echocardiogram and an associated physician visit under the Settlement's Screening Program or the actual amount paid for the echocardiogram by the Class Member (not including amounts covered by insurance or other third-party payors), whichever is less. Class Members who receive this reimbursement benefit cannot also participate in the Screening Program.

* A cash payment of $6,000 or additional heart valve-related medical services valued at $10,000, as specified in the Settlement Agreement, ***if***:

> The Class Member is a Diet Drug Recipient;
> The Class Member obtains an FDA Positive diagnosis by a qualified physician by an echocardiogram performed between the start of Pondimin® and/or Redux™ use and the end of the Screening Period; *and*
> The Class Member registers for the benefit and makes the affirmative election as to whether he or she wishes to receive cash or medical services within 120 days of the close of the Screening Period.

(b) Benefits For Class Members Who Used Pondimin® and/or Redux™ for 60 Days or Less

Class Members who used Pondimin® and/or Redux™ for 60 days or less are eligible for the following benefits:

* A refund of the purchase price in the amount of $30 per month of Pondimin® use and $60 per month of Redux™ use, ***if***:

> The Class Member is a Diet Drug Recipient who is a member of Subclass 1(a) or 2(a); *or*
> The Class Member is a Representative Claimant of such a Diet Drug Recipient; *and*
> The Class Member timely registers for this refund benefit.

* Reimbursement of an independently-obtained echocardiogram, subject to certain conditions defined in the Settlement Agreement, ***if***:

> The Class Member is a Diet Drug Recipient who is a member of Subclass 1(a); *and*
> The Class Member obtains an FDA Positive echocardiogram independent of the Screening Program but during the Screening Period; *and*
> The Class Member registers for the benefit within 120 days of the close of the Screening Period.

Note: The reimbursement amount is either the cost of providing such an echocardiogram and an associated physician visit under the Settlement's Screening Program or the actual amount paid for the echocardiogram by the Class Member (not including amounts paid for or reimbursed by insurance or other third-party payors), whichever is less.

* Compassionate and Humanitarian Screening Provisions

For compassionate and humanitarian reasons, the Settlement provides funds of up to $20 million to pay for Transthoracic Echocardiograms and associated interpretive physician visits for Diet Drug Recipients in Subclass 1(a) who are in need of such services and are otherwise unable to obtain them, or for other compelling reasons. This benefit is only available to Diet Drug Recipients who took Pondimin® and/or Redux™ for 60 days or less and who timely register for the benefit.

* A cash payment of $3,000 or additional heart valve-related medical services valued at $5,000, as specified in the Settlement Agreement, ***if***:

> The Class Member is a Diet Drug Recipient; *and*
> The Class Member obtains an FDA Positive diagnosis by a qualified physician by an echocardiogram performed

between the start of Pondimin® and/or Redux™ use and the end of the Screening Period; *and*
> The Class Member registers for the benefit and makes the affirmative election as to whether he or she wishes to receive cash or medical services within 120 days of the close of the Screening Period.

(c) Benefits To Class Members For Serious Heart Valve Disease

Diet Drug Recipients who have been diagnosed with serious heart valve disease or the Representative Claimants, and Derivative Claimants associated with these Diet Drug Recipients, are eligible for Compensation Payments:

* Compensation Payments ("Matrix Payments") for certain Class Members ***if:***

> The Class Member is a *Diet Drug Recipient* who has been diagnosed by a qualified physician as (i) FDA Positive or (ii) as having Mild Mitral Regurgitation with an echocardiogram performed between the start of Pondimin® and/or Redux™ use and the end of the Screening Period *and* has registered for further Settlement Benefits within 120 days of the close of the Screening Period;
> The Class Member is a *Representative Claimant* of such a Diet Drug Recipient and either the Diet Drug Recipient or the Representative Claimant has registered for further Settlement Benefits within 120 days of the close of the Screening Period; *or*
> The Class Member is a *Derivative Claimant* of such a Diet Drug Recipient and the Derivative Claimant has registered for Settlement Benefits within 120 days of the close of the Screening Period, if the Derivative Claimant has a legally recognized claim arising from injury to the associated Diet Drug Recipient.

To receive Compensation Payments for serious heart valve disease, you must qualify for such benefits by a date that is 14 years from the Final Judicial Approval Date or December 31, 2015, whichever is earlier.

* Compensation Payments are also available for a rare heart condition called Endocardial Fibrosis, if:

> The Class Member is a *Diet Drug Recipient* who has been diagnosed by a qualified physician as having Endocardial Fibrosis by September 30, 2005, *and* has

registered for Compensation Payments for that condition by January 31, 2006;
> The Class Member is a *Representative Claimant* of a Diet Drug Recipient who has been diagnosed by a qualified physician as having Endocardial Fibrosis by September 30, 2005, *and* either the Diet Drug Recipient or the Representative Claimant has registered for Compensation Payments for that condition by January 31, 2006; *or*
> The Class Member is a *Derivative Claimant* of a Diet Drug Recipient who has been diagnosed by a qualified physician as having Endocardial Fibrosis by September 30, 2005, *and* the Derivative Claimant has registered for Compensation Payments for that condition by January 31, 2006, if the Derivative Claimant has a legally recognized claim arising from injury to the associated Diet Drug Recipient.

To receive these Compensation Payments, you must provide to the Claims Administrator(s) appropriate documentation of the medical condition that entitles you to Compensation Payments, as described in the Settlement Agreement. Among the information required will be a declaration from a Board-Certified physician concerning specific aspects of the medical condition for which the claimant seeks benefits.

A detailed description of the criteria applicable to these Compensation Payments is contained in the Matrix Compensation Benefits Guide for Physicians, Attorneys and Class Members that accompanies this Notice.

The form that must be completed in order to make a claim for Compensation Payments is the Green Form accompanying this Notice.

Determining The Compensation Payments ("Matrix Payments")

How will the compensation payments for serious heart valve disease be determined?

The maximum amount of the Compensation Payment to which a Class Member may be entitled in relation to serious heart valve disease is $1.485 million. The amount of the payment will depend on several factors, including the kind of heart valve disease the Diet Drug Recipient develops, when the Diet Drug Recipient develops it, the level and seriousness of that heart valve disease or any resulting complications, the Diet Drug Recipient's age and other medical conditions, the duration of Pondimin® and/or Redux™ use, whether the Diet Drug Recipient had Mild Mitral Regurgitation by the close of the Screening Period and seeks benefits based on that heart valve, and whether the Class Member is a Derivative Claimant.

The compensation amount will be determined using four Matrices contained in the Settlement Agreement. Benefits under each Matrix will be increased by 2% per year beginning one year after Final Judicial Approval.

The Matrices for Diet Drug Recipients and Representative Claimants are defined in the Settlement Agreement and in *The Settlement Matrix Compensation Benefits Guide for Physicians, Attorneys and Class Members* and are summarized as follows:

* Matrix A-1

Under Matrix A-1, benefits are:

> For *Diet Drug Recipients* and *Representative Claimants* only;
> Determined by the defined levels of disease of the Diet Drug Recipient and the age of the Diet Drug Recipient;
> Range from a maximum of $1,485,000 to a minimum of $36,944.

* Matrix B-1

Under Matrix B-1, benefits are:

> For *Diet Drug Recipients* and *Representative Claimants* only;
> Calculated similarly to Matrix A-1 but are reduced because the Recipient was diagnosed with Mild Mitral Regurgitation between the start of Pondimin® and/or Redux™ use and the end of the Screening Period (for claims based on the mitral valve), took Pondimin® and/or Redux™ for 60 days or less, or exhibits specific medical conditions;
> Range from a maximum of $297,000 to a minimum of $7,389.

The Matrices for Derivative Claimants are set forth in the Settlement Agreement and the *Settlement Matrix Compensation Benefits Guide for Physicians, Attorneys and Class Members* and are summarized as follows:

* Matrix A-2

Under Matrix A-2, benefits are:

> For *Derivative Claimants* of Diet Drug Recipients who would be eligible for benefits under Matrix A-1;

> Range from a maximum of $15,000 to a minimum of $500.

* Matrix B-2

Under Matrix B-2, benefits are:

> For *Derivative Claimants* of Diet Drug Recipients who would be eligible for benefits under Matrix B-1;
> Range from a maximum of $3,000 to a minimum of $500.

The Matrix payments for Derivative Claimants reflect the *maximum* amount to which *all* Derivative Claimants associated with any particular Diet Drug Recipient are *collectively* entitled.

If a Class Member qualifies for more than one Compensation Payment, the Class Member will only be entitled to receive the amount of the greater Compensation Payment, not both. In addition, if the Diet Drug Recipient's medical condition changes so that the Diet Drug Recipient or his/her associated Representative and/or Derivative Claimant becomes eligible for a higher payment under any, Matrix, then the Class Member would be entitled to receive the difference between the two Matrix payments.

Diet Drug Recipients who have been diagnosed by a qualified physician as FDA Positive, but not as having Mild Mitral Regurgitation, by the end of the Screening Period or their associated Representative Claimaints, and their associated Derivative Claimants, will be eligible for Compensation Payments only for claims based on the heart valve condition(s) that was diagnosed as FDA Positive.

Diet Drug Recipients who have been diagnosed by a qualified physician as having Mild Mitral Regurgitation, but are not FDA Positive by the end of the Screening Period or their associated Representative Claimants, and their associated Derivative Claimants, will be eligible for compensation payments only for claims based on a mitral valve condition.

SUMMARY OF SETTLEMENT BENEFITS		
BENEFIT	*PEOPLE WHO USED* FEN-PHEN, ***PONDIMIN®*** ***AND/OR REDUX™*** ***FOR 61 OR MORE DAYS***	PEOPLE WHO USED FEN-PHEN, PONDIMIN® AND/OR REDUX™ ***FOR 60 DAYS OR LESS***
Refund: $30/month for use of Pondimin® $60/month for use of Redux™	YES (subject to $500 limit and availability of funds after pay-out of other benefits to class)	YES

Free Echocardiogram and appointment with doctor to Discuss the Results	YES	Generally NO, but with exceptions, including humanitarian or compassionate reasons or true financial hardship
Immediate Cash or Medical Services Benefit for Heart Valve Disease according to "FDA Positive" Criteria	$6,000 in CASH or $10,000 in Heart Valve-related MEDICAL SERVICES	$3,000 in CASH or $5,000 in Heart Valve-related MEDICAL SERVICES
"Matrix" Compensation Benefits for Valvular Heart Disease as described in the Brochure entitled, "Settlement Matrix Compensation Benefits Guide" (before Court authorized deductions)	Between $7,389 and $1,485,000 (Increased Annually for Inflation), Depending on your Age and Level of Severity	Between $7,389 and $297,000 (Increased Annually for Inflation), Depending on your Age and Level of Severity
Medical Registry to "Track" Condition of Pondimin® and/or Redux™ Users for Purposes of Research and Education	YES	YES
Establishment of a Fund for Medical Research and Education Concerning Cardiovascular Disease	YES	YES

ALLOTMENT OF SETTLEMENT FUNDS

Where will the money to pay for my benefits come from and how will it be managed?

Under the Settlement Agreement, AHP will place money in a Settlement Trust that will be established for the administration of the Settlement.

The Settlement Trust will deposit money into two fundsæFund A and Fund B. These funds will be used to pay for Class Member benefits, some attorneys' fees, and the administrative costs of the Settlement Agreement.

AHP has already begun to initiate payments into the funds and will continue to do so for up to 16 years, if needed. Payments to be made during the next two to three years up to the Final Judicial Approval Date will total $1.85 billion. AHP may pay into the funds as much as $4.83 billion (present value $3.75 billion). Payments (above $ 1.85 billion) will be made only as and if needed, as determined by the number of Class Members who register for benefits. These payments are subject to annual maximum amounts, which are

adjusted to account for individuals who opt out of the Settlement and who subsequently receive payments from AHP pursuant to judgments or settlements.

Fund A will be used to pay the following:

* Refunds for purchases of Pondimin® and/or Redux™;
* Medical screening costs;
* Additional medical services and cash payments made to certain Class Members;
* Education and medical research costs related to cardiovascular disease (up to $25 million);
* A Registry to track the medical condition of Class Members under terms described in the Settlement Agreement;
* Administrative costs, including mailing and publication of the Class Notice; and
* Attorneys' fees relating to the benefits provided by Fund A, which will not be part of Fund A but will be paid by AHP into a separate escrow account as described in the Settlement Agreement.

Fund B will be used to pay:

* Compensation Payments to certain Class Members who have serious heart valve disease, as described in the Settlement Agreement; and
* Some attorneys' fees relating to Compensation Payments, as described in the Settlement Agreement.

TERMINATION OF THE AGREEMENT

Under what conditions could this Settlement Agreement be terminated?

AHP has the option to terminate and withdraw from the Settlement Agreement, at its discretion, within 60 days of the close of the Initial Opt-Out Period, if it decides that the number of persons who have elected in the Initial Opt-Out Period to be excluded from the Settlement Class is too great. If AHP withdraws from the Settlement, it will still be bound by all Individual Agreements entered into under the Accelerated Implementation Option before its termination of the Settlement (see section, *Choosing the Accelerated Implementation Option*).

In addition, the Settlement Agreement will be terminated if it does not receive Final Judicial Approval. If the Settlement does not receive Final Judicial Approval, AHP will still be bound by all Individual Agreements entered into under the Accelerated Implementation Option (see section, *Choosing the Accelerated Implementation Option*).

AHP's obligations under the Settlement Agreement are subject to certain other conditions that are described in detail in the Settlement Agreement.

RELEASE OF CLAIMS

How does this class action Settlement Agreement affect lawsuits I may have against AHP and others regarding Pondimin® and/or Redux™?

In exchange for AHP's agreement to make the payments to the Settlement Funds, certain claims of Class Members against the Released Parties (defined below) will be settled and released ("Settled Claims," defined below).

Types of Claims To Be Released ("Settled Claims")
By participating in this Settlement, what types of claims am I agreeing to release?

Under the Settlement Agreement, Class Members are agreeing to release 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:

* 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;

* Compensatory damages, punitive, exemplary, statutory and other multiple damages or penalties of any kind;

* Loss of wages, income, earnings, and earning capacity, medical expenses, doctor, hospital, nursing, and drug bills;

* 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;

* 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;

* Wrongful death and survival actions;

* Medical screening and monitoring, injunctive and declaratory relief;

* Economic or business losses, or disgorgement of profits arising out of personal injury; and

* Prejudgment or post-judgment interest.

Notwithstanding the foregoing, Settled Claims do *not* include claims based on PPH, as defined in the Settlement Agreement, 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 or 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 or Endocardial Fibrosis.

Definition of "Released Parties"
By participating in this Settlement Agreement, who am I agreeing to release from existing or future lawsuits regarding my use of Pondimin® and/or Redux™?

The claims described above will be released as to the following "Released Parties":

* AHP and each of its subsidiaries, affiliates, and divisions, including, but not limited to, Wyeth-Ayerst Laboratories Division, Wyeth-Ayerst Laboratories Co., Wyeth-Ayerst Pharmaceuticals, Inc., and American Cyanamid Corporation, along with each of their respective current and former officers, directors, employees, attorneys, agents, and insurers.

* Any and all predecessors or successors, and/or shareholders of AHP 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 AHP or its subsidiaries, affiliates, and divisions.

* Any and all suppliers of materials, components, and services used in the manufacture of Redux™ and/or Pondimin®, 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.

* 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:

> 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 AHP; and

> 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.

* 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:

> The prescription or dispensing of Pondimin® and/or Redux™ in a manner consistent with the product labeling; and/or

> The prescription or dispensing of Pondimin® for any period longer than a "few weeks"; and/or

> The prescription or dispensing of Pondimin® and/or Redux™ for concomitant use with phentermine hydrochloride or phentermine resin; and/or

> A claim that the physician's or pharmacist's liability stems solely from having prescribed or dispensed Pondimin® and/or Redux™; and/or

> A claim that the physician's or pharmacist's liability stems solely from the prescription or dispensing of a defective or unreasonably dangerous product.

***Note on who is not a Released Party*:** Notwithstanding the foregoing, physicians, pharmacists and pharmacies are not Released Parties with respect to any claims based on their independent negligence or culpable conduct. Les Labortories Servier S.A. and all 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; Interneuron Pharmaceuticals, Inc.; and any manufacturer, seller, wholesaler, or distributor of any phentermine

hydrochloride or phentermine resin pharmaceutical product are not Released Parties.

RIGHTS OF NON-SETTLING DEFENDANTS AND OTHER THIRD PARTIES

How does this Settlement Agreement affect other defendants in the diet drug litigation and other third parties who may have claims against AHP?

Under the Settlement Agreement, Non-Settling Defendants (as defined in the Settlement Agreement) will be barred and enjoined from bringing claims for contribution and/or non-contractual indemnity (as defined in the Settlement Agreement) against AHP and the other Released Parties to recover payments made to Class Members in diet drug litigation. All such claims pending against AHP or any other Released Party in any court will be dismissed with prejudice upon Trial Court Approval.

The rights of Class Members to pursue legal claims against Non-Settling Defendants is not affected by the Settlement Agreement, except that Class Members are required to reduce any judgment they may receive against Non-Settling Defendants in accordance with applicable law or to the extent necessary to relieve AHP and the Released Parties for liability for contribution and/or non-contractual indemnity, as explained further in the Settlement Agreement. If, despite the provisions of the Settlement Agreement and the reasonable efforts of AHP and the Released Parties to avoid liability for contribution and non-contractual indemnity arising out of a Settled Claim brought by a Class Member, AHP pays a judgment on such a claim, such Class Member shall indemnify AHP and the Released Parties for such liability as provided in the Settlement Agreement.

To the extent that any person has rights of subrogation by virtue of payments made for the benefit of any specific Class Member who has not exercised a right of opt-out, such rights of subrogation may be asserted only with respect to the obligation under the Settlement Agreement to make Compensation Payments from Fund B to that Class Member. Subrogation claims may not be asserted directly against AHP and/or the Released Parties except to the extent required by law. Notice of a subrogation claim will be provided to an affected Class Member, and the Class Member will be given an opportunity to object to the subrogation claim. Subrogation claims will be paid only to the extent that they are recognized by applicable law.

RIGHTS AND OPTIONS OF SETTLEMENT CLASS MEMBERS

As a Class Member, what are my rights and choices under this Settlement Agreement, and how do I exercise those rights?

As a Class Member, you have four basic options. You can:

* Choose the Accelerated Implementation Option ("AIO") for collecting Settlement Benefits quickly and regardless of whether the Settlement receives Final Judicial Approval;

* Remain a Class Member and register for benefits while keeping later opt-out rights, if applicable;

* Object to the Settlement Agreement at the Fairness Hearing; or

* Opt out of the Settlement.

In order to take advantage of the AIO, you must register for the AIO by completing the *Pink Form* (see section, *Option #1: Choosing the Accelerated Implementation Option*). In order to receive Settlement Benefits while keeping later opt out rights, you must register by completing the *Blue Form* (see section, *Option #2: Remaining a Class Member and Registering for Your Benefits While Keeping Any Later Opt-Out Rights*). ***If you do not complete the appropriate forms by the deadlines indicated in this Official Court Notice, you will not receive any benefits.***

It is important for you to understand that you will be automatically included in the Settlement unless you take action to opt out either by completing the *Orange Form* accompanying this Notice or by writing to the Court expressing your wish to opt out (see section, *Option #4: Opting Out of the Settlement*).

A discussion of the various options available to you follows:

(1) Option #1*: Choosing the Accelerated Implementation Option*

If you choose the Accelerated Implementation Option ("AIO"), you will be able to receive Settlement Benefits quickly and your rights will not depend on whether the Settlement receives Final Judicial Approval. However, you will give up any right you may have under the Settlement to bring a lawsuit against AHP or any Released Party later or to object to the Settlement at the Fairness Hearing. More specifically:

* If you choose the AIO, you will be guaranteed to receive the same benefits you would be entitled to under the Settlement, except as described below, but you will receive these benefits even if the Settlement does not obtain Final Judicial Approval *

* Class Members who choose the AIO will start to receive benefits quickly (either at the date when the Trial Court decides whether or not to approve the Settlement or AHP exercises its walkaway right), which in any event is earlier than the Final Judicial Approval Date when Class Members who do not choose the AIO will receive their benefits under the Settlement.

* If you choose the AIO, you will be entitled to receive your benefits whether or not the Settlement receives Final Judicial Approval. Other Class Members will not receive benefits unless and until the Settlement obtains Final Judicial Approval.

* If you choose the AIO, you may *not* exercise an Intermediate Opt-Out or Back-End Opt-Out at a later date or object to the Settlement at the Fairness Hearing.

* To guarantee your right to choose the AIO, you must choose the AIO before xxx, which is the end of the period during which you are permitted to exercise your Initial Opt-Out right.

By choosing the AIO, you will be required to sign the *Pink Form*, which represents an agreement with AHP, stating, among other things, that you agree to receive benefits earlier than other Class Members and that you are willing to give up your potential right to opt out of the Settlement later or to object to the Settlement. To choose the AIO, you must also sign a Release stating that you will not pursue in court any Settled Claims against AHP or Released Parties. A Derivative Claimant of a Diet Drug Recipient who has not elected the AIO (or whose associated Representative Claimant has not elected the AIO) may not elect the AIO. *Your individual AIO agreement is separate and independent from the class action Settlement Agreement and will remain enforceable even if the Settlement Agreement does not receive Final Judicial Approval or the Settlement is terminated for any reason.*

To choose the AIO, you must fill out the Pink Form that accompanies this Notice. If you choose the AIO, and also want to make a claim for serious heart valve disease, you must fill out the Green Form that accompanies this Notice in addition to the Pink Form.

***(2) Option #2:* Remaining a Class Member and Registering for Your Benefits While Retaining Any Later Opt-Out Rights**

You may remain a Class Member and receive Settlement Benefits after Final Judicial Approval. You are automatically a Class Member if you do not opt out of the Settlement or choose the AIO. *However, in order to collect Compensation Payments, participate in the Screening Program, or receive other benefits under the Settlement Agreement, you must register for Settlement Benefits by completing the Blue Form.*

If you remain a Class Member and register for Settlement Benefits by the appropriate deadlines, you will receive Settlement Benefits if and when the Settlement obtains Final Judicial Approval. If the Settlement does not obtain Final Judicial approval, you will not receive any Settlement Benefits.

If you remain a Class Member, you will be represented by the Class Representatives and Class Counsel. You may also choose to have your own attorney represent you at your own expense.

It is important to understand that by remaining a Class Member you will be bound by any judgment or final disposition of the litigation, and you may participate in whatever benefits are available to a Class Member in your situation.

As explained above, if you remain a Class Member, you may have an opportunity later to exercise an Intermediate or Back-End Opt-Out right (see section, *Option#4: Opting Out of the Settlement).*

To register for Settlement Benefits, you must fill out the Blue Form that accompanies this Notice.

***(3) Option #3:* Objecting to the Settlement at the Fairness Hearing.**

You may remain a Class Member but object to the Settlement by mailing an objection to the Court and presenting your objection at the Fairness Hearing either in person or through counsel, as described below (see section, *Notice of Fairness Hearing and Procedure for Objecting to the Settlement*). It is important for you to understand that any Class Member who does not file an objection in the time and manner described below will not be able to raise any objection to the Settlement in the future. Any Class Member whose objection is overruled will still be bound by the Settlement.

(4) Option #4: *Opting Out of the Settlement*.

You may choose to be excluded from the benefits under the Settlement by "opting out." There are three different types of Opt-Out rights, each with specific restrictions and deadlines:

* Initial Opt-Out right;
* Intermediate Opt-Out right; and
* Back-End Opt-Out right.

The Diet Drug Recipient's choice whether or not to opt out will be binding on any associated Representative or Derivative Claimants.

(a) *Initial Opt-Out Right*

The Initial Opt-Out right allows you to opt out of the Settlement right away.

It is important for you to understand that if you opt out of the Settlement during the Initial Opt-Out Period:

* You will not be able to receive benefits under the Settlement;

* You will not be able to elect to receive benefits under the AIO; and

* You will retain all of your existing legal rights to pursue claims against AHP or other Released Parties in court. AHP will retain all legal defenses against you if you choose to opt-out during the Initial Opt-Out Period.

In order to opt out during the Initial Opt-Out Period, complete the *Orange Form* accompanying this Notice and mail a copy to both of the addresses below. You may also opt out during the Initial Opt-Out Period by submitting written notice of your wish to be excluded from the Class to both of the addresses below:

[CLAIMS ADMINISTRATOR ADDRESS]
Michael T. Scott, Esq.
MDL Liason Counsel for AHP
REED SMITH SHAW & MCCLAY
One Liberty Place
1650 Market Street
Philadelphia, PA 19103

To exercise an Initial Opt-Out, your completed Orange Form *or written notice of your wish to be excluded from the Class must be postmarked on or before February xxx, 2000.*

Any Class Member who does not timely exercise his or her Initial Opt-Out right (or choose the AIO) will be bound by the terms of the Settlement Agreement.

***(b)* Intermediate Opt-Out Right**

The Intermediate Opt-Out right is *only* for Class Members:

* who do *not* choose the AIO; *and*

* who do *not* exercise their Initial Opt-Out Right; *and*

* who are *not* members of Subclasses 2(a), 2(b), or 3; *and*

* who are Diet Drug Recipients who are diagnosed by a qualified physician as FDA Positive by echocardiogram performed between the start of Pondimin® and/or Redux™ use and the close of the Screening Period, or are the Representative or Derivative Claimants of such Diet Drug Recipients.

If you qualify for the Intermediate Opt-Out right and you want to exercise this right, you must do so no later than 120 days after the end of the Screening Period.

If you exercise the Intermediate Opt-Out right, you give up the right to receive further benefits under the Settlement Agreement, but you may choose to pursue in court any legal claims you may have against AHP or Released Parties relating to your use of Pondimin® and/or Redux™. However, *it is important to understand that if you exercise the Intermediate Opt-Out right, and choose to bring a lawsuit against AHP or any Released Party, your lawsuit will be subject to certain restrictions including the following:*

* If you exercise your Intermediate Opt-Out right and choose to bring a lawsuit against AHP or any Released Party, you may not seek punitive or multiple damages.

* If you exercise your Intermediate Opt-Out right and choose to bring a lawsuit against AHP or any Released Party, you may only assert a legal claim based on the heart valve condition of the relevant Diet Drug Recipient that was diagnosed by a qualified physician as FDA Positive by echocardiogram performed between the start of use of Pondimin® or Redux™ and the end of the Screening Period.

* If you exercise your Intermediate Opt-Out right and choose to bring a lawsuit against AHP or any Released Party, both you and AHP will be subject to certain additional restrictions that are described in the Settlement Agreement. In order for AHP to be subject to these restrictions, such as waiver of any statute of limitations defense, you must bring your lawsuit, if you choose to do so, within one (1) year from the date on which you exercise your Intermediate Opt-Out right.

You will not be entitled to exercise your Intermediate Opt-Out right if you have claimed the cash payments or heart valve-related medical services available under the Settlement to Diet Drug Recipients who are FDA Positive by the end of the Screening Period.

If you exercise your Intermediate Opt-Out right, you will be required to sign a document about the effect of exercising this right, including that you will give up the right to receive further benefits under the Settlement and that your right to sue AHP or Released Parties in court will be subject to certain restrictions.

If you register for Settlement Benefits, you will be instructed in a future mailing how to exercise the Intermediate Opt-Out right.

***(c)* Back-End Opt-Out Right**

This Opt-Out right is *only* for Class Members:

* who do not choose the AIO; *and*

* who did not opt out of the Settlement earlier; *and*

* who are Diet Drug Recipients who are diagnosed by a qualified physician as FDA Positive or as having Mild Mitral Regurgitation by echocardiogram performed between the start of Pondimin® and/or Redux™ use and the end of the Screening Period, or are the Representative or Derivative Claimants of such Diet Drug Recipients; *and*

* who are Diet Drug Recipients diagnosed with a serious heart valve disease after September 30, 1999 that would entitle them to Compensation Payments, or are the Representative or Derivative Claimants of such Diet Drug Recipients; *and*

* who are Class Members who have registered or who are deemed to have registered for Settlement Benefits by the date which is 120 days after the close of the Screening Period; *and*

* who are Class Members who did not know prior to September 30, 1999 that they or their associated Diet Drug Recipients had a condition that would entitle them to Compensation Payments.

In order for an eligible Class Member to exercise the Back-End Opt-Out right, the Class Member must exercise this right *within 120 days* of the date on which the Class Member first knows or should have reasonably known of serious heart valve disease (or of Endocardial Fibrosis) that would entitle him or her to Compensation Payments, or 120 days after the close of the Screening Period, whichever is later.

Class Members may only exercise the Back-End Opt-Out right if they have not claimed any Compensation Payments for serious heart valve disease.

Class Members who have not been diagnosed as having Endocardial Fibrosis (a rare heart condition) by a qualified physician before September 30, 1999, and who have subsequently been diagnosed by a qualified physician as having Endocardial Fibrosis by September 30, 2005, have the right to exercise a Back-End Opt-Out.

If you exercise your Back-End Opt-Out right, you give up the right to receive further benefits under the Settlement Agreement, but you may pursue in court any legal claims you may have against AHP or Released Parties relating to your use of Pondimin® and/or Redux™. However, *it is important to understand that if you exercise your Back-End Opt-Out right, and choose to bring a lawsuit against AHP or any Released Party, your lawsuit will be subject to certain restrictions:*

* If you exercise your Back-End Opt-Out right and choose to bring a lawsuit against AHP or any Released Party, you may not seek punitive or multiple damages.

* If you exercise your Back-End Opt-Out right and choose to bring a lawsuit against AHP or any Released Party, you may only assert a legal claim based on the heart valve condition of the relevant Diet Drug Recipient that was diagnosed by a qualified physician as FDA Positive or

Mild Mitral Regurgitation by echocardiogram performed between the start of use of Pondimin® or Redux™ and the end of the Screening Period.

* If you exercise your Back-End Opt-Out right and choose to bring a lawsuit against AHP or any Released Party, both you and AHP will be subject to certain additional restrictions that are described in the Settlement Agreement. In order for AHP to be subject to these restrictions, such as waiver of any statute of limitations defense, you must bring your lawsuit, if you choose to do so, within one (1) year from the date on which you exercise your Back-End Opt-Out right.

If you exercise your Back-End Opt-Out right, you will be required to sign a document about the effect of exercising this right, including that you will give up the right to receive further benefits under the Settlement and that your right to sue AHP or Released Parties in court will be subject to certain restrictions.

The Diet Drug Recipient's choice whether or not to exercise the Back-End Opt-Out right will be binding on any associated Representative or Derivative Claimants.

If you register for Settlement Benefits, you will be instructed in a future mailing how to exercise the Back-End Opt-Out right.

NOTICE OF FAIRNESS HEARING AND PROCEDURE FOR OBJECTING TO THE SETTLEMENT

When is the Fairness Hearing and what is it about?

The Court will hold a Fairness Hearing in Courtroom 17B at the United States Courthouse, 601 Market Street, Philadelphia, PA 19106 on xxx at xxx to determine:

* Whether the Settlement Class should remain certified;
* Whether the proposed Settlement 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 on additional dates, if needed.

Any Class Member may object to the proposed Settlement, either on his or her own or through counsel.

You may, but are not required to, appear at the hearing to voice your objection to, or support for, the Settlement. Persons wishing to speak at the hearing should request time in writing, mailed to:

	Clerk of the Court United States District Court for the Eastern District of Pennsylvania

	601 Market Street Philadelphia, PA 19106
With copies to:	Michael T. Scott, Esq. MDL Liason Counsel for AHP REED SMITH SHAW & MCCLAY One Liberty Place 1650 Market Street Philadelphia, PA 19103
	Arnold Levin, Esq. LEVIN, FISHBEIN, SEDRAN & BERMAN 510 Walnut Street, Suite 500 Philadelphia, PA 19106

You may have your own attorney appear on your behalf at the Fairness Hearing if you wish.

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

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 xxx.

You may also submit written comments on the Settlement, either in opposition to it or in support of it, mailed to the court's address above and copied to the other two addresses above. ***Written comments must be postmarked no later than xxx.***

Any Settlement Class Member who does not timely mail an intention to appear or written comments or objections in the manner provided above shall be deemed to have waived objection and shall be forever barred from objecting (by appeal or otherwise) to the proposed Settlement.

This is the only opportunity Class Members will have to object to the Settlement. 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 Settlement at any point in the future.

IMPORTANT DATES AND DEADLINES

What are the deadlines for taking action?

There are a number of important dates you should know so you can take timely action to exercise your rights. These dates include:

* xxx. Deadline for guaranteed participation in the Accelerated Implementation Option, which will allow you to receive Settlement Benefits quickly, regardless of whether or not the Settlement receives Final Judicial Approval (see the *Pink Form* in this booklet to register for the Accelerated Implementation Option).
* xxx. Deadline for written comments on or objections to the Settlement.
* xxx. Deadline for Initial Opt-Out from the Settlement Class (see the *Orange Form* in this booklet for opting out of the Settlement).
* xxx. Fairness Hearing by the Court.

It is also important timely to submit a *Blue Form* in order to Register for Settlement Benefits and a *Green Form* for Matrix payments. If you Register for Settlement Benefits and also want to make a claim for serious heart valve disease, you should timely submit both a *Blue Form* and a *Green Form*. Notice of the deadlines for submitting these forms will be provided if and when the Settlement receives Final Judicial Approval.

REGISTRATION AND PROOF OF CLAIM PROCEDURE

What must I do in order to collect the benefits I may be entitled to under the Settlement?

To collect benefits under the Settlement, Class Members must fill out the appropriate forms accompanying this Notice.

If you do not opt out of the Settlement, and if you do not register for Settlement Benefits within the appropriate deadlines, you will not receive any Settlement Benefits, but will still be bound by the final order and judgment of the Court releasing all claims and potential claims against AHP and Released Parties as described in section, *Release of Claims*, of this Notice.

YOUR INTENTION	**WHICH FORM**
I want to receive my Settlement Benefits as soon as possible regardless of whether the Settlement receives Final Judicial Approval, and I am willing to give up my Opt-Out and objection rights. ("AIO Program")	PINK FORM, and GREEN FORM if you know you have serious Valvular Heart Disease
I want to receive my Settlement Benefits but I also want to keep my rights to Opt-Out later. ("Register for Benefits").	BLUE FORM
I think I have serious VHD and may qualify to receive compensation for a Matrix level condition and I want to apply for these benefits.	GREEN FORM (Must be completed in part by a medical doctor - *see* form for details.) (Must be filed in addition to PINK or BLUE FORM)
I want to exclude myself entirely from the Settlement now ("Initial Opt-Out")	ORANGE FORM (Note: You may instead write the Claims Administrator a letter.)

Penalties for False Claims

All Settlement Forms must be signed under penalties of perjury. Since the Postal Service will be used in the processing and payment of claims, submission of fraudulent claims will violate the criminal laws of the United States and be subject to criminal prosecution in the federal courts. The Settlement Agreement contains further detail on procedures for dealing with false claims.

CLASS COUNSEL

Who are the attorneys representing the Class Members in this Settlement?

Class Counsel are as follows:	**Settlement Class Counsel:**
Arnold Levin, Esquire LEVIN, FISHBEIN, SEDRAN & BERMAN 510 Walnut Street, Suite 500 Philadelphia, PA 19106 (215) 592-1500	Gene Locks, Esquire GREITZER & LOCKS 1500 Walnut Street, 20th Floor Philadelphia, PA 19102 800-828-3489
Michael D. Fishbein, Esquire LEVIN, FISHBEIN, SEDRAN & BERMAN 510 Walnut Street, Suite 500 Philadelphia, PA 19106 (215) 592-1500	Sol H. Weiss, Esquire ANAPOL, SCHWARTZ, WEISS, COHAN, FELDMAN & SMALLEY, P.C. 1900 Delancey Place Philadelphia, PA 19103 (215) 735-2098
Stanley M. Chesley, Esquire WAITE, SCHNEIDER, BAYLESS & CHESLEY 1513 Central Trust Tower Fourth and Vine Street Cincinnati, OH 45202 (513) 621-0267	Christopher Placitella, Esquire WILENTZ, GOLDMAN & SPITZER 90 Woodbridge Center Drive Suite 900, Box 10 Woodbridge, NJ 07095-0958 (732) 636-8000
John J. Cummings, III, Esquire CUMMINGS & CUMMINGS 416 Gravier Street New Orleans, LA 70130 (504) 586-0000	
FOR THE PLAINTIFFS' MANAGEMENT COMMITTEE	

Settlement Subclass Counsel:		
FOR SUBCLASS 1(a): Dianne Nast, Esquire RODA & NAST 801 Estelle Drive Lancaster, PA 17601 (717) 892-3000	**FOR SUBCLASS 2(a):** Mark W. Tanner, Esquire FELDMAN, SHEPHERD & WOHLGELERNTER 1845 Walnut Street, 25th Floor Philadelphia, PA 19103 (215) 567-8300	**FOR SUBCLASS 3:** Richard Wayne, Esquire STRAUSS & TROY The Federal Reserve Bldg., 150 East 4th Cincinnati, OH 45202-4018 (513) 621-2120
FOR SUBCLASS 1(b): Richard Lewis, Esquire COHEN, MILSTEIN, HAUSFELD & TOLL 1100 New York Avenue, N.W. Suite 500, West Tower Washington, DC 20005-3934 (202) 408-4600	**FOR SUBCLASS 2(b):** R. Eric Kennedy, Esquire WEISMAN, GOLDBERG, WEISMAN & KAUFMAN 1600 Midland Building 101 Prospect Avenue West Cleveland, OH 44115 (216) 781-1111	

State Court Statewide Certified Class Counsel	
FOR NEW JERSEY CERTIFIED CLASS: David Jacoby, Esquire TOMAR, SIMONOFF, ADOURIAN, O'BRIEN, KAPLAN, JACOBY & GRAZIANO 20 Brace Road Cherry Hill, NJ 08034-0379 (609) 429-1100	**FOR WASHINGTON CERTIFIED CLASS:** Darryl Scott, Esquire LUKINS & ANNIS PS 1600 Washington Trust Financial Center W. 717 Sprague Avenue Spokane, WA 99201 (509) 455-9555
Michael Coren, Esquire LEVY ANGSTREICH FINNEY BALDANTE RUBENSTEIN & COREN PC Woodcrest Pavillion 10 Melrose Avenue, Suite 100 Cherry Hill, NJ 08003 (609) 424-8967	**FOR WASHINGTON CERTIFIED CLASS:** Elizabeth J. Cabraser, Esquire LIEFF, CABRASER, HEIMANN & BERNSTEIN Embarcadero Center West 275 Battery Street, 30th Fl. San Francisco, CA 94111 (415) 956-1000
FOR NEW YORK CERTIFIED CLASS: Seth R. Lesser, Esquire BERNSTEIN LITOWITZ BERGER & GROSSMANN 1255 Avenue of Americas New York, NY 10019 (212) 554-1400	**FOR WASHINGTON CERTIFIED CLASS:** Lynn Sarko, Esquire KELLER, ROHRBACK, LLP 1201 3rd Avenue, Suite 3200 Seattle, WA 98101-3052 (206) 623-1900
FOR PENNSYLVANIA CERTIFIED CLASS: Sol H. Weiss, Esquire ANAPOL, SCHWARTZ, WEISS, COHAN, FELDMAN & SMALLEY, P.C. 1900 Delancey Place Philadelphia, PA 19103	

(215) 735-2098	
Russell D. Henkin, Esquire BERGER & MONTAGUE, P.C. 1622 Locust Street Philadelphia, PA 19103-6365 (215) 875-4637	

ATTORNEYS' FEES

How will the attorneys representing the Settlement Class be paid?

In the event that the Settlement receives Final Judicial Approval, the actual amount of attorneys' fees will be determined by the Court. The Court will award counsel fees and litigation expenses from the Settlement funds and escrow accounts established for this purpose to those attorneys who contributed to the creation of the Settlement Fund through work devoted to the "common benefit" of Class Members.

AHP will pay $200 million into an escrow account under the supervision of the Court for payment to Plaintiffs' Counsel relating to Fund A. For Fund B, AHP agrees that attorneys' fees should be awarded as a percentage of, or otherwise based on, $2.55 billion, which the parties have agreed is the net present value, as of the Final Judicial Approval Date, of the maximum amounts that AHP may be legally obligated to pay to Fund B. The Parties agree that the attorneys' fees payable from Fund B will not exceed $229 million, which is 9% of the $2.55 billion. Attorneys' fees shall be deducted from each payment made to a Class Member from Fund B in an amount equal to 9% of the total Compensation Payments due to that Class Member before any deductions. If the Class Member is represented by his or her own attorney, the person must still pay his or her own attorney's contingent fee, but that attorney's contingent fee will be reduced by 9% to pay for "common benefit" attorneys' fees. In addition, the Class Member's Compensation Payment may be reduced to pay his or her own attorney's reasonable out-of-pocket costs.

In the event that the Settlement does not receive Final Judicial Approval, AHP will make payments for attorneys' fees for Fund A benefits paid or provided under the AIO as described in the Settlement Agreement. In addition, prior to the time that the Settlement receives Final Judicial Approval or if the Settlement does not receive Final Judicial Approval, any Compensation Payment made to individuals choosing the AIO will be reduced by 9% of the total Compensation Payments due to that individual before any deductions, in order to pay attorneys' fees to those attorneys who contributed to the creation of the settlement fund through work devoted to the "common benefit" of Class Members. If the class member is represented by his or her own attorney, the person must still pay his or her own attorney's contingent fee, but that attorney's contingent fee will be reduced by 9% to pay for "common benefit" attorneys' fees. In addition, the person's Compensation Payment may be reduced to pay his or her own attorney's reasonable out-of-pocket costs.

ADDITIONAL INFORMATION ABOUT THE SETTLEMENT

How can I get a copy of the Settlement Agreement?

This Official Court Notice is just a summary of the proposed Settlement. If there is any conflict between this Notice and the Settlement Agreement, the terms of the Settlement Agreement will govern.

You may inspect documents on file with the Court, including the Settlement Agreement, at the Clerk's Office at the United States District Court for the Eastern District of Pennsylania, 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 would like to receive a copy of the Settlement Agreement, you may write xxx at xxx. You also may view a copy of the entire Settlement Agreement on the World Wide Web at the following address: xxx.

If you have any questions about the Settlement's terms and conditions, deadlines or your rights under the Settlement, you may also consult, at your own expense, an attorney of your choice who is familiar with handling diet drug claims.

This Notice was approved on xxx 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, the claims, process, and the important deadlines.