

EXHIBIT 3 TO CLASS ACTION SETTLEMENT AGREEMENT

SETTLEMENT FUND DISTRIBUTION PROTOCOLS

The Settlement Administrator shall process claims under the criteria set forth in these Distribution Protocols. Only those Residential Household Claims, Business Claims, Medical Claims, Pregnancy Claims and Wage Earner Claims that satisfy the applicable criteria in the Settlement Agreement and these Distribution Protocols are eligible to receive payment through the Settlement. All capitalized terms in these Distribution Protocols have the meaning that they are given in the Settlement Agreement.

I. Settlement Claim Options/Claim Types

A. Residential Household Claims and Business Claims

1. Residential Claimants and Business Claimants will have the option of electing one of two potential claim options: the Simple Claim Form Option or the Individual Review Option. Business Claimants that elect the Individual Review Option and that are Commercial Businesses or non-profit Businesses shall submit the Individual Review Option Claim Form for Businesses (including Non-Profit Organizations) and Business Claimants that elect the Individual Review Option and that are Governmental Entities shall submit the Individual Review Option Claim Form for Governmental Entities.
2. Residential Claimants and Business Claimants may change their election at any time before the Claims Submission Deadline by submitting written notice of the change and any additional information necessary to support the revised claim to the Settlement Administrator.

B. Medical Claims, Pregnancy Claims and Wage Earner Claims

1. Medical Claimants must submit the Individual Review Option Claim Form for Medical Claims if they seek to recover for Medical Claims in addition to any payment through a Residential Household Claim.
2. Pregnancy Claimants must submit the Individual Review Option Claim Form for Pregnancy Claims if they seek to recover for Pregnancy Claims in addition to any payment through a Residential Household Claim.
3. Resident Wage Earner Claimants must submit the Individual Review Option Claim Form for Wage Earner Claims if they seek to recover for Wage Earner Claims in addition to any payment through a Residential Household Claim.

4. Non-Resident Wage Earner Claimants must submit the Individual Review Option Claim Form for Wage Earner Claims in order to obtain any recovery.

II. Claim Forms

- A. Simple Claim Form. The Simple Claim Form will provide information to enable the Settlement Administrator to: (i) identify the location of the Residence or Business and determine that the location is an Eligible Location; (ii) ensure that only one claim is paid for each Eligible Location; (iii) identify all Residents of an Eligible Residential Location as of January 9, 2014, confirm they are Settlement Class Members and ensure that only one claim of any applicable type is paid for each Resident; (iv) identify all Businesses located at an Eligible Location as of January 9, 2014, confirm they are Settlement Class Members, and ensure that only one claim is paid for each Business; (v) identify current contact information for the Residential Claimant and all Residents of an Eligible Residential Location or all owners or relevant principals of a Business at an Eligible Business Location; and (vi) make payment to the appropriate recipient. The Simple Claim Form will contain language that will allow the Claimant to attest to the presence of Property Damage at the Eligible Location and to sign and verify the information on the Simple Claim Form under penalty of perjury.
- B. Individual Review Claim Form. The Individual Review Claim Form will provide information to enable the Settlement Administrator to: (i) identify the location of the Residence or Business and determine that the location is an Eligible Location; (ii) ensure that only one claim is paid for each Eligible Location except as expressly provided herein for multiple Businesses and multiple use buildings; (iii) identify all Residents of a Residential Location as of January 9, 2014, confirm they are Settlement Class Members, and ensure that only one claim of any applicable type is paid for each Resident; (iv) identify all Businesses located at an Eligible Location as of January 9, 2014, confirm they are Settlement Class Members, and ensure that only one claim is paid for each Business; (v) identify current contact information for the Claimant and all Residents of an Eligible Residential Location or all owners or relevant principals of an Eligible Business Location; (vi) determine that a Medical Claimant, Pregnancy Claimant or a Wage Earner Claimant is a Settlement Class Member; (vii) assess any potential liens or other claims to any payment made under the Settlement (including identification of health or other insurers as required by the Settlement Agreement); and (viii) make payment to the appropriate recipient. The Individual Review Claim Form will require the Claimant to provide documentation demonstrating Property Damage for Residential, Business and Governmental Claims. The Individual Review Claim Form will require Medical Claimants to provide documentation demonstrating Physical Injury as applicable. The Individual Review Claim Form will require Wage Earner Claimants to provide proof of hourly employment at an Eligible Business Location that was Shut Down or Partially Shut Down. The Individual Review Claim Form will require all Claimants to state the amount of

loss and to provide proof of loss caused by the Incident as specified in these Distribution Protocols.

- C. Prepopulation of Claim Forms. The Settlement Administrator will prepopulate Simple Claim Forms distributed in hard copy as applicable using the West Virginia American Customer List and other available, reliable sources.

III. Eligibility Criteria

- A. Residential Claimants. To be eligible for compensation, a Residential Claimant (i) must have been a resident at an Eligible Residential Location on January 9, 2014; (ii) may not be an Opt Out; and (iii) must timely submit a signed Claim Form. An Eligible Residential Claimant who submits a Claim Form is considered to be making a Residential Household Claim. If no Claim Form is submitted, a Residential Direct Customer User may be eligible for the Check Distribution Process as described in Section XI.D below.
- B. Business Claimants. To be eligible for compensation, a Business Claimant must (i) be a person or entity that operated a Business in an Eligible Business Location on January 9, 2014; (ii) may not be an Opt Out; and (iii) must timely submit a signed Claim Form.
- C. Medical Claimants. To be eligible for compensation, a Medical Claimant (i) must have been a resident at an Eligible Residential Location on January 9, 2014; (ii) may not be an Opt Out; and (iii) must timely submit a signed Individual Review Option Claim Form for Medical Claims. A Medical Claimant who resides at an Eligible Residential Location may also receive a payment for the Residential Household Claim and may make a Wage Earner Claim, if otherwise eligible.
- D. Pregnancy Claimants. To be eligible for compensation, a Pregnancy Claimant (i) must have been a resident at an Eligible Residential Location on January 9, 2014; (ii) may not be an Opt Out; and (iii) must timely submit a signed Individual Review Option Claim Form for Pregnancy Claims. A Pregnancy Claimant who resides at an Eligible Residential Location may also receive a payment for the Residential Household Claim and may make a Wage Earner Claim, if otherwise eligible. A Pregnancy Claimant cannot make both a Medical Claim and a Pregnancy Claim.
- E. Non-Resident Wage Earner Claimants. To be eligible for compensation, a Non-Resident Wage Earner Claimant must (i) have been employed as an hourly employee on January 9, 2014 at an Eligible Business Location that was Shut Down or employed in the portion of an Eligible Business Location that was Partially Shut Down; (ii) may not be an Opt Out; and (iii) must timely submit a signed Individual Review Option Claim Form for Wage Earners.
- F. Resident Wage Earner Claimants. To be eligible for compensation, a Resident Wage Earner Claimant must (i) have been employed as an hourly employee on January 9, 2014 at an Eligible Business Location that was Shut Down or

employed in the portion of an Eligible Business Location that was Partially Shut Down; (ii) may not be an Opt Out; and (iii) must timely submit a signed Individual Review Option Claim Form for Wage Earners. A Resident Wage Earner Claimant who resides at an Eligible Residential Location may also receive a payment for the Residential Household Claim, if otherwise eligible, and may also make a Medical Claim or a Pregnancy Claim, if otherwise eligible.

IV. Consolidation of Claims

A. Single Claim/Payment

1. There can be only one approved Residential Household Claim for each Eligible Residential Location.
2. There can be only one approved Business Claim for each Eligible Business Location, except that if the Settlement Administrator determines for a multi-unit facility that more than one Business operated there on January 9, 2014, each independent Business may be eligible for a payment.
3. There may be a Business Claim payment or a Residential Household Claim payment but not both for an Eligible Residential Location if a Business is operated in the Eligible Residential Location, except that if an Eligible Location was a multi-use building that contained both Businesses and Residences on January 9, 2014, each independent Business and Residence may be eligible for a payment.
4. Subject to subsections (1), (2), and (3) immediately above, if more than one Claim Form is submitted for any Eligible Location, the Settlement Administrator shall consolidate those claims and determine which claim is eligible for payment.
5. The Check Distribution Process shall be available only for Residential Direct Customer Users at those Eligible Residential Locations for which no Claim Form for a Residential Household Claim has been submitted by the Claims Submission Deadline.

- B. Medical Claimants. Each Eligible Medical Claimant may receive a single compensation amount for a Medical Claim as determined by the Settlement Administrator. A Medical Claimant may also receive a payment through a Residential Household Claim. A Medical Claimant may also seek a payment as a Wage Earner Claimant, if otherwise eligible.
- C. Pregnancy Claimants. Each Eligible Pregnancy Claimant may receive a single compensation amount for a Pregnancy Claim as determined by the Settlement Administrator. A Pregnancy Claimant may also receive a payment through a Residential Household Claim. A Pregnancy Claimant may also seek a payment as a Wage Earner Claimant, if otherwise eligible.
- D. Resident Wage Earner Claimants. Each Eligible Resident Wage Earner Claimant may receive a single compensation amount for a Wage Earner Claim as determined by the Settlement Administrator. A Resident Wage Earner Claimant may also receive a payment through a Residential Household Claim. A Resident Wage Earner Claimant may also seek payment as a Medical Claimant or as a Pregnancy Claimant, if otherwise eligible.
- E. Non-Resident Wage Earner Claimants. Each Eligible Non-Resident Wage Earner Claimant may receive a single compensation amount for a Wage Earner Claim as determined by the Settlement Administrator.

V. Determination of Compensation for Simple Claim Form Option

- A. Assessment of Aggregate Value of Claims/Allocation of Assets for Simple Claim Form Submissions.
 - 1. The compensation amounts for Residential Claimants and Business Claimants that elect the Simple Claim Form Option shall be as set forth below in Sections V.B and V.C, except as set forth in Section V.A.2, below.
 - 2. In the event that payment of the compensation amounts under the Simple Claim Form Option as set forth below in Sections V.B and V.C, and any compensation amounts to be paid through the Check Distribution Process described below in Section XI.D, would exceed the Available Assets for the Simple Claim Form Option, the Settlement Administrator will establish the compensation amounts for approved Residential Household Claims and approved Business Claims under the Simple Claim Form Option and compensation amounts for the Check Distribution Process using the methodology set forth in this section. The compensation amounts shall be uniform so that each Eligible Residential Location receives the same amount, each Additional Resident receives the same amount, each Check Distribution Process check recipient receives the same amount, and each approved Business Claim within the same business type and revenue category receives the same amount.

- (i) The Settlement Administrator must determine the aggregate number of Eligible Residential Locations for which Simple Claim Forms have been submitted and the number of eligible Additional Residents.
- (ii) The Settlement Administrator must determine the aggregate number of Eligible Residential Locations (associated with a Customer and for which no Residential Direct Customer User has submitted a Claim Form) that will receive a check through the Check Distribution Process.
- (iii) The Settlement Administrator must determine the aggregate number of approved Business Claims submitted under the Simple Claim Form Option and the revenue category of each such Business or portion of the Business, if necessary.
- (iv) After determining the total amount of Compensable Claims to be paid under the Simple Claim Form Option and the total amount to be distributed through the Check Distribution Process, the Settlement Administrator shall reduce the payment amounts as follows, if necessary: first, the Check Distribution Process payment amounts, and second, if necessary, by pro rata reduction to all other payees, down to the amount of the Available Assets for the Simple Claim Form Option.

B. Compensation Terms for Residential Household Claims. There will be a uniform payment for each Eligible Residential Location including one Resident, plus an additional uniform payment for each Additional Resident at that Location if there was more than one Resident at the Location on January 9, 2014.

1. *Estimated Payment Amount for Each Eligible Residential Location:* The estimated uniform payment for each Eligible Residential Location is \$525.00 (inclusive of one Resident).
2. *Estimated Payment Amount for Each Additional Resident:* The estimated uniform payment for each Additional Resident (beyond the first Resident) is \$170.00.
3. *Distribution of Aggregate Payment for Residential Claims.* The aggregate payment amount for a Residential Household Claim is the sum of the amount for the Eligible Residential Location plus the amount(s) for each Additional Resident. The Settlement Administrator will issue a single payment in that aggregate amount addressed and made payable to the individual Claimant who filed the Claim ("Payee Claimant"). The Payee Claimant shall be responsible for distributing portions of that aggregate payment amount to the Residents as agreed among the adult Residents. If the Residents cannot agree on such distribution, any Resident may request

that the Settlement Administrator determine the allocation of the aggregate payment amount among the adult Residents. The Settlement Administrator may allocate the aggregate payment amount based on either (1) evidence showing the costs incurred by each adult Resident for repair or replacement of Property Damage or for extra expenses or (2) pro rata based on the number of Residents in the Household. Notwithstanding the above, the Settlement Administrator may issue separate payments to individual Residents if and as necessary.

C. Compensation Terms for Business Claims. The compensation amount for Business Claimants under the Simple Claim Form Option will be based on the category of the Business and, as applicable, the revenues of the Business.

1. *Commercial Businesses that Shut Down or Partially Shut Down:* Commercial Businesses that Shut Down may be eligible for an estimated payment as set forth below based on annual sales revenue for 2013 or reliable substitute revenue data for the Eligible Business Location. If a Commercial Business was Partially Shut Down, eligibility for payment amounts other than set forth in Section C.1(i) below must be based on 2013 annual sales revenue or reliable substitute revenue data only for the operations that were Partially Shut Down. If a Business that was Shut Down or Partially Shut Down does not provide reliable evidence of revenues sufficient to determine the applicable revenue category, that Business will receive the payment set forth in Section C.1(i) below.

- (i) Annual revenue of up to and including \$250,000: estimated uniform payment of \$6,250.
- (ii) Annual revenue over \$250,000 up to and including \$1 million: estimated uniform payment of \$12,500.
- (iii) Annual revenue above \$1 million: estimated uniform payment of \$25,000.

2. *Lodging Businesses:* Lodging Businesses may be eligible for an estimated payment as set forth below based on annual sales revenue for 2013 or reliable substitute revenue data for the Eligible Business Location. If a Lodging Business does not provide reliable evidence of revenues sufficient to determine the applicable revenue category, that Business will receive the payment set forth in Section C.2(i) below.

- (i) Annual revenue up to and including \$500,000: estimated uniform payment of \$10,000.
- (ii) Annual revenue over \$500,000 up to and including \$2 million: estimated uniform payment of \$20,000.

(iii) Annual revenue above \$2 million: estimated uniform payment of \$40,000.

3. *Other Eligible Business Locations, including all nonprofit and Governmental Entity Eligible Business Locations:* estimated uniform payment of \$1,875.

VI. Determination of Compensation for Claims Submitted Under Individual Review Option

- A. Residential Claimants and Business Claimants may seek compensation for certain eligible losses resulting from Property Damage demonstrated with reliable documentation in accordance with the Settlement Agreement and these Distribution Protocols. Each Residential Claimant and each Business Claimant under the Individual Review Option must state on the applicable Claim Form the total amount of compensation requested and the Claimant's recovery under the Settlement for that claim cannot exceed that requested amount. To be compensable under the Individual Review Option, costs, expenses and losses must be reasonable and necessary. The amount of compensation will be based on the documentation provided and the guidelines in these Distribution Protocols. There is no minimum compensation amount for Residential Household Claims or Business Claims if the Claimant elects the Individual Review Option.
- B. Subject to any limitations in the Settlement Agreement regarding authorized work and Advance Payments, the Settlement Administrator shall conduct an initial review of each Residential Individual Review Option Claim Form within 14 days of submission. If such review is not authorized prior to the Effective Date, then such initial review shall be completed within 14 days after the Effective Date. If a Residential Claimant identifies a total requested compensation amount that is less than the estimated payment amount that would have been available for a Residential Household Claim under the Simple Claim Form Option, or if the Individual Review submission clearly would not support a Compensable Claim, then the Settlement Administrator shall inform the Residential Claimant of that fact and provide a copy of the Residential Simple Claim Form. The Claimant may return the Simple Claim Form within 7 days from receipt or consistent with the allowed time under Section I.A.2, whichever is longer. If the Claimant does not change the election by notice to the Settlement Administrator within the allowed time, the Residential Claimant will receive the compensation amount, if any, determined by the Settlement Administrator under the Individual Review Option.
- C. The Settlement Administrator is authorized and obligated to verify documents and submissions through a quality management and fraud control process and to evaluate and deny claims based on the absence of reliable documentation. The Settlement Administrator will have authority to make reasonable requests for additional information.

D. The amount of compensation for an Individual Review Option claim will be determined based on the amount of the eligible documented losses, the aggregate amount of Individual Review Option claims, and the amount of funds available to compensate such Individual Review Options claims. Losses that are not properly documented will not be compensated.

E. Residential Claims.

1. *Eligible Residential Claimants may recover:*

- (i) Repair/replacement costs: The reasonable documented costs incurred and paid for repair or replacement of any and all appurtenances of the residential water system that was necessitated by the Incident, including the cost of hiring an outside vendor to clean and flush the residential water system as recommended in the flushing guidelines provided by West Virginia American. Residential Claimants may recover 50% of the cost of replacing an appliance (up to a maximum of \$750), including hot water heaters, dishwashers, washing machines, refrigerators, and humidifiers, but such limitations shall not apply to CPAPs or similar assistive breathing device.
- (ii) Extra expenses: The reasonable documented extra expenses incurred and paid as a result of the Incident, such as costs for bottled water or other alternative water supplies, paper plates, plastic ware, pre-prepared meals, sanitation supplies, restaurant expenses, alternative lodging, and laundry expenses.
- (iii) Discarded food: The reasonable documented costs of food that was discarded as a result of the Incident.

2. *Time Period of Eligible Loss*

- (i) To be eligible for payment, the repair and/or replacement in Section VI.E.1(i) must have occurred between January 9, 2014 and February 18, 2014, unless the Claimant can demonstrate a reasonable basis for delaying repair/replacement.
- (ii) To be eligible for payment, the extra expenses in Section VI.E.1(ii) must have been incurred between January 9, 2014 and the end of the Do Not Use Period for the location, unless the Claimant can demonstrate a reasonable basis for continuing to incur extra expenses, provided that no extra expenses incurred after February 1, 2014 will be eligible. Documented bottled water or replacement water expenses are eligible if incurred through March 3, 2014.
- (iii) To be eligible for payment the discarded food in Section VI.E.1(iii) must have been purchased before or on January 9, 2014 and must

have been discarded during the Do Not Use Period, unless the Claimant can demonstrate a reasonable basis for subsequent costs for discarded food, provided that no discarded food costs after February 1, 2014 will be eligible.

3. *Causation Requirement*

- (i) Causation will be presumed for the repair and/or replacement costs in Section VI.E.1(i) (not including replacement of appliances) provided that the repair or replacement occurred between the end of the Do Not Use Period and February 18, 2014.
- (ii) Causation will be presumed for the extra expenses in Section VI.E.1(ii) that occurred during the Do Not Use Period for the location.
- (iii) For any other claimed losses (including replacement of appliances), the Claimant must present reliable documentation demonstrating that the loss, cost, or expense was reasonable and a necessary result of the Incident.

4. *Documentation:*

- (i) Claimants must demonstrate all claimed losses or expenses with reliable documentation showing the actual out of pocket expenditure (such as credit card statements, invoices, bank statements, cancelled checks), the purpose of the expenditure (i.e., the item purchased or the repair performed) and the date of the expenditure.

F. Business Claims.

- 1. Eligible Business Claimants, including Governmental Claimants, may recover:
 - (i) **Repair/replacement costs:** The reasonable documented cost incurred and paid for replacing or repairing components of the water system necessitated by the Incident, including the cost of hiring an outside vendor to clean and flush the Business water system as recommended in the flushing guidelines provided by West Virginia American and/or to meet any applicable health department or other regulatory requirements. The Business Claimant may recover 75% of the paid cost of replacing any affected appliance or equipment that was used to operate the Business, subject to demonstration of timing and causation requirements as described below.

- (ii) Lost profits: A Business Claimant that had Property Damage may recover lost profits using the applicable methodology set forth below. A Governmental Claimant may recover lost revenues using the applicable methodology set forth below, including in Section VI.5(i)(a).
- (iii) Lost inventory: A Business Claimant may recover the documented value of inventory that had to be destroyed or discarded and was not usable as a result of the cessation of operations due to the Incident.
- (iv) Extra expenses: A Business Claimant with Property Damage may recover costs paid for the Property Damage along with the reasonable and actual cost paid for supported additional losses, such as bottled water or other substitute water supplies or alternative cleaning supplies that do not require water during the Do Not Use Period. Extra expenses in this Section VI.F.1 shall include for Governmental Claimants such unreimbursed response costs paid in excess of budgeted expenditures that were incurred in direct response to the Incident.
- (v) Any Business Claimant seeking to recover any losses, costs or expenses under this Section VI.F.1 based on contamination from the Incident that is not associated with the introduction of water containing the spilled chemicals into the KVTP and the Kanawha Valley Distribution System cannot recover more than \$1,000,000 through the Settlement Agreement.

2. *Time Period of Eligible Loss*

- (i) To be eligible for compensation, repair and/or replacement in Section VI.F.1(i) must have occurred between January 9, 2014 and February 18, 2014, unless the Claimant can demonstrate a reasonable basis for delaying such repair/replacement.
- (ii) To be eligible for compensation, the lost inventory in Section VI.F.1(iii) must have been in existence during the Do Not Use Period and must have been discarded or destroyed within one week of the Business resuming operations, unless the Claimant can demonstrate a specific reasonable basis for delayed loss or destruction of such inventory.
- (iii) To be eligible for compensation, the extra expenses in Section VI.F.1(iv) must have been caused by the Incident and limited to those reasonable documented expenses incurred during the Do Not Use Period, unless the Claimant can demonstrate a specific reasonable basis for continuing to incur such extra expenses.

Documented replacement water costs are eligible if incurred through March 3, 2014. No payment may be made for extra expenses in Section VI.F.1(iv) incurred after March 3, 2014.

- (iv) Lost profits and lost revenues in Section VI.F.1(ii) will be limited to: (a) the period January 9, 2014 through March 31, 2014 for Businesses that were Shut Down; (b) the period January 9, 2014 through March 31, 2014 for Businesses that were Partially Shut Down with respect to lost profits attributable to the portion of the Business that was Partially Shut Down; (c) the period January 9, 2014 through February 24, 2014 for all other Businesses. These limitations are subject to the ability of a Business Claimant or Governmental Claimant to establish a longer period in accordance with Section VI.F.5(iii).

3. *Causation Requirement*

- (i) Causation will be presumed for costs incurred and paid for repair or replacement of any component of the water system that the flushing guidelines provided by West Virginia American recommended customers repair or replace or that any health department or other regulatory agency instructed customers to repair or replace.
- (ii) For replacement of a specific appliance or equipment, the Claimant must demonstrate with specific reliable documentation (such as a communication from a manufacturer or repair technician) that replacement of that specific appliance or equipment was necessary due to the Incident.
- (iii) Causation will be presumed for extra expenses in Section VI.F.1(iv) incurred during the Do Not Use Period.
- (iv) Lost profits and lost revenues in Section VI.F.1(ii) will be presumed to be caused by the Incident for the duration of the Do Not Use Period for Businesses that Shut Down, or for Businesses that Partially Shut Down with respect to lost profits attributable to the portion of the Business that was Partially Shut Down; all other lost profits claims will be evaluated for causation under Section VI.F.5(iii).
- (v) Lost inventory in Section VI.F.1(iii) will be presumed to be caused by the Incident if the lost inventory was perishable.
- (vi) For all other claims for repair/replacement costs, extra expenses, or lost inventory, the Claimant must demonstrate that the loss was the direct result of the Incident and that the repair/replacement,

expense or loss was reasonable and necessary and meets such other applicable standards as described in this Section VI.F.

4. *Documentation*

- (i) Repair/replacement costs in Section VI.F.1(i) and/or extra expenses in Section VI.F.1(iv) must be supported by reliable documentation demonstrating that the component was repaired or replaced and identifying the items purchased or other expenses (such as credit card statements, invoices, bank statements, cancelled checks), the date of the repair or replacement or purchase and the reason for the repair or replacement.
- (ii) The value of lost inventory in Section VI.F.1(iii) must be supported by reliable documentation demonstrating the cost of the lost inventory (*e.g.*, invoices showing the cost of obtaining or creating the lost inventory; inventory lists; credit card statements, invoices, bank statements, cancelled checks).
- (iii) Proof of Lost Profits: The Business Claimant must submit its books and records showing or enabling the calculation of lost profits in Section VI.F.1(ii), including but not limited to, if available:
 - (a) Daily sales (and occupancy for lodging) records for the period of claimed loss;
 - (b) Profit and Loss Statements (or Income and Expense Statements) for 2012, 2013, and 2014. (Departmental statements, if applicable);
 - (c) Monthly sales (and occupancy for lodging) for 2012, 2013 and 2014;
 - (d) Payroll records; and
 - (e) Such other documentation requested by the Settlement Administrator.
- (iv) Proof of Lost Revenues: Governmental Claimants must submit books, data, and/or records showing or enabling the calculation of lost revenue, including books, data, and/or records (*e.g.*, annual financial reports, budgets, and tax revenue collection data) showing actual revenue for the years 2012 through any period for which lost revenues are sought.
- (v) Submission of Lost Profits/Lost Revenues Calculation: The Business Claimant or Governmental Claimant must submit its

computation of its claimed lost profits or lost revenues with all supporting documentation necessary to calculate lost profits or lost revenues as set forth in Section VI.F.5.

5. *Computation of Lost Profits/Lost Revenues and Review Procedures*

- (i) Lost profits will be calculated using the following approach: Lost sales, less the saved direct cost of sales, less all other saved operating costs.
 - (a) Governmental Claimants may use the following calculation: Loss of revenues (including lost tax revenues, fees, commissions, and other sources of funds) less any saved or variable costs of operations, except that the amount of lost profits that can be awarded to any Governmental Claimant based on a claim of lost tax revenues shall be limited to \$2.2 million.
- (ii) Lost Profits for Businesses that were Shut Down or Partially Shut Down: Any Eligible Business that was Shut Down will submit the following information: (a) the actual sales for the claimed period of loss; (b) the direct costs of sales for the claimed period of loss in 2013, 2014, and 2015; (c) the costs saved as a result of the cessation of operations for the claimed period of loss. Any Eligible Business Location that was Partially Shut Down may choose to submit the same information for the portion of the Business that was Partially Shut Down. If the Eligible Business Location that was Partially Shut Down is unable to submit the information for the portion of the Business that was Partially Shut Down, the Business must prove lost profits for that portion of the Business under the procedures set forth in Section VI.F.5(iii) below.
- (iii) For lost profits claims (a) for Businesses that were not Shut Down or Partially Shut Down; (b) for periods beyond any period that an Eligible Business Location was Shut Down or Partially Shut Down, or (c) for a Business that was Shut Down or Partially Shut Down and that is not able to provide the separate information required by Section VI.F.5(ii), lost profits will be determined on a case by case basis using forensic accounting methodologies that will evaluate the causal link between the Incident and the alleged loss of revenue/sales by accounting for all factors affecting revenue and profit. Such analysis will apply reasonable forensic accounting methodologies for the type of business at issue. Lost profits will not be awarded unless there is a documented reduction in profits that can be directly attributed with reasonable certainty to

the Incident. Such lost profits must be proven as to causation and amount to a reasonable degree of economic certainty.

- (iv) **Lost Revenues Claims:** The computation of a claim for Lost Revenues may be based on lost revenues from specific, defined economic sectors, (*e.g.*, lost tax revenue from identified business categories, including, but not limited to, hotels, restaurants, etc. for which sector the claimant identifies in its books, data and records). Lost revenues claims will be determined on a case by case basis using economic, forensic accounting methodologies that will evaluate the causal link between the Incident and the alleged loss of revenue by accounting for all factors affecting revenue. Such analysis will apply reasonable economic forecasting and forensic accounting methodologies for such Claimants. Lost Revenues will not be awarded unless there is a reduction in revenues that can be directly attributed with reasonable certainty to the Incident. Such lost revenues must be proven to a reasonable degree of economic certainty.

- (v) **Lost Profits/Lost Revenues Review Procedure:** The Settlement Administrator shall review any lost profits or lost revenues claim and if the Settlement Administrator determines that the Business Claimant or Governmental Claimant has submitted sufficient information to conduct the lost profits or lost revenues analysis then the Settlement Administrator shall provide the Claimant's analysis and the Settlement Administrator's analysis and determination to the Parties and the Claimant for review.
 - (a) The Claimant or any Party may file an objection with the Settlement Administrator within 14 days of the date of the notice and seek a second review consistent with the administrative appeal procedures in the Settlement Agreement.
 - (b) The following additional procedures apply specifically to appeal of the Settlement Administrator's determination regarding lost profits and lost revenues claims:
 - (1) If the lost profits or lost revenues determination is below \$250,000, then the appeal will be considered by a review team from the Settlement Administrator's claim evaluation personnel, except as provided in subsection (2) below.
 - (2) If the lost profits or lost revenues determination is \$250,000 or above, or if the lost profits or lost revenues determination is below \$250,000 but is

based in any part on lost profits or lost revenues asserted for time periods after June 30, 2014, then the objecting Party or Claimant may initiate a process by which the Parties will identify a third-party neutral with expertise and experience in the determination of lost profits or lost revenues who will consider any submissions of the Parties, the Claimant, and the Settlement Administrator and issue a final determination.

VII. Wage Earner Claims

- A. Eligible Wage Earner Claimants may recover documented lost wages that the Wage Earner Claimant would have received had the Wage Earner Claimant worked during the period when the Wage Earner Claimant was prevented from working due to the Shut Down or Partial Shut Down of an Eligible Business Location. Salaried employees are not eligible to submit a Wage Earner Claim.
- B. Time Period of Eligible Loss. An Eligible Wage Earner Claimant may recover documented lost wages under Section VII.A during the period of Shut Down or Partial Shut Down for the Eligible Business Location.
- C. Causation. An Eligible Wage Earner Claimant may recover documented lost wages under Section VII.A only if (i) the Business was Shut Down or Partially Shut Down; (ii) the Wage Earner Claimant was scheduled to work during that period; and (iii) with respect to a Business that was Partially Shut Down, the Claimant was scheduled to work during that period at the portion of the Business that was Partially Shut Down.
- D. Documentation. The Wage Earner Claimant must submit reliable documentation of his/her regular wages (such as a pay stub or an employment contract) and must submit sufficient proof of lost wages, such as reliable documentation of work schedule during the relevant period or a sworn statement of the supervisor/employer attesting to the fact that the Wage Earner Claimant was prevented from working and did not make up the lost time.
- E. Aggregate Amount Payable. The aggregate amount payable under this Settlement Agreement for Wage Earner Claims is limited to \$4,000,000. If the aggregate amount of Compensable Claims for Wage Earner Claimants exceeds \$4,000,000, then the Compensable Claim of each individual Wage Earner Claimant shall be reduced pro rata such that the aggregate amount paid to Wage Earner Claimants does not exceed \$4,000,000.

VIII. Medical Claims

- A. Contemporaneous Medical Treatment Claims. Contemporaneous Medical Treatment Claims may be pursued by Eligible Medical Claimants who sought medical care for a contemporaneous reaction or illness attributed to the Incident.

To qualify for payment of a Contemporaneous Medical Treatment Claim, an Eligible Medical Claimant must (1) attest to exposure to tap water at any time between January 9, 2014 and February 15, 2014, (2) provide contemporaneous medical records that demonstrate that he or she sought and received diagnostic evaluation and/or treatment for a Physical Injury or a condition that the Medical Claimant believed to be a Physical Injury based on the exposure to tap water from the KVTP at any time between January 9, 2014 and February 15, 2014, and (3) demonstrate that such treatment occurred at any time between January 9, 2014 through February 15, 2014. An Eligible Medical Claimant determined by the Settlement Administrator to have satisfied these requirements for asserting a Contemporaneous Medical Treatment Claim may receive a payment equal to the unreimbursed cost of such documented medical care up to a maximum of \$5,000, and an additional payment of \$750. The Medical Claimant must attest on his or her Individual Review Claim Form for Medical Claims that he or she sought treatment based on a belief or a diagnosis that any identified symptoms or conditions were due to exposure to tap water from the KVTP between January 9, 2014 and February 15, 2014.

- B. Other Medical Issues Claims. Certain individuals have alleged that they have suffered illness or death as a result of exposure to water contaminated as a result of the Incident. Each such claim will be addressed individually to determine the type of illness and whether there is a credible, documented causal relationship between exposure to contaminated tap water and the illness and if the condition is deemed to be causally related, the appropriate compensation based on the expenses the claimant has incurred.
1. Other Medical Issues Claims means illness, injury or wrongful death that an Eligible Medical Claimant contends was caused by exposure to water contaminated as a result of the Incident. Other Medical Issues Claims do not include physical injuries or illness that are the subject of Contemporaneous Medical Treatment Claims as defined in Section VIII.A immediately above.
 2. An Eligible Medical Claimant must provide proof for an Other Medical Issues Claim that is and is intended to be more stringent than the proof required to demonstrate a Contemporaneous Medical Treatment Claim.
 3. An Eligible Medical Claimant may recover defined payments for "Other Medical Issues" only as follows:
 - (i) The Claimant must attest to the manner and amount of exposure to contaminated tap water resulting from the Incident on or after January 9, 2014 and before February 28, 2014.
 - (ii) The Claimant must submit a contemporaneous medical record which documents that the claimant sought and received medical care for an illness or injury, or exacerbation of an existing

condition, which a treating licensed health care provider diagnosed and which is demonstrated to be causally related to exposure to contaminated water from the Incident as set forth in Section VIII.B.3(iv) below. The complained of medical condition must have manifested between January 9, 2014 and February 28, 2014. The contemporaneous medical records must contain the diagnosis of the condition and the basis for the diagnosis. The diagnosis must be based on physical examination, physician observation, and application of appropriate diagnostic standards or tests.

- (iii) The Claimant must have medical expenses for treatment for the illness or injury, or exacerbation of an existing condition, in excess of \$5,000. If medical bills are less than or equal to \$5,000, the claim must proceed as a Contemporaneous Medical Treatment Claim.
- (iv) The Claimant must submit an affidavit or sworn declaration of a qualified medical expert which clearly sets forth that the illness or injury, or exacerbation of an existing condition, is causally related to exposure to contaminated water resulting from the Incident as stated in Section VIII.B.3(i) above. For purposes of this section, a “qualified medical expert” is a physician who is engaged in a specialty relevant to the Other Medical Issues Claim or engaged in relevant scientific research. The affidavit or declaration must set forth the qualifications of the expert and must include (a) information about the nature and degree of exposure to contaminated water the Claimant experienced, (b) the medical condition from which the Claimant suffers and the basis for the diagnosis of that condition, (c) the qualified medical expert's opinion to a reasonable degree of medical probability as to how the medical condition was causally related to exposure to contaminated water resulting from the Incident, and (d) the materials reviewed by the expert. To prove the illness or injury, or exacerbation of an existing condition, can generally be caused by exposure to contaminated water resulting from the Incident, the Claimant may rely on the affidavit or declaration of a qualified expert who expresses the opinion to a reasonable medical or scientific probability.

- 4. The Settlement Administrator shall determine whether the Claimant has submitted the required documentation supporting the Other Medical Issues Claim. The Settlement Administrator may retain consulting medical experts as necessary. If the Settlement Administrator determines that appropriate documentation has been submitted, the Settlement Administrator shall issue a preliminary decision either approving the claim and setting a claim amount as set forth in Section VIII.D below, or rejecting the claim with notice to the Claimant and to the Parties.

5. Either the Claimant or any Party may file an objection with the Settlement Administrator within thirty days of the date of the notice and seek a second review consistent with the administrative appeal procedures in the Settlement Agreement. For purposes of resolving objections related to any Other Medical Issues Claim, the Settlement Administrator must retain consulting medical experts.

C. Water Interruption Medical Issues Claims.

1. Water Interruption Medical Issues Claim means a delay in treatment for an existing chronic illness that an Eligible Medical Claimant asserts was caused by the interruption of water service resulting from the Incident. Water Interruption Medical Issues Claims do not include Contemporaneous Medical Treatment Claims or Other Medical Issues Claims as defined in these Distribution Protocols.
2. An Eligible Medical Claimant may recover defined payments for Water Interruption Medical Issues Claims only as follows:
 - (i) The Claimant must produce contemporaneous medical records demonstrating that medical care for a pre-existing chronic illness or condition was delayed solely because of water interruption during the applicable Do Not Use Period.
 - (ii) The Claimant must produce evidence demonstrating to a reasonable probability that:
 - (a) the delay directly caused an aggravation or progression of the illness or condition; and
 - (b) the aggravation or progression of the illness would not have occurred but for the delay.
 - (iii) The Claimant must have medical expenses in excess of \$5,000 for medical care for the pre-existing chronic illness or condition that was delayed solely because of water interruption during the applicable Do Not Use Period. If medical expenses are less than or equal to \$5,000, the claim must proceed as a Contemporaneous Medical Treatment Claim.
 - (iv) To prove the requirements in Section VIII.C.2(ii), the Claimant must produce an affidavit or attestation by the Claimant's treating physician or a qualified medical expert (as defined in Section VIII.B.3(iv)) which clearly sets forth (a) the expert's qualifications; (b) the expert's opinion as to how there was a delay in medical treatment because of water service interruption; and (c) the expert's opinion to a reasonable degree of medical probability (i) that the delay in medical treatment caused or was a substantial

contributing factor causing progression or aggravation of the pre-existing illness or injury and (ii) explaining why the expert reached this conclusion.

3. The Settlement Administrator shall determine whether the Claimant has submitted the required documentation supporting the Water Interruption Medical Issues Claim. The Settlement Administrator may retain consulting medical experts as necessary. If the Settlement Administrator determines that appropriate documentation has been submitted, the Settlement Administrator shall issue a decision either approving the claim and setting a claim amount as set forth in Section VIII.D below or rejecting the claim with notice to the Claimant and to the Parties.
4. Either the Claimant or any Party may file an objection with the Settlement Administrator within thirty days of the date of the notice and seek a second review consistent with the administrative appeal procedures in the Settlement Agreement. For purposes of resolving appeals related to any Water Interruption Medical Issues Claim, the Settlement Administrator must retain consulting medical experts.

D. Payments and Proof of Damage for Other Medical Issues Claims or Water Interruption Medical Issues Claims.

1. An Eligible Medical Claimant determined by the Settlement Administrator to have satisfied the requirements for asserting an Other Medical Issues Claim or a Water Interruption Medical Issues Claim as set forth in these Distribution Protocols may recover:
 - (i) For injury or illness that meets the requirement of an Other Medical Issues Claim or a Water Interruption Medical Issues Claim, a base payment of \$50,000 for any injury or illness except for permanent visual impairment not correctable with glasses, plus two times past medical costs that are demonstrated by expert medical affidavit to a reasonable probability to be causally related to and incurred for diagnosis or treatment of the claimed injury or illness; or
 - (ii) For permanent visual impairment not correctable with glasses asserted in an Other Medical Issues Claim or a Water Interruption Medical Issues Claim, a base payment of \$150,000, plus two times past medical costs that are demonstrated by expert medical affidavit to a reasonable probability to be causally related to and incurred for diagnosis or treatment of the claimed injury or illness; or
 - (iii) For wrongful death asserted in an Other Medical Issues Claim or a Water Interruption Medical Issues Claim and proven pursuant to

Section VIII.D.2 below, a base payment of \$350,000 plus four times past medical costs that are demonstrated by expert medical affidavit to a reasonable probability to be causally related to and incurred for diagnosis or treatment of the claimed injury or illness that caused the wrongful death, up to a total maximum of \$750,000; or

- (iv) For permanent total occupational disability asserted in an Other Medical Issues Claim or a Water Interruption Medical Issues Claim and proven pursuant to Section VIII.D.2 below, a base payment of \$500,000 plus five times past medical costs that are demonstrated by expert medical affidavit to a reasonable probability to be causally related to and incurred for diagnosis or treatment of the claimed injury or illness that caused the total occupational disability, up to a total maximum of \$1,000,000.

- 2. Proof of Death or Permanent Total Occupational Disability: A Medical Claim based on wrongful death may only be compensated if the death certificate attributes the primary or contributing cause of death to a specific medical condition alleged to be caused by exposure to contaminated water resulting from the Incident or failure to get treatment as a result of water interruption for which the Claimant has based his or her Medical Claim. A Medical Claim based on total occupational disability may only be compensated if a governmental agency has found the Claimant to be occupationally disabled because of the specific medical issue or failure to get treatment as a result of water interruption on which the Claimant has based his or her Medical Claim. For purposes of this section, a “governmental agency” includes the Social Security Administration, Workers Compensation Commission, or a disability pension board for employees of a State, City or County, or similar organization. For purposes of this section, permanent and total loss of vision resulting in legal blindness shall be considered a total occupational disability.

IX. Pregnancy Claims

- A. Pregnancy Claims. This category applies to Residents who were pregnant on January 9, 2014. A Settlement Class Member who was a Resident in an Eligible Residential Location on January 9, 2014, who was pregnant on that day, and who does not submit a Medical Claim under Sections VIII.A, B, or C may be eligible to receive a single payment of \$1,500. Any Resident making a claim for this Pregnancy Claim payment must complete the Individual Review Option Claim Form for Pregnancy Claims and provide proof of pregnancy during the relevant period and exposure to contamination from the Incident.

X. Payment of Liens/Offsets

- A. Payment of Liens. The Settlement Administrator shall be required to resolve (through payment or negotiated resolution) any applicable liens as provided at Section 6.5 of the Settlement Agreement.
- B. Offsets for Other Payments. Payment of any Compensable Claims to any Claimant who is also an Unsecured Bankruptcy Spill Claimant will be reduced by the amount of compensation that Claimant has received or is determined by the Settlement Administrator to be due to receive through the Freedom Industries Bankruptcy for the same claimed loss to the extent that the Claimant's compensation through the Freedom Industries Bankruptcy is funded by either payments received into the Freedom Industries Bankruptcy through payment under this Settlement Agreement or a separate settlement or judgment with an Exhibit A Plaintiff who is an Opt Out.

XI. Sources and Uses of Settlement Funds

- A. Individual Settlement Funds. Subject to Court approval, it is the intent of Class Counsel that the settlement proceeds obtained upon final approval of the class settlements in the *Good* Action with Defendant Dennis Farrell and Defendant Gary Southern ("Individual Settlement Funds") will be distributed under these Settlement Fund Distribution Protocols. The Individual Settlement Funds will be deposited in an escrow account and used by the Settlement Administrator to pay Compensable Claims by Residential Claimants under the Simple Claim Form Option consistent with the process for use of the American Water Guaranteed Settlement Fund. Class Counsel will take all reasonable and necessary actions to obtain final Court approval of these settlements and to ensure distribution of the Individual Settlement Funds through these Distribution Protocols.
- B. Simple Claim Form Option Payments. Payments of approved Simple Claim Form claims may be made only from the Available Assets for the Simple Claim Option.
- C. Order of Use of Funds. The Settlement Administrator will first access the Net Eastman Fund for the payment of Simple Claim Form claims. When the assets of the Net Eastman Fund are exhausted, then the Settlement Administrator will access the Individual Settlement Funds, if available, for the payment of Simple Claim Form claims for Residential Claimants. When the assets of the Net Eastman Fund and the Individual Settlement Funds are exhausted, then the Settlement Administrator will access the Net American Water Guaranteed Settlement Fund for the payment of Simple Claim Form claims.
- D. Check Distribution Process.
 - 1. Following expiration of the Claims Submission Deadline, the Settlement Administrator will identify all Simple Claim Form Residential Claimants and Individual Review Residential Claimants and associated Eligible Locations and compare the names and locations for those claims against the West Virginia American Customer List to determine whether any

Residential Direct Customer Users on the West Virginia American Customer List have not submitted a Claim Form. The Settlement Administrator shall prepare a list of any such Residential Direct Customer Users and determine whether valid addresses exist for such Customers.

2. All such Residential Direct Customer Users with valid addresses are eligible to be mailed a check in the estimated amount of \$525 (the same amount paid for an Eligible Residential Location not including any additional amount for Additional Residents), subject to adjustment in accordance with these Distribution Protocols if the Available Assets for the Simple Claim Form Option are insufficient to pay all Simple Claim Form claims.
3. Each check mailed through the Check Distribution Process will be accompanied by directions regarding who is eligible to cash such a check and confirming that by cashing the check the Customer verifies his or her status as a Settlement Class Member.
4. Each check mailed through the Check Distribution Process will be subject to an expiration date of 90 days from issuance, after which the check recipient shall have no right or claim to the funds associated with that check. Any funds associated with checks mailed through the Check Distribution Process but not cashed before the applicable expiration date will be Guaranteed Payment Remainder Funds to be distributed pursuant to the terms of the Settlement Agreement and the Distribution Protocols. Within 7 days of the last expiration date of any check mailed through the Check Distribution Process, the Settlement Administrator will determine the amount of funds associated with checks not cashed before their expiration dates and report to the Parties regarding the amount of such funds.
5. The funds used for payment of checks issued through the Check Distribution Process shall be drawn from the Individual Settlement Funds, if available, and the American Water Guaranteed Settlement Fund.

E. Use of American Water Settlement Funds.

1. Except as otherwise set forth in Section 5.4.3.1 of the Settlement Agreement regarding the Initial Contingent Fund Contribution, no claims will be paid from the American Water Contingent Fund until the Settlement Administrator has made actual payment of funds totaling \$76 million from the American Water Guaranteed Settlement Fund, including any Guaranteed Payment Remainder Funds. For purposes of this determination, actual payment for checks mailed through the Check Distribution Process means that such checks have been cashed prior to their expiration date or that such checks have not been cashed prior to

their expiration date but the funds associated with those uncashed checks have been distributed as Guaranteed Payment Remainder Funds.

2. **Guaranteed Payment Remainder Funds:** Except as otherwise set forth in Section 5.4.3.1 of the Settlement Agreement regarding the Initial Contingent Fund Contribution, any Guaranteed Payment Remainder Funds will be used first (before any funds in the American Water Contingent Settlement Fund, but after any applicable payments for Individual Review Options claims from the Net Eastman Fund) to pay approved Individual Review Option claims, associated Administrative Expenses and Attorneys' Fees in the Individual Review Option. If the Guaranteed Payment Remainder Funds are not exhausted following payment of all Individual Review Option claims, associated Administrative Expenses and Attorneys' Fees in the Individual Review Option, then any remaining Guaranteed Payment Remainder Funds will be used to make an additional pro rata payment to all Residential Claimants who made approved Simple Claim Form claims.
3. If, after determining the total amount of Compensable Claims to be paid under the Individual Review Option, associated Administrative Expenses, and Attorneys' Fees in the Individual Review Option, the Settlement Administrator determines that any funds remaining in the Net Eastman Fund, any Guaranteed Payment Remainder Funds, and the funds in the American Water Contingent Settlement Fund are not sufficient to pay the compensable amounts, then the Settlement Administrator shall reduce the payment amounts pro rata for all approved Individual Review Option claims as necessary given the available funds.

F. Determination of Offsets. The Settlement Administrator shall cooperate with the Plan Administrator for the Freedom Industries Bankruptcy to ascertain as early as possible the amount that any Claimant who is also an Unsecured Bankruptcy Spill Claimant has received or is due to receive that would constitute a potential offset under the provisions of Section X.B of these Distribution Protocols. Notwithstanding any other provision of the Settlement Agreement or these Distribution Protocols, payment of Compensable Claims under this Settlement Agreement for a Claimant who is also an Unsecured Bankruptcy Spill Claimant will not be made until the final amount of Guaranteed Remainder Payment Funds, including checks from the Check Distribution Process that are not cashed before the applicable expiration date, is determined. If at that time the Settlement Administrator is unable to determine the amount of any potential offset, no offset shall be taken and the Compensable Claims shall be paid.

G. Limitations on Use of Eastman Fund.

1. The Eastman Fund may be used to pay only:

- (i) Simple Claim Form claims that sign the attestation of Property Damage;
 - (ii) Individual Review Option claims that demonstrate Property Damage or Physical Injury to the extent that the loss arose from such Property Damage or Physical Injury; and
 - (iii) Eastman Attorneys' Fees and Litigation Costs, and Eastman Administrative Expenses as approved by the Court.
2. The Eastman Fund may not be used to pay any of the following:
- (i) Check Distribution Process payments;
 - (ii) Non-Resident Wage Earner and Resident Wage Earner Claims;
 - (iii) Any Simple Claim Form claim that does not contain a signed attestation of Property Damage. (A Claim Form that is not signed will not be Compensable from any fund.);
 - (iv) Any Individual Review Option claim that does not demonstrate Property Damage or Physical Injury; and
 - (v) Pregnancy Claims.