

**UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA**

In re: GUIDANT CORP. IMPLANTABLE
DEFIBRILLATORS PRODUCTS
LIABILITY LITIGATION

MDL No. 05-1708 (DWF/AJB)

This Document Relates to All Actions

**ORDER ESTABLISHING SETTLEMENT FUND ESCROW ACCOUNT AND
APPOINTING ESCROW AGENT**

Upon Joint Motion of Plaintiffs and Defendants, and for good cause shown, the Court hereby **ORDERS** as follows:

1. The Guidant Settlement Fund Escrow Account (“SFEA”) is established as a “qualified settlement fund” within the meaning of Treas. Reg. § 1.468B-1 and pursuant to the jurisdiction conferred on this Court by Treas. Reg. § 1.468B-1(c)(1). In accordance with the Court’s December 20, 2007 Order approving the Claims Administrator, the Court directs the Claims Administrator, as “administrator” of the SFEA within the meaning of the MSA, the parties’ Escrow Agreement (as defined below), Section 468B of the Internal Revenue Code of 1986, as amended, and Treas. Reg. § 1.468B-2(k)(3), to take all actions necessary and appropriate to perfect the establishment of the SFEA as a “qualified settlement fund” within the meaning of Treas. Reg. § 1.468B-1 (effective as of establishment of the Interim Fund (defined below)), to timely undertake and complete any and all tax preparation, reporting and filing responsibilities associated with the

SFEA, and to conduct any and all activities necessary to administer the SFEA as described in the parties' Joint Motion, as set forth in the MSA and the parties' Escrow Agreement, and as permitted by Section 468B of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder.

2. All amounts residing in the Interim Guidant Heart Device Litigation Settlement Fund ("Interim Fund") (including all amounts deposited in the Interim Fund and all interest, dividends, income, earnings, and gain earned on any funds in the Interim Fund) shall be transferred to the Guidant Settlement Fund Escrow Account. Assistant Special Master Patrick A. Juneau is hereby authorized to accomplish such transfer, and is directed, upon completion of such transfer, to provide to the LCC and Defendants written confirmation showing the date that such transfer is completed and the dollar value of the Interim Fund transferred to the SFEA.

3. Wells Fargo Bank, N.A. is appointed as escrow agent for the SFEA ("Escrow Agent") pursuant to the terms, conditions, and restrictions of the parties' Joint Motion and the Settlement Fund Escrow Agreement ("Escrow Agreement").

4. The Court has and retains jurisdiction over all aspects of the Settlement, the SFEA, and the Escrow Agreement, including, but not limited to, the implementation, execution, qualification, enforcement, administration, and interpretation of the Escrow Agreement and the SFEA.

5. Upon final distribution of all monies held in the SFEA, the Escrow Agent shall take appropriate steps to wind down the SFEA in accordance with the instructions of the Claims Administrator, and thereafter shall be discharged from any further responsibility with respect to the SFEA.

Dated: December 26, 2007

s/Donovan W. Frank
DONOVAN W. FRANK
Judge of United States District Court