

UNITED STATES DISTRICT COURT

SOUTHERN DISTRICT OF OHIO

WESTERN DIVISION

IN RE: : Case No. C-1-91-256
BOWLING-PFIZER LITIGATION : Judge Herman J. Weber,
: Senior Judge

TWENTY-FOURTH REPORT OF THE SPECIAL MASTERS/TRUSTEES
COVERING PERIOD FROM NOVEMBER 23, 2005 TO MAY 24, 2006

SPECIAL MASTERS/TRUSTEES

Hon. Robert L. Black, Jr.
Peter J. Strauss, Esq.

AGENDA

TWENTY-FOURTH REPORT OF THE SPECIAL MASTERS/TRUSTEES

In Re: Bowling-Pfizer Litigation

Case No. C-1-91-256

June 8, 2006

11:00 A.M.

Hon. Herman J. Weber, Senior Judge

1. Introductory remarks by Judge Weber.
2. Report of the Special Masters/Trustees.
3. Comments from Counsel:
 - Class Counsel.
 - Counsel for Defendants.
4. Questions and comments from those in attendance.
5. Request for date of next report of Trustees.
6. Closing remarks of Judge Weber.

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- A. Twenty-Fourth Report of the Special Masters/Trustees
- B. Appendices to Court Report
 - 1. Schedule of ongoing research projects.
 - 2. "Hit Report" regarding the Supervisory Panel's Website.
 - 3. Unaudited balance sheet as of April 30, 2006 and an unaudited statement of income and funds balance for the four months ended April 30, 2006.
 - 4. Unaudited balance sheet as of December 31, 2005 and an unaudited statement of income and funds balance for the year ended December 31, 2005.

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TWENTY-FOURTH REPORT OF THE SPECIAL MASTERS/TRUSTEES

To the Honorable Herman J. Weber, Senior Judge, United States District Court:

Your Special Masters/Trustees respectfully present their twenty-fourth periodic report, covering activities from November 23, 2005 to May 24, 2006. This report is submitted fifteen days prior to the status hearing before the Court scheduled for June 8, 2006.

I. PATIENT BENEFIT FUND

A. Supervisory Panel. The Supervisory Panel has not met as a whole panel since October 31, 2005, but has had numerous committee meetings. Specifically, the Guidelines Committee has been very active working to revise the 2003 Amended Guidelines. The work has been done largely through conference calls with the Guidelines

Committee in addition to Dr. William Blot and Dr. Ron Brookmeyer. Also, on April 27, 2006, Dr. Ned Weyman and Dr. Michel Ibrahim along with Dr. Ron Brookmeyer and Dr. Bill Blot met with Class and Special Counsel, Counsel for Pfizer, Counsel for Public Citizen, Counsel for the Trustees, the Chair of the Supervisory Panel and the Trustees to discuss a draft of the 2006 Amended Guidelines. This draft was distributed to Class and Special Counsel, Counsel for Pfizer and Counsel for Public Citizen, as well as other Counsel several weeks before the meeting. Counsel submitted their questions regarding the draft Guidelines to the Guidelines Committee before the April 27th meeting and the questions were discussed at the meeting. The Committee is now in the process of making revisions to the draft of the 2006 Amended Guidelines based upon the issues raised at the April 27, 2006 meeting.

The Supervisory Panel decided in March 2006 to terminate the EMAT Research being conducted at Michigan State.

Dr. Ned Weyman and Dr. Don Harrison, have maintained close scrutiny of the animal work being done at Bio Surg with the ACES and BioQuantetics diagnostic devices. Both doctors were present at both rounds of sheep studies and David Miller was present at the second round of studies. The Supervisory Panel considers the sheep studies to be successful.

The Panel is also continuing to prepare for the patient studies to be performed at The Ohio State University with the ACES

device and at Cedars with the BioQuantetics device.

B. Guidelines. The Panel is completing a revision to the 2003 Guidelines as discussed above.

C. Research. Our report on the status of the research program of the Supervisory Panel is set out in the attached Appendix 1.

D. Imaging. Since the imaging program at Penn State resumed again, effective April 26, 2005, four implantees who may qualify for replacement surgery have been imaged.

E. Repository. The Supervisory Panel continues to maintain a publicly accessible repository of certain documents and information concerning the BSCC heart valve. The repository contains hard copy printouts of various items including, but not limited to, certain reports on the status and results of research sponsored by the Supervisory Panel, minutes of meetings of the Supervisory Panel, a bibliography of published literature regarding the BSCC heart valves, certain unpublished reports prepared by Dr. Brookmeyer of his statistical analysis, the Bowling Settlement Agreement, and other information. The repository is currently located at the Trustees' office.

In addition, the Trustees have made many of the documents in the repository available electronically in a database which can be accessed through the internet at www.bowling-pfizer.com/repository. Individuals are able to search for information using descriptive

words. Some of the information, such as published articles, are not available for review online due to copyright and other intellectual property concerns. To access the online repository, an individual need only contact the Trustees' office for the website location and a password. The Trustees have placed an announcement on its website providing class members and other interested individuals with information about the electronic database.

F. Website. The Supervisory Panel's website continues to be found at www.bowling-pfizer.com. It provides basic information on the parties involved (biographies, addresses, telephone numbers, email, etc.), certain orders of the Court including the 2003 Amended Guidelines, a copy of the Settlement Agreement, Trustee Reports and a bibliography of relevant articles as well as other important information.

As noted above, an announcement has been placed on the website explaining that many of the documents contained in the document repository are now available on-line. Further, a copy of the most recent "hit report" of the Supervisory Panel's website is attached to this Report as Appendix 2.

The website is being amended to allow for Class Registration on the website in thirteen (13) different languages, including English.

G. Valve Replacement Surgery Claims and Fracture Claims.

The Claims Administrator continues to receive and process claims for valve replacement surgery and outlet strut fracture. Some of the claimants have elected other courses of action rather than to receive the Settlement benefits.

Since the date of the last Trustees' report on November 23, 2005, there has been one reported outlet strut fracture. This event has not been confirmed at this date.

The total number of qualified claims received from the beginning are: 95 (72 foreign) qualified outlet strut fracture claims and 137 (55 foreign) qualified valve replacement surgery claims including 38 (16 foreign) qualified single leg fracture claims.

In an effort to locate unregistered class members, a notice was published in 7 foreign and 13 U.S. newspapers. To date there have been 79 responses, resulting in the registration of 4 class members. Most of the responses are from class members who have already registered or from persons who are not class members. In addition, the Canadian Shiley Patient Notification and Registration System mailed a notice to approximately 360 implantees.

The office of the Claims Administrator continues to fulfill requests to calculate estimated annual fracture rates under the 2003 Amended Guidelines. In addition, the office of the Claims Administrator continues to respond to other inquiries from and on behalf of Class Members.

II. FINANCIAL INFORMATION

At April 30, 2006, the total balance of cash and cash equivalents was \$25,617,963. This amount takes into account net interest earned from January 28, 1992 through April 30, 2006 in the aggregate amount of \$24,611,749.

Attached as Appendix 3 are the following: an unaudited balance sheet as of April 30, 2006 and an unaudited statement of income and funds balance for the four months ended April 30, 2006 (which includes the budgeted amounts for expenses for the administrative office for the period January 1, 2006 through December 31, 2006).

Attached as Appendix 4 are the following: an unaudited balance sheet as of December 31, 2005 and an unaudited statement of income and funds balance for the year ended December 31, 2005 (which includes the budgeted amounts for expenses for the administrative office for the year ended December 31, 2005.)

III. COMMUNICATIONS

Communications remain open, whether with physicians, Class Members, other BSCC heart valve implantees, Class Counsel, Special Counsel, Defendant's Counsel, or Counsel for Public Citizen.

IV. APPROVALS

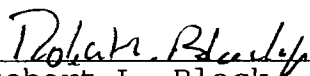
Your honor, the Special Masters/Trustees request that the Court:

- Approve this Report, and

- Approve, or provide guidance with respect to, each of the Appendices to this Report, and
- Provide guidance with respect to any duty of the Special Masters/Trustees, and
- Fix the date for the next Report.

Respectfully submitted,

Dated: May 24, 2006



Hon. Robert L. Black, Jr.



Peter J. Strauss, Esq.

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APPENDIX 1

Trustees for the Bowling-Pfizer Heart Valve Settlement Funds
Supervisory Panel Research Projects Initiated After January 31, 2005

Continuing Operation Plan Future Projects	Termination Date	Contract Amounts			Billed Through 4/30/2006	Remainder 4/30/2006	
		Projected	Actual	Savings		Committed Unbilled	Completed Cost Savings
Committed							
Michigan State University							
EMAT System	11/12/2006	\$1,000,000	\$982,686	\$17,314	\$376,047		\$606,639
Sheep Study	6/30/2005	40,000	35,125	4,875	34,547		578
BioQuantetics							
Ultrasound Burst-Spect.	12/31/2005	600,000	589,928	10,072	579,365		10,563
April 2005 Interim Funding	4/30/2005		25,535	(25,535)	24,918		617
January 2006 Interim Fund.	1/31/2006		50,827	(50,827)	50,827		
March 2006 Addendum	4/30/2006		181,950	(181,950)	168,823		13,127
ACES							
Passive Acoustics	8/31/2005		5,259	(5,259)	110	\$5,149	
Cleveland Clinic & STS							
Guidelines Data		20,000	68,044	(48,044)	68,044		
BioSurg		100,000	230,120	(130,120)	134,165	95,955	
International Epidem. Inst.			35,000	(35,000)	19,237	15,763	
Hershey Imaging		38,463	38,463		38,463		
ACES							
Passive Acoustics	11/8/2006	500,000	499,675	325	141,951	357,724	
Total		\$2,298,463	\$2,742,612	(\$444,150)	\$1,636,497	\$474,591	\$631,524
Not Yet Committed							
Michigan State University							
EMAT System Testing		30,000					
Hershey Imaging		121,537					
Pilot Test		262,250					
Testing Center		1,597,500					
Guidelines Notification		400,000					
Total		\$2,411,287					
Total		\$4,709,750					

**Trustees for the Bowling-Pfizer Heart Valve Settlement Funds
Supervisory Panel Research Projects Ongoing At January 31, 2005**

Continuing Operation Plan Ongoing Projects	Termination Date	Balance 1/31/2005	Billed 2/1/2005 4/30/2006	Remainder 4/30/2006	
				Committed Unbilled	Completed Cost Savings
International Epidemiology Inst. Utrecht University Devtrack Pty. Ltd. International Epidemiology Study	8/31/2005	\$65,340	\$65,340	\$63,500	
Penn State University Database of Mfg. Records	9/30/2005	103,159	95,889		\$7,270
International Epidemiology Inst. Patient Quality of Life Survey	(1) 3/31/2005	26,362	26,362		
Utrecht University Dutch Follow Up Study	12/22/2005	104,954	75,542	29,412	
Information Systems Laboratories, Noninvasive Assessment of Heart Valves	2/25/2005	77,997	77,997		
BioQuantetics Ultrasound Burst-Spectrography	2/28/2005	139,104	139,104		
Miromico, Inc. Telemonitoring System	4/7/2005	199,400	199,400		
JMC Utrecht Electromagnetic Dip Meter	4/14/2005	37,947	37,947		
Michigan State University Catheter Based and EMAT Detection of SLS	6/30/2005	238,722	227,016		11,706
Michigan State University EMAT Continuation Project	5/12/2005	157,111	107,188		49,923
Eindhoven University Catheter Based Antenna	4/18/2004	106,800	106,800		
Cleveland Clinic 3-D Motion of Heart Valves	3/22/2005	73,134	69,234		3,900
ACES Evaluation of the Role of Crack Growth and Initiation	11/30/2004	2,100	2,100		

ACES BSCC Valve Performance Modeling Using Element Free Techniques	(2)	2/28/2005	17,290	17,290	
ACES Modeling of BSCC Heart Valves, Effect of Compliant Support Conditions	(3)	2/28/2005	45,200	45,200	
ACES Relationship of Engineering and Epidemiology	(4)	9/30/2005	132,050	132,050	
ACES Hook to Well Separation	(5)	9/30/2005	127,675	127,675	
ACES Passive Accoustic Detection	(6)	8/31/2005	137,470	137,470	
JAB Evaluate Approach to Improve Risk of Re-Operation		7/18/2004	128,683	112,181	16,502
TOTAL			\$2,021,498	\$1,839,285	\$92,912
					\$89,301

Note - The 1/31/2005 balances are the amounts included in Schedule II of the Supervisory Panel's continuing operation plan.

- 1) The total charges of the researcher exceeded the amount that the court approved agreement allowed the Trustees to pay. The researcher absorbed this cost overrun as a "professional discount". In this case the professional discount was \$5,200.
- 2) Professional discount of \$3,050.
- 3) Professional discount of \$3,555.
- 4) Professional discount of \$7,450.
- 5) Professional discount of \$20,690.
- 6) Professional discount of \$53,151.

APPENDIX 2

Hlt Report for Bowling-Pfizer.com

February 2006

March 2006

April 2006

Total Visits	721	1251	1088
Average Daily Visits	25	40	36
Average Visit Length	6:55	7:50	6:47
Median Visit Length	0:45	2:31	1:24
International Visits	8.59%	14.82%	5.69%
US Visits	78.36%	69.07%	79.31%
Unknown Origin Visits	13.03%	16.09%	14.98%

Unique Visitors	960	612	447
One-Time Visitors	288	434	339
Multiple-Time Visitors	72	178	108

Top Downloads Class Letter 2003 - 43 times Pamphlet - 179 times Amended 2003 - 63 times

Notice of filing the 22 Report - 31 times Settlement - 103 times Notice of filing of the 23 Report - 53 times

Doctor Letter 2003 - 24 times Pamphlet - 28 times Amended 2003 - 92 times Class Letter 2003 - 37 times

Summary 2003 - 22 times Doctor Letter 2003 - 64 times Reports Update - 61 times Pamphlet - 34 times

Settlement - 22 times Doctor Letter 2003 - 54 times Doctor Letter 2003 - 20 times Reports Update - 21 times

Legal Notice to Class - 21 times Notice of filing of the 23 Report - 46 times Doctor Letter 2003 - 20 times Precautions - 18 times

Total Downloads 292 861 337

Reston, VA	Reston, VA	Redmond, WA
Redmond, WA	Herndon, VA	Reston, VA
Altadena, CA	Redmond, WA	Altadena, CA
Herndon, VA	Altadena, CA	Cincinnati, OH
Stamford, CT	San Francisco, CA	San Francisco, CA

United States	United States	United States
France	Poland	United Kingdom
Canada	Canada	Japan
United Kingdom	Sweden	Canada
Switzerland	United Kingdom	Switzerland
Spain	Netherlands	Netherlands
Seychelles	Belgium	Seychelles
Netherlands	France	France

Hit Report for Bowling-Pfizer.com

February 2006

March 2006

April 2006

States/Provinces viewing site

February 2006	March 2006	April 2006
Virginia	Virginia	Washington
Washington	Washington	Virginia
California	California	California
Connecticut	Ohio	Ohio
New York	Connecticut	Tennessee
Minnesota	Ontario	Connecticut
New Hampshire	Massachusetts	New Jersey
Florida	Pennsylvania	Pennsylvania
Michigan	Washington, D.C.	Colorado

Search Engine & Reference -

February 2006	March 2006	April 2006
MSN	Inklomi	Inklomi
Google	Google	MSN
Ask	AOL	AOL
Inklomi	Network Solutions	Google
Google	MSN	Ask
Twieledom	Twieledom	Twieledom
Fuse	Fuse	Fuse

Top Domain Types

February 2006	March 2006	April 2006
Commercial (.com) 473	Commercial (.com) 755	Commercial (.com) 733
Network (.net) 86	Network (.net) 130	Network (.net) 134
Education (.edu) 6	Education (.edu) 8	Education (.edu) 7
Organization (.org) 2	Organization (.org) 4	Organization (.org) 5
Government (.gov) 1	Government (.gov) 2	Government (.gov) 2

APPENDIX 3

TRUSTEES FOR THE BOWLING-PFIZER
HEART VALVE SETTLEMENT FUNDS

BALANCE SHEET

AS OF APRIL 30, 2006

UNAUDITED

ASSETS

CASH	\$	427,897
U.S. TREASURY BILLS		25,190,066
OTHER ASSETS		<u>6,040</u>
	\$	<u>25,624,003</u>

LIABILITIES AND FUNDS BALANCE

ACCOUNTS PAYABLE AND ACCRUED EXPENSES	\$	604,768
FUNDS BALANCE		<u>25,019,235</u>
	\$	<u>25,624,003</u>

TRUSTEES FOR THE BOWLING-BLOOMER
HEART VALVE SETTLEMENT FUNDS

STATEMENT OF INCOME AND FUNDS BALANCE

FOR THE FOUR MONTHS ENDED APRIL 30, 2006

UNAUDITED

INVESTMENT INTEREST INCOME	\$ 367,511
RESEARCH PROGRAMS - COSTS	<u>644,948</u>
LITIGATION ATTORNEYS - FEES & EXPENSES	<u>606,065</u>
EXPENSES:	
Supervisory Panel	252,569 (1)
Trustees' fees and expenses	24,412
Professional fees	32,247
Administrative office	200,237 (1)
Notification expenses	<u>226,905</u>
Total	<u>736,370</u>
NET CHANGE IN FUNDS BALANCE	(1,619,872)
FUNDS BALANCE, DECEMBER 31, 2005	<u>26,639,107</u>
FUNDS BALANCE, APRIL 30, 2006	<u>\$ 25,019,235</u>

(1) - See Schedule 1 herewith.

TRUSTEES FOR THE BOWLING-PFIZER
HEART VALVE SETTLEMENT FUNDS

SCHEDULE OF EXPENSES
UNAUDITED

	<u>BUDGET</u>	<u>ACTUAL</u>
	<u>1/1/06-12/31/06</u>	<u>1/1/06- 4/30/06</u>
SUPERVISORY PANEL:		
Panel members' compensation		\$ 181,300
Consultants' compensation		41,301
Travel and incidental expenses		26,824
Miscellaneous		<u>3,144</u>
Total		<u>\$ 252,569</u>
 ADMINISTRATIVE OFFICE:		
Rents	\$ 73,000	\$ 22,363
Office payroll	449,000	136,161
Payroll taxes	25,000	11,262
Pension plan	176,000	
Other employee benefits	88,000	23,319
Outside services	12,000	1,273
Printing and postage	6,000	1,150
General insurance	3,000	2,905
Telephone	9,000	2,939
Office supplies and expense	6,000	895
Depreciation	3,000	42
Miscellaneous	6,000	
Administrative services income	<u>(5,000)</u>	<u>(2,072)</u>
Total	<u>\$ 851,000</u>	<u>\$ 200,237</u>

APPENDIX 4

TRUSTEES FOR THE BOWLING-PFIZER
HEART VALVE SETTLEMENT FUNDS

BALANCE SHEET

AS OF DECEMBER 31, 2005

UNAUDITED

ASSETS

CASH	\$ 1,077,625
U.S. TREASURY BILLS	26,288,511
OTHER ASSETS	<u>42</u>
	<u>\$ 27,366,178</u>

LIABILITIES AND FUNDS BALANCE

ACCOUNTS PAYABLE AND ACCRUED EXPENSES	\$ 727,071 (1)
FUNDS BALANCE	<u>26,639,107</u>
	<u>\$ 27,366,178</u>

(1) - Does not include any provision for fees and expenses for Class Counsel and Special Counsel and Public Citizen, Inc. for the period since October 2004.

TRUSTEES FOR THE BOWLING-GOZZER
HEART VALVE SETTLEMENT FUNDS

STATEMENT OF INCOME AND FUNDS BALANCE

FOR THE YEAR ENDED DECEMBER 31, 2005

UNAUDITED

INVESTMENT INTEREST INCOME	\$ 743,412
RESEARCH PROGRAMS - COSTS	<u>2,852,813</u>
EXPENSES:	
Supervisory Panel	977,632 (1)
Trustees' fees and expenses	95,695
Professional fees	189,011
Administrative office	776,852 (1)
Notification expenses	<u>6,784</u>
Total	<u>2,045,974</u>
RECEIVED FROM PFIZER INC.	<u>6,250,000</u>
NET CHANGE IN FUNDS BALANCE	2,094,625 (2)
FUNDS BALANCE, DECEMBER 31, 2004	<u>24,544,482</u>
FUNDS BALANCE, DECEMBER 31, 2005	<u>\$ 26,639,107</u>

(1) - See Schedule 1 herewith.

(2) - See note (1) on Balance Sheet herewith.

TRUSTEES FOR THE BOWLING-PFIZER
HEART VALVE SETTLEMENT FUNDS

SCHEDULE OF EXPENSES
UNAUDITED

	<u>BUDGET</u>	<u>ACTUAL</u>
	<u>1/1/05-12/31/05</u>	<u>1/1/05-12/31/05</u>
SUPERVISORY PANEL:		
Panel members' compensation		\$ 734,400
Consultants' compensation		123,509
Travel and incidental expenses		105,042
Miscellaneous		<u>14,681</u>
Total		<u>\$ 977,632</u>
 ADMINISTRATIVE OFFICE:		
Rents	\$ 73,000	\$ 68,592
Office payroll	428,000	417,480
Payroll taxes	25,000	22,741
Pension plan	166,000	171,000
Other employee benefits	80,000	75,409
Outside services	12,000	6,368
Printing and postage	6,000	2,941
General insurance	3,000	3,083
Telephone	9,000	8,713
Office supplies and expense	6,000	3,536
Depreciation	3,000	2,094
Miscellaneous	6,000	289
Administrative services income	<u>(5,000)</u>	<u>(5,394)</u>
Total	<u>\$ 812,000</u>	<u>\$ 776,852</u>