

**UPDATE ON THE STATUS OF THE OF CONTINUING OPERATION PLAN
OF THE SUPERVISORY PANEL, APPROVED BY THE COURT APRIL 28, 2005**

The Court approved a Continuing Operation Plan (Plan) on April 28, 2005. The Plan set forth the activities and research the Panel would pursue. The Plan also provided a 20-year budget to ensure sufficient money is available to fund the Panel activities, the claims administration function and other needed support services for the Class. The following is an update on the status of the Plan.

The Plan is based on three critical premises which are provided below along with an update on the status of each.

1. The need to preserve funds with which to operate a Claims Administration office to support the Class for the next 20 years. Appendix 6 to the 27th Report of the Special Masters/Trustees provides an update on actual expenditures compared to the anticipated budget through October 31, 2007 for this function and other functions involved in the administration of the Settlement.
2. The need to maintain the Guidelines for Class member eligibility for surgical benefits. The Court approved the 2007 Amended Valve Replacement Surgery Guidelines on April 18, 2007. The changes to the Guidelines can be summarized as follows:
 - a. The surgical mortality and morbidity rates, (that is the risk of death or disability as a result of having the valve replaced) have been changed.
 - b. The mortality and morbidity threshold rate estimates are now provided in yearly age increments rather than in five-year increments.
 - c. An additional time period for Class members to make a decision regarding explant surgery has been added.
 - d. The structure and the language of the Guidelines has been simplified for clarity

The 2007 Guidelines along with a summary have been distributed to Class members and physicians and can be located on the Bowling-Pfizer website.

The Panel has set up a protocol to ensure it remains aware of any new developments which may impact its Guidelines. In brief, this protocol involves regular review of world-wide literature pertinent to heart valve research and diligence in monitoring the reported events which may occur to known class members. The protocol entitled "Protocol for Monitoring Issues Relating to the Guidelines" is located elsewhere on the Bowling-Pfizer website.

3. The need to determine if one or more diagnostic devices to detect single leg separation of the BSCC valves in Class members can be put to use. When the Plan was approved the Panel had identified five projects with which to continue research and possible development of a device capable of reliably detecting the status of the BSCC heart valve in class members. Today, one of those projects, the Hershey Imaging program remains active. This program utilizes radiographic x-ray techniques which have been modified to specifically study BSCC heart valves. The technology can only be applied to the mitral valve and is available at no cost to class members who qualify for surgery benefits under the Guidelines. Other Class members can participate in this study on a self payment basis. Contact the Claims Administrator if you are interested in participating in this study.

Another research project which was completed in early 2007 produced promising results. In this series of studies, a small number of sheep were implanted with BSCC heart valves and researchers used passive acoustics technology to record and analyze the sound frequencies of the valve as it operated in the living sheep. They used a grouping of several highly sensitive sensors or microphones and placed them on the chest of the sheep in the manner of a stethoscope. They recorded and analyzed the signals to determine if the valve is intact or separated. Since the results of the sheep studies were promising, this group conducted an IRB approved study on volunteer class members implanted with BSCC heart valves. The results of these studies were also promising, but not conclusive as to the reliability of this possible diagnostic technique. The Panel is considering whether to recommend the sponsorship of additional development of this technology.

There was another researcher which conducted studies on the implanted sheep using a different technology in which the outlet strut of the BSCC heart valve was activated from the chest wall using an ultrasound burst of energy. The ensuing excitation of the outlet strut created sound frequencies which were analyzed to determine the status of the valve. The Panel stopped sponsoring this researcher in September, 2006. However, the researcher continued to work on this project and did conduct some clinical studies on a small number of volunteer class members in the spring of 2007. The Panel is waiting on a report of the results of these studies.

The Panel is not considering any other research projects at this time. It does have a protocol for making funding decisions on newly proposed research which was part of the Plan. This protocol is provided in the Summary of Continuing Operation Plan of the Supervisory Panel which can be found on the Bowling-Pfizer website.