

**UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA WESTERN DIVISION**

Case No.: 2:16-cv-03493-FMO-AS

**NOTICE OF PENDENCY OF CLASS-
ACTION PROPOSED SETTLEMENT
AND COURT-APPROVAL HEARING**

TO: As of June 24, 2020 only, but not later, all NPDES Phase I and II city, town, village, borough, township, and independent port district MS4 permittees with jurisdictional boundaries within a HUC 12 Watershed that contains and/or is immediately adjoining a 303(d) water body impaired by PCBs and all NPDES Phase I and II county MS4 permittees with urbanized, unincorporated boundaries within a HUC 12 Watershed that contains and/or is immediately adjoining a 303(d) water body impaired by PCBs.

THIS IS A COURT-APPROVED NOTICE. PLEASE READ THIS NOTICE CAREFULLY, AS THE PROPOSED SETTLEMENT DESCRIBED BELOW MAY AFFECT YOUR LEGAL RIGHTS AND PROVIDE YOU POTENTIAL BENEFITS. THIS IS *NOT* A NOTICE OF A LAWSUIT AGAINST YOU OR A SOLICITATION FROM A LAWYER.

I. WHAT IS THE PURPOSE OF THIS NOTICE?

The purpose of this Notice is (i) to advise you of a proposed settlement (referred to as the “Settlement”) of the above-captioned consolidated lawsuits (the “Action”) pending against Monsanto Company, Solutia Inc., and Pharmacia LLC (the former Monsanto Company) (collectively, “Defendant” or “Monsanto”) in the United States District Court for the Central District of California (the “Court”); (ii) to summarize your rights in connection with the Settlement; and (iii) to inform you of a Court hearing to consider whether to grant final approval of the Settlement, to be held on October 13, 2022, at 10:00 a.m., before the Honorable Fernando M. Olguin, United States District Judge of the United States District Court for the Central District of California, located at 350 W. First St., Los Angeles, California 90012.

II. WHAT IS THE ACTION ABOUT?

Plaintiffs City of Long Beach, Mayor and City Council of Baltimore, City of Berkeley, City of Chula Vista, County of Los Angeles, City of Oakland, City of Portland, Port of Portland, City of San Diego, City of San Jose, and City of Spokane filed lawsuits against Defendant in district courts in their respective jurisdictions. In their complaints, Plaintiffs asserted that Defendant manufactured a class of industrial chemicals called polychlorinated biphenyls (“PCBs”) between the 1930s and 1977 and stated various causes of action against Defendant for alleged PCB-related impairments to the environment, including to water bodies. Plaintiffs alleged that PCBs are present at sites and public properties, including in stormwater, stormwater and wastewater systems, water bodies, sediment, natural resources, fish and wildlife. Plaintiffs sought compensatory damages and injunctive and equitable relief.

On March 14, 2022, the Court entered an order certifying the Action as a class action, and specifically certifying a Nationwide Class defined as: **As of June 24, 2020 only, but not later, all NPDES Phase I and II city, town, village, borough, township, and independent port district MS4 permittees with jurisdictional boundaries within a HUC 12 Watershed that contains and/or is immediately adjoining a 303(d) water body impaired by PCBs and all NPDES Phase I and II county MS4 permittees with urbanized, unincorporated boundaries within a HUC 12 Watershed that contains and/or is immediately adjoining a 303(d) water body impaired by PCBs.** The claims certified for class-action treatment include claims that Defendant's PCBs and PCB-containing products were defectively designed, that the risks of environmental harm associated with PCBs and PCB-containing products outweighed the benefits of their uses, that Defendant failed to warn of the risks of harm associated with PCBs and PCB-containing products, and that Plaintiffs and the Settlement Class Members suffered property damage as a result of PCB contamination.

Defendant denies that class certification was or remains appropriate (except for purposes of the proposed settlement), denies that its PCBs and PCB-containing products were defectively designed, denies that the risks of environmental harm associated with PCBs and PCB-containing products outweigh their benefits, denies that it acted unlawfully, and asserts various legal and factual defenses against Plaintiffs' claims.

The parties reached a settlement before the Court resolved the claims and defenses of the parties in the Action. Therefore, the Court never resolved whether Defendant did anything wrong.

This Notice should not be understood as an expression of any opinion by the Court as to the merits of the Plaintiffs' claims or Defendant's defenses. Plaintiffs and Defendant recognize that to resolve these and other important issues would be time-consuming, uncertain, and expensive, which is part of the reason for the Settlement.

III. WHO IS PART OF THE PROPOSED SETTLEMENT?

Plaintiffs and Defendant have entered into an agreement to settle the Action (the "Settlement Agreement"). The Court has preliminarily approved the Settlement Agreement as fair, reasonable, and adequate. The Court will hold a final Court Approval Hearing, as described below, to consider whether to make the settlement final.

You are a Class Member if you are:

- **As of June 24, 2020 only, but not later, a NPDES Phase I or II city, town, village, borough, township, or independent port district MS4 permittee with jurisdictional boundaries within a HUC 12 Watershed that contains and/or is immediately adjoining a 303(d) water body impaired by PCBs;**

OR

- **As of June 24, 2020 only, but not later, a NPDES Phase I or II county MS4 permittees with urbanized, unincorporated boundaries within a HUC 12 Watershed that contains and/or is immediately adjoining a 303(d) water body impaired by PCBs.**

If you received this Notice about the proposed settlement in the mail, then you have been identified as an Initial Settlement Class Member according to the parties' records.

Initial Settlement Class Members have been identified in accordance with the Class Definition using three publicly maintained and available databases, as follows: (1) the U.S. EPA 303(d) list of bodies of water impaired by PCBs; (2) USGS HUC 12 Watersheds; (3) U.S. Census Bureau.

IV. WHAT ARE THE KEY TERMS OF THE PROPOSED SETTLEMENT?

The key terms of the proposed Settlement are as follows.

1. ***Settlement Amount.*** Defendant has agreed to pay up to five hundred and fifty million dollars (\$550,000,000) as the total and maximum dollar amount Defendant will be obligated to pay as a net class benefit if the Court grants final approval and all other contingencies are met. This amount includes all payments (i) to Settlement Class Members in exchange for the Release (as described below), and (ii) to the Plaintiffs as class-representative awards (as described below). The Settlement Amount does not include the amount to be paid to Plaintiffs' attorneys for attorneys' fees and expenses actually incurred in the Action (as described below). The Settlement Amount also does not include the reasonable costs and expenses incurred in (1) the notice process, which includes all costs incurred in connection with preparing, printing, publishing, and mailing the Direct Notice; and (2) the administration process, which includes all costs and expenses incurred to hire a Class Action Settlement Administrator and costs of processing claims and administering the Settlement Agreement. Defendant will pay for the costs of the notice process and the costs necessary to process claims and administer the Settlement Agreement. The costs and expenses for implementing the Allocation by the Special Master also will be paid by Defendant. No costs and expenses for implementing the Allocation will be paid from the Settlement Fund.

2. ***Settlement Benefit.*** Each Settlement Class Member who has not excluded itself from the Class will be eligible to receive a settlement check(s) from the Class Action Settlement Administrator based on the Settlement Class Allocation method developed by Lead Class Counsel, the Special Master, and the Named Class Plaintiffs' consulting experts, which has been approved by the Court as fair and reasonable.

The Settlement Amount will be allocated among four separate funds for Class Members. Any amount allocated to a Settlement Class Member in the Monitoring Fund or TMDL Fund that opts out of the Settlement will be reallocated to Settlement Class Members pursuant to the Settlement Agreement. **You may be eligible to receive a payment from one or more of these funds. You are required to apply to receive payment from certain funds.**

(a) **Monitoring Fund.** The Monitoring Fund will include \$42,894,993.43. The funds are intended to pay for PCB sampling and/or any other mitigation efforts in the Settlement Class Member's sole discretion, as part of compliance with applicable law.

The Monitoring Fund will provide a payment to 2,320 Settlement Class Members, which excludes Settlement Class Members that receive over \$100,000 from the TMDL Fund and Settlement Class Members that are also Sediment Site Entities. The Monitoring Fund provides payment at four general levels based on whether the Initial Settlement Class Member is a Phase I or Phase II NPDES Permittee, and whether the Initial Settlement Class Member contains a population of at least 100,000. Independent port districts are excluded from the population consideration and therefore included in levels above 100,000. Phase I Permittees are generally larger than Phase II Permittees. Class Members that are also TMDL Entities receiving over one hundred thousand dollars (\$100,000) from the TMDL Fund will not receive money from the Monitoring Fund. Class Members that are also TMDL Entities receiving between fifty thousand dollars (\$50,000) and one hundred thousand dollars (\$100,000) from the TMDL Fund will receive partial payments ("Monitoring Fund Partial Payments") from the Monitoring Fund. These Monitoring Fund Partial Payments are calculated on a sliding scale: for every one thousand dollars (\$1,000) above fifty thousand

dollars (\$50,000) received from the TMDL Fund, the Monitoring Fund Partial Payment will be reduced by two percent (2%) of a Base Payment. Base Payments are as follows: thirty thousand dollars (\$30,000) for Phase I permittees with a population greater than or equal to one hundred thousand (100,000) and Phase I independent port districts; twenty thousand dollars (\$20,000) for Phase I permittees with a population less than one hundred thousand (100,000); twenty five thousand dollars (\$25,000) for Phase II permittees with a population greater than or equal to one hundred thousand (100,000) and Phase II independent port districts; fifteen thousand dollars (\$15,000) for Phase II permittees with a population less than one hundred thousand (100,000). Settlement Class Members that are also TMDL Entities receiving less than \$50,000 from the TMDL Fund will receive the full Monitoring Fund payment.

Notwithstanding any other payment made within the Allocation, Phase I Initial Settlement Class Members receiving no money or less than fifty thousand dollars (\$50,000) from the TMDL Fund, with populations greater than or equal to 100,000 and Phase I independent port districts each will receive thirty two thousand twenty four dollars and forty seven cents (\$32,024.47); Phase I Initial Settlement Class Members, receiving no money or less than fifty thousand dollars (\$50,000) from the TMDL Fund, with populations less than 100,000 each will receive twenty two thousand twenty four dollars and forty seven cents (\$22,024.47); Phase II Initial Settlement Class Members receiving no money or less than fifty thousand dollars (\$50,000) from the TMDL Fund, with populations greater than or equal to 100,000, and Phase II independent port districts each will receive twenty seven thousand twenty four dollars and forty seven cents (\$27,024.47); Phase II Initial Settlement Class Members receiving no money or less than fifty thousand dollars (\$50,000) from the TMDL Fund, with populations less than 100,000 each will receive seventeen thousand twenty four dollars and forty seven cents (\$17,024.47). Any amounts allocated to a Settlement Class Member that opts out will be reallocated within the formula for the Monitoring Fund.

Phase I \geq 100,000 pop. and Phase I independent port districts:
 $68 \times \$32,024.47 = \$2,177,663.96$

Phase I < 100,000 pop.: $68 \times \$22,024.47 = \$1,497,663.96$

Phase II \geq 100,000 pop. and Phase II independent port districts:
 $214 \times \$27,024.47 = \$5,783,236.58$

Phase II < 100,000 pop.: $1,956 \times \$17,024.47 = \$33,299,863.32$

Monitoring Fund Partial Payments: TMDL Entities receiving TMDL Funds between fifty thousand dollars (\$50,000) and one hundred thousand dollars (\$100,000) will receive a Monitoring Fund Partial Payment. Fourteen (14) TMDL Entities will receive a Monitoring Fund Partial Payment for a total of \$136,565.61.

(b) **TMDL Fund.** The TMDL Fund will include \$250,000,000. **Not every Settlement Class Member is eligible to receive payment from the TMDL Fund.** A Settlement Class Member will receive a payment from the TMDL Fund if the Settlement Class Member is subject to and/or responsible for a TMDL, TMDL Alternative, or TMDL Direct-to-Implementation regulation, promulgated or updated after January 1, 2010, wherein PCB is a named constituent.

The amount of TMDL Fund payments are determined by the following TMDL Allocation Calculation: for all TMDL Fund Entities, multiply (1) the total jurisdictional area within any HUC-12 Water-

shed that contains a 303(d) water body with a PCB TMDL, by (2) the USGS Geodatabase Imperviousness of such jurisdictional area (known as “Weighted Imperviousness”). Then, proportionally normalize all Weighted Imperviousness values to calculate a weighted, relative percentage for each TMDL Fund Entity. Lastly, multiply (1) the weighted, relative percentage for each TMDL Fund Entity, by (2) the total fund less Population Factor Awards. A 0.7 multiplier is applied to any TMDL Fund Entity with a population of less than one hundred thousand (100,000). To account for large populations as a factor in the equitable allocation of the TMDL Fund, each TMDL Fund Entity town, city, village, borough, or township with a population of more than 1 million, and each TMDL Fund Entity county with a population of more than 2 million, will receive a Population Factor Award of \$2 million. No Settlement Class Member will recover more than seven million five hundred thousand dollars (\$7,500,000) under the TMDL Fund, regardless of whether a Population Factor Award would otherwise have provided for an amount greater than \$7,500,000.

(c) Sediment Sites Fund. The Sediment Sites Fund will initially receive \$150,000,000. **Not every Settlement Class Member is eligible to receive payment from the Sediment Sites Fund.** A Settlement Class Member will receive a payment from the Sediment Sites Fund if the Settlement Class Member is a Noticed Party/Potentially Responsible Party or named Responsible Party in at least one of three types of regulated Sediment Sites wherein PCBs have contaminated sediments due to stormwater contribution. The three types of Sediments Sites include only the following: (1) U.S. EPA Superfund Sites, (2) U.S. EPA Large Sediment Sites, and/or (3) Clean Water Act Category 4b Sites/Waters. The following is a list of Sediment Sites wherein at least one Initial Settlement Class Member is a Noticed Party/ Potentially Responsible Party or named Responsible Party due to stormwater contribution of PCBs: Diamond Alkali-Lower Passaic River (Newark, New Jersey); Newtown Creek (New York, New York); Gowanus Canal (New York, New York); Lower Duwamish Waterway (Seattle, Washington); Portland Harbor (Portland, Oregon); Commencement Bay, Near Shore/Tide Flats (Tacoma, Washington); Harbor Island (Lead) (Seattle, Washington); Pacific Sound Resources (Seattle, Washington); San Diego Bay (San Diego, California). Class Members who are eligible for Sediment Sites Fund payments are “Qualifying Sediment Site Entities.” The following is the list of the twelve (12) Initial Settlement Class Members that are Noticed Parties/Potentially Responsible Parties or named Responsible Parties, due to stormwater contribution of PCBs, in at least one Sediment Site: City of Newark, New Jersey; City of New York, New York; City of Seattle, Washington; King County, Washington; Port of Seattle, Washington; City of Tukwila, Washington; City of Tacoma, Washington; Port of Tacoma, Washington; City of Portland, Oregon; Port of Portland, Oregon; City of San Diego, California; Port of San Diego, California.

The Sediment Sites Fund will be allocated among Qualifying Sediment Site Entities identified in Paragraph 79(c) of the Settlement Agreement, other than any Opt-Out Litigating Entity, by a court-appointed Special Master. The Special Master shall use the Sediment Sites Application to inform, guide, and design an equitable allocation among all eligible applicants based on the totality and relativity of the following PCB-caused factors: past costs and expenses spent as of the date of the application for Sediment Site remediation; past costs and expenses spent as of the date of the application for other mitigation required due to the Sediment Site; documented and evidenced future costs and expenses that will be spent for Sediment Site remediation; documented and evidenced future costs and expenses that will be spent for mitigation required due to the Sediment Site; and any other important factors or information deemed relevant by the Special Master. The Special Master will rely solely on the application and documents submitted and will not include oral advocacy, presentation, interview, or interactive process. All applications and documents submitted to the Special Master for the Allocation will be and will remain confidential.

Applications must be submitted within 65 days of the Final Approval Order. Applications may be submitted electronically following Final Approval to www.PCBClassAction.com.

If a Qualifying Sediment Site Entity fails to provide a Sediment Sites Application, the Special Master will work with the Allocation Experts to determine, upon application completed by the Allocation Experts, the allocation amount that could have been otherwise allocated to the Qualifying Sediment Site Entity that did not submit an application. For each Opt-Out Litigating Entity Qualifying Sediment Site Entity, the Sediment Sites Fund will be reduced by \$12,500,000 ($\$150,000,000/12=\$12,500,000$) and this amount will be subtracted from the total Settlement Fund, with the balance of the Sediment Sites Fund being allocated to the Non-Opt-Out Qualifying Sediment Site Entities.

The Special Master will create an appeals process by utilizing a Sediment Sites Appeals Reserve Fund of up to ten percent (10%) of the \$150,000,000 fund. The appeals process will allow for one (1) de novo appeal from each eligible applicant, and any decisions will be at the discretion of the Special Master. The appeals process shall be conducted within an efficient time-frame so as not to hinder the progress of the overall Allocation. The appeals process shall include only a two (2) page written appeal explaining the basis for the appeal, referring only to the original application as evidence of such basis. Any Sediment Sites Appeals Reserve Funds remaining after all appeals have been decided shall be redistributed to all Sediment Site Settlement Class Members on a pro-rata basis.

(d) **Special Needs Fund.** The Special Needs Fund will receive \$107,105,006.57, further allocated into two separate parts known as Special Needs Fund, Part A and Special Needs Fund, Part B. **Settlement Class Members must apply to receive payment from these funds. Not every Settlement Class Member is eligible to receive payment from the Special Needs Funds.**

1. Special Needs Fund, Part A. Special Needs Fund, Part A is allocated \$57,105,000. Not every Settlement Class Member is eligible for a payment from Special Needs Fund, Part A, which is intended to compensate and accommodate those Litigating Entities whose time, energy, effort, attorney work product, costs, expenses, and risk of litigation helped to cause the entire Class Settlement, for the benefit of all 2,528 Initial Settlement Class Members.

Payment from Special Needs Fund, Part A is available only to those Initial Settlement Class Members that are “Litigating Entities” --- i.e., Class Members that (1) have filed tort, public nuisance, and/or product liability lawsuits against Defendant for PCB contamination of stormwater and sediment, and/or (2) that are Named Class Members --- who submit Special Needs Fund, Part A Applications. Litigating Entities include only the following fifteen (15) Initial Settlement Class Members: City of Chula Vista, City of San Diego, Unified Port District of San Diego, City of Long Beach, County of Los Angeles, City of San Jose, City of Berkeley, City of Oakland, City of Portland, Port of Portland, City of Seattle, City of Tacoma, City of Spokane, City of Baltimore, and County of Baltimore.

The Special Master will equitably and reasonably allocate Part A funds, upon application, based on the totality and relativity of the following factors: whether outside counsel was retained; whether a lawsuit was filed; how long the lawsuit was filed at the time of Preliminary Class Approval; the case posture and procedure of any lawsuit; the amount, time, energy, cost, and productivity during discovery with Defendant; the retention of experts; the development of expert testimony and reports; the preparation and presentation of experts for deposition; the litigation of significant motions, including but not limited to motions to

dismiss, discovery motions, motions for summary judgment or adjudication, in limine motions, and other motions; and any other important factors or information deemed relevant by the Special Master as having a significant impact on, or catalyst for, this Settlement. The Special Master will rely solely on the application and documents submitted and will not include oral advocacy, presentation, interview, or interactive process. All applications and documents submitted to the Special Master for the Allocation will be and will remain confidential, and subject to Evidence Code section 408 and state law equivalent code sections, to this Settlement Allocation process and shall not be disclosed or shared beyond the review of the following: the Special Master, the Allocation Experts, Lead Class Counsel, the Class Action Settlement Administrator, and the Court. The Claims Administrator shall also provide Monsanto and the Court with a quarterly accounting of the Settlement Funds and any distributions made as part of the Allocation. The standard for any judicial oversight or review, if any, of the Special Master will be a “de novo” standard. The Special Master will give attention and consideration to any Litigating Entity that has incurred attorneys’ fees to outside counsel, other than Lead or Co-Class Counsel. The Special Master will reasonably and equitably prioritize and reimburse any Litigating Entity that, through outside counsel other than Lead or Co-Class Counsel, incurred reasonable, documented out-of-pocket litigation costs. Litigating Entities that retained outside counsel, and that were not under contract for representation by Lead or Co-Class Counsel, may apply for and receive, subject to Special Master Allocation, an equitable and reasonable allocation for such outside counsel, including attorneys’ fees and costs. Nothing herein shall prevent any Litigating Entity from applying for and receiving, subject to Special Master Allocation, an equitable allocation for in-house or general counsel fees, overhead, salaries, time, energy, costs, resources, and/or attention, including but not limited to city attorneys, county counsel, and/or general counsel.

Not every Settlement Class Member who submits a Special Needs Fund, Part A Application will receive payment from this Fund. Certain Settlement Class Members are not eligible to receive payment, or payment for certain categories, from the Special Needs Fund, Part A:

- Settlement Class Members that are not Litigating Entities shall not recover from the Special Needs Fund, Part A.
- Litigating Entities, which as of October 2019, were under contract for representation by Lead or Co-Class Counsel shall not recover for outside counsel fees or costs in the Special Needs Fund, Part A.
- Litigating Entities that do not timely return a completed application will not receive any payment from the Special Needs Fund, Part A.

Applications must be submitted within 65 days of the Final Approval Order. Applications may be submitted following Final Approval electronically to www.PCBClassAction.com.

The Special Master will create an appeals process by utilizing a Part A Appeals Reserve Fund of up to ten percent (10%) of the \$57,105,000 fund. The appeals process will allow for one (1) de novo appeal from each eligible applicant, and any decisions will be the discretion of the Special Master. The appeals process shall be conducted within an efficient time-frame so as not to hinder the progress of the overall Allocation. The appeals process shall include only a two (2) page written appeal explaining the basis for the appeal, referring only to the original application as evidence of such basis. Any Part A Appeals Reserve Funds remaining after all appeals have been decided by the Special Master shall be redistributed to all Litigating Entities on a pro-rata basis.

2. ***Special Needs Fund, Part B.*** Special Needs Fund, Part B, is allocated \$50,000,006.57. Not every Settlement Class Member is eligible for a payment from Special Needs Fund, Part B, which is intended to compensate those Settlement Class Members who apply and make a showing, in the discretion of the Special Master, of a significant regional, state, or national benefit, cost, or contribution regarding 303(d) bodies of water impaired by PCBs through stormwater and/or dry weather runoff, and such benefit, cost, or contribution is not otherwise encompassed within any other part of this Allocation.

The Special Master will equitably and reasonably allocate Part B funds among only those Settlement Class Members who apply for funds. Settlement Class Members must submit a completed Application within one year and fourteen days of the mailing of Monitoring Fund payments by the Class Action Settlement Administrator to Settlement Class Members. Settlement Class Members that do not timely return a completed application forfeit any right to Part B Funds. Application does not guarantee that the Special Master will allocate Part B Funds to the applicant. **Some Part B applicants may not receive any Part B Funds.** The Special Master shall use the Special Needs Fund, Part B Application to inform, guide, and design an equitable allocation among all eligible applicants. The Special Master will rely solely on the application and documents submitted and will not include oral advocacy, presentation, interview, or interactive process. All applications and documents submitted to the Special Master for the Allocation will be and will remain confidential, and subject to Evidence Code section 408 and state law equivalent code sections, to this Settlement Allocation process and shall not be disclosed or shared beyond the review of the following: the Special Master, the Allocation Experts, Lead Class Counsel, the Class Action Settlement Administrator, and the Court. At the discretion of the Special Master, Defendant may have access to the information for business purposes only, such as insurance or other business needs, provided however that such materials are maintained by Defendant as confidential to the extent legally allowable. The Class Action Settlement Administrator shall also provide Monsanto and the Court with a quarterly accounting of the Settlement Funds and any distributions made as part of the Allocation. Documents related to the Portland Harbor Superfund Site shall remain confidential in any event during the pendency of the Portland Harbor Superfund Site action. **Settlement Class Members that do not timely return a completed application forfeit any right to Part B Funds.**

Applications must be submitted within one year and fourteen days of the Class Action Settlement Administrator's mailing of Monitoring Fund payments to Settlement Class Members. Applications may be submitted electronically to www.PCBClassAction.com.

The Special Master will create an appeals process by utilizing a Part B Appeals Reserve Fund of up to ten percent (10%) of the \$50,000,006.57 fund. The appeals process will allow for one (1) de novo appeal from each eligible applicant, and any decisions, including regarding eligibility, will be the discretion of the Special Master. The appeals process shall be conducted within an efficient time-frame so as not to hinder the progress of the overall Allocation. The appeals process shall include only a two (2) page written appeal explaining the basis for the appeal, referring only to the original application as evidence of such basis. Any Part B Appeals Reserve Funds remaining after all appeals have been decided by the Special Master shall be redistributed to all Part B awarded applicants only on a pro-rata basis. Part B applicants who did not receive an award under either an initial application or an appeal will not receive any pro-rata distribution after all appeals are exhausted.

The Special Master may, in his sole discretion, fairly and reasonably, and consistent with the intention and general structure of the terms of the Allocation, equitably balance monetary allocations to Settlement Class Members to the extent that any did not receive a proper and appropriate Allocation in accordance with the terms herein.

3. Payment of Settlement Benefit. Settlement benefits vary based on the Settlement Members' status as described above. Subject to Paragraph 79(e) of the Settlement Agreement, Monsanto Company, on behalf of the entities described in Paragraphs 14 and 42 of the Settlement Agreement, agrees to pay, within thirty (30) days of the Effective Date, into the Class Action Settlement Administrator's escrow account a lump sum up to Five Hundred and Fifty Million Dollars (\$550,000,000). The payment shall be made to Settlement Class Members as soon as possible and at the earliest reasonable direction by the Special Master to the Claims Administrator.

4. Release. Plaintiffs and all Settlement Class Members who have not excluded themselves from the Class will release certain claims against the Defendant, its affiliates, certain predecessors and successors, and other parties set forth in the Settlement Agreement. This is referred to as the "Release." Generally speaking, the Release will prevent any Settlement Class Member from bringing any lawsuit or making any claims that Defendant's PCBs and PCB-containing products were defectively designed, that the risks of environmental harm associated with PCBs and PCB-containing products outweighed the benefits of their uses, that Defendant failed to warn of the risks of harm associated with PCBs and PCB-containing products, and that Plaintiffs and the Class suffered property damage as a result of PCB contamination. The terms of the Release, as set forth in the Settlement Agreement, can be found in the Addendum at the end of this Notice.

The Release, as set forth in Paragraphs 106-108, and Paragraph 41, of the Settlement Agreement and the Addendum to this Notice, will be effective as to every Settlement Class Member who has not excluded itself from the Class, regardless whether or not that Settlement Class Member receives a Settlement Benefit.

5. Attorney Fee/Litigation Cost and Class Representative Awards. The Court will determine the amount of attorneys' fees and expenses to award to Class Counsel from the Settlement Amount for investigating the facts and law in the Action, litigating the Action since 2015, and negotiating the proposed Settlement of the Action. Class Counsel will request an award of all Attorneys' Fees and Expenses in a total amount of \$98,000,000 to be paid by Defendant. Class Counsel will make their request in a motion for attorneys' fees and litigation costs to be filed with the Court at least 60 days before the Final Approval Hearing. After the motion for attorneys' fees and litigation costs is filed, copies will be available from Class Counsel, the Settlement website, or from the Court docket.

Any attorneys' fees and litigation costs and expenses approved by the Court will be paid by Defendant exclusively and will not be paid from the class benefit Settlement Amount.

6. Settlement Administration. In addition to the Settlement Amount, Defendant has agreed to pay the reasonable costs of (1) the notice process, which includes all costs incurred in connection with preparing, printing, publishing, and mailing the Direct Notice; and (2) the administration process, which includes all costs and expenses incurred to hire a Class Action Settlement Administrator and costs of processing claims and administering the Settlement Agreement. No costs and expenses for implementing the Allocation shall be paid from the Settlement Fund.

7. Dismissal of the Action. If the Settlement is approved by the Court and becomes final, the Action will be dismissed with prejudice. If the Settlement is not approved by the Court or does not become final for any reason, the Action will continue, and Class Members will not be entitled to receive any Settlement Benefit.

THE PARAGRAPHS ABOVE PROVIDE ONLY A GENERAL SUMMARY OF THE TERMS OF THE PROPOSED SETTLEMENT. YOU CAN REVIEW THE SETTLEMENT AGREEMENT ITSELF FOR MORE INFORMATION ABOUT THE EXACT TERMS OF THE SETTLEMENT. THE SETTLEMENT AGREEMENT IS AVAILABLE FROM LEAD CLASS COUNSEL.

V. WHO REPRESENTS THE SETTLEMENT CLASS?

The Court has appointed the attorneys from the following law firms to act as counsel for the Class (referred to as “Lead Class Counsel “ or “Plaintiffs’ Counsel”) for purposes of the proposed settlement:

Scott Summy
ssummy@baronbudd.com

John Fiske
jfiske@baronbudd.com

Carla Burke Pickrel
cburkepickrel@baronbudd.com

Baron & Budd, P.C.
11440 West Bernardo Court, Suite 265
San Diego, CA 92127

Baron & Budd, P.C.
3102 Oak Lawn Avenue,
Ste. 1100
Dallas, Texas 75219
(214) 521-3605

858-251-7424

VI. WHAT ARE THE REASONS FOR THE PROPOSED SETTLEMENT?

Plaintiffs and Defendant agreed on all of the terms of the proposed Settlement through extensive arms-length negotiations between Plaintiffs’ Counsel and Counsel for the Defendant, with the able assistance of a third-party mediator, Hon. Jay C. Gandhi (Ret.) of JAMS. The parties have entered into the proposed Settlement after weighing the benefits of the Settlement against the probabilities of success or failure in the Action, and against the delays that would be likely if the Action proceeded to trial and, after trial, to appeal.

Plaintiffs and Plaintiffs’ Counsel have concluded that the proposed Settlement provides substantial benefits to the Class, avoids prolonged litigation, and is in the best interests of the Class. Plaintiffs and Plaintiffs’ Counsel have concluded that the proposed Settlement is fair, reasonable, and adequate.

Defendant firmly denies any wrongdoing and any liability whatsoever, but believes that it is in its best interest to settle the Action on the terms set forth in the Settlement Agreement in order to avoid further expense, uncertainty, inconvenience, and business disruption as a result of the Action.

VII. WHAT DO YOU NEED TO KNOW AND DO NOW?

You CAN PARTICIPATE IN THE SETTLEMENT. You do not need to do anything in order to participate in the Settlement and be represented by Plaintiffs and Plaintiffs’ Counsel. You will not be billed for their services. If you do nothing, you may be eligible to receive the Monitoring Fund Payment described in this Notice and certain Class Members also will be eligible to receive payments from the TMDL Fund. You may apply for additional payments from the Sediment Sites Fund and the Special Needs Funds, Parts A and B by submitting applications to the Special Master. Plaintiffs’ Counsel will receive a fee only if the Court approves the Settlement and the fee award, if any, will be set by the Court. If you participate in the Settlement, you will be bound by any judgment or other final disposition of the Action, including the Release set forth in the Settlement Agreement, and will be precluded from pursuing claims against Defendant separately if those claims are within the scope of the Release.

You CAN OPT OUT OF THE SETTLEMENT. If you do not wish to be a Class Member, and do not want to participate in the Settlement and receive a Settlement Benefit Check, you may exclude yourself from the Class by completing and mailing a notice of intention to opt-out (referred to as an “Opt-Out”).

To be treated as valid, the Opt-Out must be sent via certified or first class mail to the Class Action Settlement Administrator at the address below.

Class Action Settlement Administrator
Steven Weisbrot of Angeion Group, LLC
1650 Arch Street, Suite 2210
Philadelphia, PA 19103

The Opt-Out must be postmarked on, or personally delivered, no later than July 25, 2022.

The Opt-Out must bear the signature of the Settlement Class Member (even if represented by counsel), and the Settlement Class Member’s current address and telephone number. If the Settlement Class Member has entered into a written or oral agreement to be represented by counsel, the request for exclusion shall also be signed by the attorney who represents the Settlement Class Member.

Any Settlement Class Member who has not timely and properly filed an Opt-Out will be bound by the Settlement and all subsequent proceedings, orders, and judgments, including, but not limited to, the Release and Final Approval Order. **Any Settlement Class Member who elects to opt out of the Settlement Class pursuant to this Agreement shall not be entitled to any Settlement Benefit.**

Settlement Class Members who have elected to Opt Out of the Settlement Class may withdraw their Opt-Out requests prior to the Effective Date, but only if they accept the benefits and terms of this Settlement and dismiss with prejudice any other pending action against Defendant arising out of PCB-related impairments to the environment, including water bodies.

Lead Class Counsel shall have the right to contact persons who file Opt-Outs and to challenge the timeliness and validity of any Opt-Out requests, as well as the right to effect the withdrawal of any exclusion filed in error and any exclusion request which a Settlement Class Member wishes to withdraw for purposes of participating in the Settlement as set forth in this Agreement. The Court shall determine whether any of the contested Opt-Outs are valid.

You CAN OBJECT OR TAKE OTHER ACTIONS. Any Settlement Class Member who has not successfully excluded itself (“Opted-Out”) may object to the Settlement. To exercise this objection right, the Settlement Class Member must provide written notice of the objection via certified or first class mail to the Court and the Class Action Settlement Administrator at the addresses below:

United States District Court for the Central District of California
350 W. First Street
Los Angeles, California, 90012

Class Action Settlement Administrator
Steven Weisbrot of Angeion Group, LLC
1650 Arch Street, Suite 2210
Philadelphia, PA 19103

The Objection must be postmarked on, or personally delivered, no later than July 25, 2022.

The objection must bear the signature of the Settlement Class Member (even if represented by counsel), the Settlement Class Member's current address and telephone number, and state the exact nature of the objection including any legal support the Settlement Class Member wishes to introduce in support of the objection, and whether or not the Settlement Class Member intends to appear at the Final Approval Hearing. If the Settlement Class Member is represented by counsel, the objection shall also be signed by the attorney who represents the Settlement Class Member and state whether the attorney representing the objector will appear at the Final Approval Hearing.

Any Settlement Class Member who fails to comply with these provisions shall waive and forfeit any and all rights to appear separately and/or to object, and shall be bound by all the terms of this Settlement Agreement and by all subsequent proceedings, orders and judgments, including, but not limited to, the Release, the Final Order and the Final Judgment in the Actions. The exclusive means for any challenge to this Settlement shall be through the provisions of Section VI of the Settlement Agreement. Without limiting the foregoing, any challenge to the Settlement or Final Approval Order shall be pursuant to appeal under the Federal Rules of Appellate Procedure and not through a collateral attack.

Any Settlement Class Member who objects to the Settlement shall be entitled to all of the benefits of the Settlement if this Settlement Agreement and the terms contained herein are approved, as long as the objecting Settlement Class Member complies with all requirements of this Settlement Agreement applicable to Settlement Class Members, including the timely submission of an Application and other requirements herein.

Appearances at the Court Approval Hearing. It is not necessary for you to appear at the final Court Approval Hearing. If you have not excluded yourself from the Class and wish to appear and/or speak at the hearing, whether personally or through a lawyer, then you must properly file a Notice of Appearance in the Action with the Clerk of Court of the United States District Court for the Central District of California, and you must mail or hand-deliver a copy of the Notice of Appearance to Class Counsel and Counsel for the Defendant at the addresses set forth below, by September 15, 2022. If you choose to participate at the hearing, you will not be permitted to raise matters that you could have raised, but did not raise, in a properly submitted and valid objection (as described above) without the Court's approval.

Other Motions or Submissions Concerning the Action or the Settlement. It is not necessary for you to submit any motion concerning the Action or Settlement to the Court. If you have not excluded yourself from the Settlement and want to submit a motion to the Court concerning the Settlement or the Action, however, then you must properly file a motion, together with all supporting documents, in the Action with the Clerk of Court of the United States District Court for the Central District of California, and must mail or hand-deliver a copy of the motion, together with all supporting documents, to Class Counsel and Counsel for the Defendant at the addresses set forth below, by September 15, 2022.

VIII. WHAT WILL HAPPEN AT THE FINAL COURT APPROVAL HEARING?

The Court will hold the final Court Approval Hearing in Courtroom 6D of the First Street U.S. Courthouse, located at 350 W. 1st St., Los Angeles, California, 90012, on October 13, 2022, at 10:00 a.m. At that time, the Court will determine, among other things, (i) whether the Settlement should be finally approved as fair, reasonable, and adequate, (ii) whether the Action should be dismissed with prejudice pursuant to the terms of the Settlement Agreement, (iii) whether Class Members should be bound by the Release set forth in the Agreement, (iv) the amount of attorneys' fees and costs to be awarded to Plaintiffs' Counsel, if any, and (v) the amount of the award to be made to Plaintiffs for their services as class representatives, if any. The Court approval hearing may be postponed, adjourned, or continued by Order of the Court without further notice to the Class.

IX. HOW CAN YOU GET ADDITIONAL INFORMATION ABOUT THE ACTION, THE PROPOSED SETTLEMENT, THE SETTLEMENT AGREEMENT, OR THE NOTICE?

The descriptions of the Action, the Settlement, and the Settlement Agreement in this Notice are only a general summary. In the event of a conflict between this Notice and the Settlement Agreement, the terms of the Settlement Agreement control. All papers filed in this case, including the full Settlement Agreement, are available for you to inspect and copy (at your cost) at the office of the Clerk of Court, the Settlement website, or online through PACER. A copy of the Settlement Agreement also may be obtained from Class Counsel by contacting them at the addresses or telephone numbers set forth above. Any questions concerning this Notice, the Settlement Agreement, or the Settlement may be directed to Class Counsel. You may also seek the advice and counsel of your own attorney, at your own expense, if you desire.

DO NOT WRITE OR TELEPHONE THE COURT, THE CLERK’S OFFICE, OR DEFENDANT WITH ANY QUESTIONS ABOUT THIS NOTICE, THE SETTLEMENT, OR THE SETTLEMENT AGREEMENT.

X. WHAT ARE THE ADDRESSES YOU MAY NEED?

Lead Class Counsel:

Scott Summy
Carla Burke Pickrel
BARON & BUDD, P.C.
3102 Oak Lawn Avenue, Ste. 1100
Dallas, Texas 75219
(214) 521-3605

John Fiske
BARON & BUDD, P.C.
11440 West Bernardo Court, Suite 265
San Diego, CA 92127
(858) 251-7424

Defendant’s Counsel:

Mark D. Anstoetter
Brent Dwerlkotte
SHOOK, HARDY & BACON LLP
2555 Grand Blvd.
Kansas City, Missouri 64108
(816) 474-6550

Co-Class Counsel:

John Gomez
GOMEZ TRIAL ATTORNEYS
655 W. Broadway, Ste. 1700
San Diego, California 92101

Richard Gordon
Martin Wolf
GORDON, WOLF & CARNEY
100 W. Pennsylvania Ave, Ste. 100
Towson, Maryland 21204

John R. Wertz
2345 Willow Street
San Diego, California 92110

Settlement Administrator:

Steven Weisbrot
Angeion Group, LLC
1650 Arch Street, Suite 2210
Philadelphia, PA 19103

XI. WHAT YOU MUST INCLUDE IN ANY DOCUMENT YOU SEND REGARDING THE ACTION.

In sending any document to the Settlement Administrator, the Court, Class Counsel, or Defendant’s Counsel, it is important that both your envelope and any documents inside contain the following case name and identifying number:

City of Long Beach v. Monsanto Co., et al., CASE NO.: 2:16-cv-03493-FMO-AS.

You must also include your full name, address, email address, and a telephone number where you can be reached.

XII. WHAT IMPORTANT DEADLINES YOU NEED TO KNOW.

- SEPTEMBER 15, 2022 Any notices of appearances and motions must be hand-delivered or post marked and mailed to the Court and hand-delivered or postmarked and mailed to Class Counsel and Defendant's Counsel.
- JULY 25, 2022 All opt-outs must be postmarked and mailed to the Settlement Administrator.
- JULY 25, 2022 Any objections must be hand-delivered or postmarked and mailed to the Court and hand-delivered or postmarked and mailed to Class Counsel and Defendant's Counsel.
- OCTOBER 13, 2022 Final Approval Hearing

Dated: May 24, 2022

The Honorable Fernando M. Olguin
UNITED STATES DISTRICT JUDGE

ADDENDUM

As noted in Section IV of the Notice, the terms of the Release, and definitions of terms, as embodied in Paragraphs 41-43 and 106-108 of the Settlement Agreement, are reproduced below.

41. “Released Claims” means all claims which were or could have been alleged in the Action, including but not limited to any claim for attorneys’ fees, expenses, and costs. Nothing in this Settlement Agreement will preclude or affect any action under the Comprehensive Response, Compensation and Liability Act (“CERCLA”) or similar state Superfund statutes and applicable regulations, or under any other laws or regulations. This Agreement shall in no way affect any administrative test claims related to the California Water Board. The Releases provided herein shall be mutual between Plaintiffs, Settlement Class Members, and Releasing Persons, on the one hand, and Defendant and Released Persons on the other hand. Releasing Persons release only Released Persons as defined herein.

42. “Released Persons” means Defendant and any Affiliate of Defendant, including but not limited, to Bayer AG, Pfizer Inc., and Eastman Chemical Company. “Affiliate” under this Settlement means each and all past, present, or future, direct or indirect, predecessors, successors (including but not limited to successors by merger or acquisition), parents (including intermediate parents and ultimate parents), subsidiaries, affiliated or related companies, divisions, partnerships, and joint ventures; and any past, present, or future officer, director, shareholder, employee, partner, trustee, representative, agent, servant, insurer, attorney, predecessor, successor, or assignee of any of the above.

43. “Releasing Persons” shall include Named Class Plaintiffs and all Settlement Class Members, and each of their past, present, or future, direct or indirect, predecessors, successors (including but not limited to successors by merger or acquisition), parents (including intermediate parents and ultimate parents), subsidiaries, affiliated or related companies, divisions, partnerships, and joint ventures; and any past, present, or future officer, director, shareholder, employee, partner, trustee, representative, agent, servant, insurer, attorney, predecessor, successor, or assignee of any of the above.

VIII. MUTUAL RELEASE

106. Upon entry of the Final Approval Order, Defendant and Released Persons will have released all claims arising from PCB contamination that were or could have been alleged against any Named Class Plaintiffs, Settlement Class Members, and/or Releasing Persons. Upon entry of the Final Approval Order, the Releasing Persons will have released the Released Persons from the Released Claims. All Releases provided herein shall be mutual between Plaintiffs, Class Members, and Releasing Persons, on the one hand, and Defendant and Released Persons on the other hand. Nothing in this Agreement shall affect or limit any defenses Defendant may have in or against any claims or actions asserted against Defendant by any person or persons who are not

parties to this Settlement Agreement for any Released Claims, including but not limited to any defense based on protection from contribution claims or actions under any applicable federal, state, or local law.

107. Each Settlement Class Member agrees to be responsible for any liens, interests, actions, or claims made by any third party, in a derivative manner, for or against the portion of Settlement Funds allocated to each Settlement Class Member, including without limitation, any derivative actions or claim asserted by any insurers, agents, representatives, successors, predecessors, assigns, and attorneys, bankruptcy trustees, and any and all other persons, firms, corporations, associations, and other legal entities who may claim through them in a derivative manner.

108. If any Settlement Class Member brings an action or asserts a claim against Defendant contrary to the terms of the Settlement Agreement, Defendant shall provide Lead Class Counsel with a copy of the Settlement Class Member's complaint. Lead Class Counsel agrees to contact counsel of record for the Settlement Class Member and advise him or her of the Settlement Agreement.