

SCHEDULE "F"

MODIFICATION NUMBER 1 - NOVEMBER 2, 1999

The Settlement Agreement is hereby modified as follows:

1. By the addition of the following provisions to Section 10.01 of the Settlement Agreement:

"p. 1) In their unfettered discretion, the Courts may order, from time to time, at the request of any Party or of the Joint Committee, that all or any portion of the money and other assets that are held by the Trustee pursuant to the Settlement Agreement and are actuarially unallocated be:

- (i) allocated for the benefit of the Class Members and / or to the Family Class Members in the Class Actions;
- (ii) allocated in any manner that may reasonably be expected to benefit the Class Members and / or the Family Class Members even though the allocation does not provide for monetary relief to individual Class Members and / or Family Class Members;
- (iii) paid, in whole or in part, to the FPT Governments or some or one of them considering the source of the money and other assets which comprise the Trust Fund; and / or
- (iv) retained, in whole or in part, within the Trust Fund;

in such manner as the Courts in their unfettered discretion determine is reasonable in light of all the circumstances provided that in distribution there shall be no discrimination based upon where the Class Members received Blood or based upon where that Class Member resides;

"p. 2) In exercising their unfettered discretion under paragraph p.1) hereinbefore, the Courts may consider, but are not bound to consider, among other things, the following factors:

- (i) the number of Class Members and Family Class Members;
- (ii) the experience of the Trust Fund;

- (iii) the fact that the compensation provided under the Plans may not reflect, in certain cases, extra-contractual liability models;
- (iv) article 1036 of the *Code of Civil Procedure of Quebec*;
- (v) whether the integrity of the Settlement Agreement will be maintained and the benefits particularized in the Plans ensured;
- (vi) whether the progress of the disease is significantly different from the medical model used in the Eckler actuarial report;
- (vii) the fact that Class Members and Family Class Members bear the risk of insufficiency of the Trust Fund;
- (viii) the fact that the contributions of the FPT Governments pursuant to the Settlement Agreement are capped;
- (ix) the source of the money and other assets which comprise the Trust Fund;
- (x) any other fact the Courts consider material."

2. Sections 11.02 of the Settlement Agreement and 6.03 of the Funding Agreements are inoperative and superceded with the following:

"11.02(1) The amount to be paid or payable by the FPT Governments, pursuant to the Settlement Agreement and the Funding Agreement, shall be reduced by \$10,535,000, as of September 30, 1999, being the \$10,000,000 representing the estimated present value of the excess cost to the Trust Fund of resolving any action or actions instituted or prosecuted by all persons who opt out of a Class Action or are deemed to opt out of a Class Action and all other persons who claim over or bring a third party claim or make any claim or demand or take any action or proceeding against any FPT Government in any way relating to or arising from: (i) in the case of a Transfused Class Member or Transfused Family Class Member under the Transfused HCV Plan, the infection of a Primarily-Infected Person with HCV during the Class period, or (ii) in the case of a Transfused or Hemophiliac Class Member or the Transfused or Hemophiliac Family Class Member under the Hemophiliac HCV Plan, the infection of a Primarily-Infected Hemophiliac

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or Primarily-Infected Person with HCV from Blood (including in each case, the infection of a Secondarily-Infected Person) (collectively, the "Opt-Out Plaintiffs"); and the sum of \$533,000 representing the actuarially calculated present value of one-third of the costs of defending actions prosecuted by Opt-Out Plaintiffs. For greater certainty, any person who is a Class member as presently defined may participate in the Plans created by the Settlement Agreement.

"11.02(2) Upon delivery to the Trustee of a copy of a final judgment (as defined in section 1.07 of the Settlement Agreement) obtained by an Opt-Out Plaintiff against the FPT Governments or some or one of them, or of minutes of a settlement entered into by an Opt-Out Plaintiff and the FPT Governments, some or one of them and of a copy of the final order of a Court approving a settlement, the FPT Governments or their designate shall be paid out of the Trust Fund:

- (i) as of the date of said judgment or settlement, an amount equal to the amount that the Opt-Out Plaintiff would have been entitled to receive from the Trust Fund had he or she qualified under a Plan; and
- (ii) a one-time lump sum amount, to be approved by one of the Courts, in satisfaction of the amount that the Opt-Out Plaintiff may thereafter have become entitled to receive from the Trust Fund from time to time had he or she qualified under a Plan, calculated in accordance with a protocol to be approved by the Courts;

provided, however, that in no circumstances shall the amount to be paid from the Trust Fund to the FPT Governments, or some or one of them exceed the amount of the judgment or of the settlement paid to the Opt-Out Plaintiff by the FPT Governments or some or one of them, plus the interest thereon.

"11.02(3) No other amount shall be paid from the Trust Fund to settle any action prosecuted by an Opt-Out Plaintiff or to pay any judgment in any action

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prosecuted by an Opt-Out Plaintiff or to indemnify the FPT Governments or some or one of them from any judgment or settlement of any action instituted or prosecuted by an Opt-Out Plaintiff.”

The Plan for persons who received blood transfusions (Schedule A) is modified as follows:

3. Paragraph (a) of the definition of “Primarily-Infected Person” in Section 1.01 is modified as follows:

- replace the “;” with a “.” at the end of paragraph (a);
and
- add the following sentence at the end of the said paragraph (a):
“A person who is or has been suffering from thalassemia major is not affected by this paragraph (a);”

4. By the addition of a Section 4.10:

“A Primarily-Infected Person suffering from thalassemia major shall be entitled to meet the required proof for compensation and to receive the benefits under the Hemophiliac HCV Plan, *mutatis mutandis*, as if they were Primarily-Infected Hemophiliacs and they are deemed, for the purposes of the Settlement Agreement and the Hemophiliac HCV Plan, to be Primarily-Infected Hemophiliacs except that the proviso included in Section 4.01(5) of the Hemophiliac HCV Plan shall not apply, and their Spouses and Children who are Secondarily-Infected Person as defined in the Transfused HCV Plan and their Family Members shall also be entitled to meet the required proof for compensation and to receive benefits under the Hemophiliac HCV Plan except that the proviso in Section 4.01(5) of the Hemophiliac HCV Plan shall not apply.”