

**SETTLEMENT FUNDS ESCROW AGREEMENT**

**among**

**Plaintiffs' Steering Committee in *Evans, et al. v. TIN, Inc.*,  
No. 2:11-cv-02067-LMA-ALC**

**and**

**TIN, Inc.**

**and**

**Regions Bank, an Alabama banking corporation, as Escrow Agent**

**ESCROW AGREEMENT** (“Agreement”), dated as of \_\_\_\_\_, 20\_\_, by and among Plaintiffs’ Steering Committee (the “PSC”) in *Evans, et al. v. TIN, Inc.*, No. 2:11-cv-02067-LMA-ALC (“*Evans*”); TIN, Inc.; and Regions Bank, an Alabama banking corporation (“Regions”) acting through its corporate trust department and solely in its capacity as escrow agent under the Agreement, and any successors appointed pursuant to the terms hereof (in such capacity, the “Escrow Agent”). The PSC and TIN are sometimes collectively referred to herein as the “Interested Parties.”

**WHEREAS**, pursuant to the Amended Settlement Agreement entered into between the PSC on behalf of the proposed class; TIN; and the Insurance Carriers (as identified in the Amended Settlement Agreement), dated December 14, 2012, the PSC and TIN have agreed to establish an escrow arrangement for the purposes set forth therein;

**WHEREAS**, terms used herein, but not defined herein, shall have the meaning set forth in the Amended Settlement Agreement;

**WHEREAS**, the Amended Settlement Agreement provides that TIN will establish four funds that collectively will be the Settlement Funds: the Real Property Owners Fund, the Business Entities Fund, the Other Impacted Persons Fund, and the Other Losses Fund;

**WHEREAS**, each fund will be used to satisfy Approved Claims for the related subclass of Class Members;

**WHEREAS**, each fund is intended to qualify as a Qualified Settlement Fund within the meaning of Section 1.468B-1 et seq. of the Treasury Regulations promulgated under Section 468B of the Internal Revenue Code of 1986, as amended (“IRC”), and whereas the Escrow Agent shall cooperate and take appropriate steps to secure such treatment; and

**WHEREAS**, the Interested Parties wish to appoint Regions as Escrow Agent and Regions is willing to accept such appointment and to act as Escrow Agent, in each case upon the terms and conditions hereof;

**NOW, THEREFORE**, for good and valuable consideration, the receipt and adequacy of which is hereby irrevocably acknowledged, the parties hereto agree as follows:

**1. Deposit of Escrow Funds.**

a. Within 30 days of the Effective Date of the Settlement, (1) TIN will deposit \$4,250,000 with the Escrow Agent to form the Real Property Owners Fund; (2) TIN will deposit \$2,750,000 with the Escrow Agent to form the Business Entities Fund; (3) TIN will deposit \$1,500,000 with the Escrow Agent to form the Other Impacted Persons Fund; and (4) TIN will deposit \$500,000 with the Escrow Agent to form the Other Losses Fund. The deposits made by TIN are collectively referred to as the “Settlement Funds Escrow Deposits,” and, together with any investment income or proceeds received by the Escrow Agent from the investment thereof from time to time pursuant to Section 2 below, collectively, the “Settlement Funds Escrow Property.” The Escrow Agent agrees to hold the Settlement Funds Escrow Property in accounts established with the Escrow Agent (“Settlement Funds Escrow Accounts”),

such that the Settlement Funds Escrow Property will be segregated from other assets of the Interested Parties pursuant to the Qualified Settlement Fund requirements in Treasury Regulation Section 1.468B-1 of the IRC. The Escrow Agent also agrees to administer the Settlement Funds Escrow Property in accordance with the terms of this Agreement.

b. The Settlement Funds Escrow Property is to be held in the Settlement Funds Escrow Accounts until fully disbursed in accordance with the terms of the Amended Settlement Agreement, this Agreement and applicable orders of the Court. The Escrow Agent shall follow the directions given by the Special Master or the Settlement Administrator with respect to any disbursements of the Settlement Funds Escrow Property. The Escrow Agent shall notify the following representative of TIN whenever a disbursement is made: Tim Gray, Forman Perry Watkins Krutz & Tardy LLP, 701 Poydras Street, Suite 4350, New Orleans, LA 70139.

**2. Investment of Funds.**

a. The Escrow Agent is herein directed and instructed to invest and reinvest the Settlement Funds Escrow Property in (i) U.S. Treasury bills or notes; (ii) U.S. government agency obligations; (iii) institutional money market funds investing exclusively in U.S. Treasury securities and/or U.S. government agency obligations; (iv) Regions Trust Sweeps Funds; or (v) any combination of the foregoing.

b. Each of the foregoing investments shall be made in the name of Escrow Agent. No investment shall be made in any instrument or security that has a maturity of greater than 30 days. Notwithstanding anything to the contrary contained herein, Escrow Agent may, without notice to the Interested Parties, sell or liquidate any of the foregoing investments at any time if the proceeds thereof are required for any disbursement of Settlement Funds Escrow Property permitted or required hereunder. All investment earnings shall become part of the Settlement Funds Escrow Property and investment losses shall be charged against the Settlement Funds Escrow Property. Escrow Agent shall not be liable or responsible for loss in the value of any investment made pursuant to this Escrow Agreement, or for any loss, fee, cost, tax or penalty resulting from any investment, reinvestment, or any sale or liquidation of the Settlement Funds Escrow Property. With respect to any Settlement Funds Escrow Property received by Escrow Agent after ten o'clock, a.m., New York, New York, time, Escrow Agent shall not be required to invest such funds or to effect any investment instruction until the next day upon which banks in New York, New York are open for business.

c. Statements. The Escrow Agent shall, on a monthly basis, furnish to the Interested Parties a statement of (i) the balance of the amounts on deposit in the Settlement Funds Escrow Accounts as of the last business day of each month, and (ii) the amount of interest or income that has accrued on the Settlement Funds Escrow Property as of such date.

d. IRS Circular 230 Disclosure. Escrow Agent, its affiliates, and its employees are not in the business of providing tax or legal advice to any taxpayer outside of Escrow Agent and its affiliates. This Agreement and any amendments or attachments are not intended or written to be used, and cannot be used or relied upon, by any such taxpayer or for the purpose of avoiding tax penalties. Any such taxpayer should seek advice based on the taxpayer's particular circumstances from an independent tax advisor.

**3. Tax Administration.**

a. TIN agrees that it shall cause the Settlement Administrator, on behalf of the Settlement Funds Escrow Accounts (i) to timely file income tax and other returns and statements required to be filed by, or on behalf of, the Settlement Funds Escrow Accounts and to cause the Escrow Agent to timely pay all taxes required to be paid (provided that all such payments shall be made out of the Settlement Funds Escrow Accounts and neither the Settlement Administrator nor the Escrow Agent shall have individual responsibility for the payment of such taxes), (ii) to comply with all obligations of the Settlement Funds Escrow Accounts as required under the applicable provisions of the IRC and of any state or local law and the regulations promulgated thereunder, (iii) to meet without limitation all requirements necessary to qualify and maintain qualification of the Settlement Funds Escrow Accounts as Qualified Settlement Funds within the meaning of Section 1.468B-1 et seq. of the Treasury Regulations promulgated under Section 468B of the IRC, and (iv) to take no action that could cause the Settlement Funds Escrow Accounts to fail to qualify as Qualified Settlement Funds within the meaning of Section 1.468B-1 et seq. of the Treasury Regulations promulgated under Section 468B of the IRC.

b. The parties agree that the Settlement Administrator may hire an unrelated party (which may be the Escrow Agent) to prepare all the tax returns and statements referred to in Section 3(a) herein. In addition, the parties agree that all reasonable costs, expenses, and fees incurred by the Settlement Administrator and such other party in preparing the tax returns and statements shall be reimbursed from the Settlement Administration Fund apart from any other fees to which the Settlement Administrator or any such other party is entitled to receive under this Agreement.

**4. Concerning the Escrow Agent.**

a. Escrow Agent Duties. Each Interested Party acknowledges and agrees that (i) the duties, responsibilities and obligations of the Escrow Agent shall be limited to those expressly set forth in this Agreement and no duties, responsibilities or obligations shall be inferred or implied and Escrow Agent's sole responsibility shall be for the safekeeping and disbursement of the Settlement Funds Escrow Property in accordance with the terms of this Agreement, (ii) the Escrow Agent shall not be responsible for any of the agreements referred to or described herein, or for determining or compelling compliance therewith, and shall not otherwise be bound thereby, except to the extent specifically set forth in this Agreement, (iii) this Agreement shall constitute the entire agreement of the parties with respect to the subject matter and supersedes all prior oral or written agreements in regard thereto, (iv) the Escrow Agent shall not be required to expend or risk any of its own funds or otherwise incur any financial or other liability in the performance of any of its duties hereunder, and (v) the Escrow Agent shall not be obligated to take any legal or other action hereunder which might in its judgment involve or cause it to incur any expense or liability unless it shall have been furnished with acceptable indemnification.

b. Standard of Care. The Escrow Agent shall be under no duty to afford the Settlement Funds Escrow Property any greater degree of care than it gives its own similar property. The Escrow Agent shall not be liable for any damage, loss or injury resulting from any action taken or omitted in the absence of gross negligence or willful misconduct.

c. Limitation on Liability. Notwithstanding any other provision of this Agreement, the Escrow Agent shall not be liable (i) for any indirect, incidental, consequential, punitive or special losses or damages, including, but not limited to, lost profits, regardless of the form of action and whether or not any such losses or damages were foreseeable or contemplated, (ii) for the acts or omissions of any nominees, correspondents, designees, agents, subagents or subcustodians, or (iii) for the investment or reinvestment of any Settlement Funds Escrow Property, or any liquidation of such investment or reinvestment, executed in accordance with the terms of this Agreement, including, without limitation, any liability for any delays in the investment or reinvestment of the Settlement Funds Escrow Property, any loss of interest incident to any such delays, or any loss or penalty as a result of the liquidation of any investment before its stated maturity date (except those resulting from its gross negligence or willful misconduct, as adjudicated by the Court having jurisdiction ).

d. Reliance. The Escrow Agent may act in reliance upon any signature believed by it to be genuine and may assume that any person purporting to execute any document in connection with the provisions hereof has been duly authorized to do so.

e. Consultation. The Escrow Agent may consult with counsel of its selection, and the opinion or advice of such counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it in good faith and in accordance with the opinion and advice of such counsel to the extent allowed by applicable law.

**5. Compensation, Expense Reimbursement and Indemnification.**

a. Escrow Agent's Expenses and Fees. In consideration of its acting as the Escrow Agent under and pursuant to this Agreement, the Escrow Agent shall be entitled to reasonable fees, expenses and costs for its services performed hereunder.

b. Payment for Escrow Agent's Expenses and Fees: The Escrow Agent's expenses and fees ("Escrow Expenses") shall be paid by the Settlement Administrator from the Settlement Administration Fund established separately from the Settlement Funds. Payment of any taxes due on any income from the investment of the Settlement Funds Escrow Deposits pursuant to Section 2 ("Escrow Investment Income") shall be paid from the individual fund in which the income was earned.

**6. Exclusive Benefit.**

Except as specifically set forth in this Agreement, this Agreement is for the exclusive benefit of the parties to this Agreement and their respective permitted successors, and shall not be deemed to give, either expressly or implicitly, any legal or equitable right, remedy, or claim to any other entity or person whatsoever. No party may assign any of its rights or obligations under this Agreement without the prior written consent of the other parties except that the Escrow Agent may resign upon the terms described in this Agreement.

**7. Force Majeure.**

Notwithstanding anything contained in this Agreement to the contrary, the Escrow Agent shall not incur any liability for not performing any act or fulfilling any obligation hereunder by

reason of any occurrence beyond its control (including, without limitation, any provision of any present or future law or regulation or any act of any governmental authority, any act of God or war or terrorism, or the unavailability of the Federal Reserve Bank wire services or any electronic communication facility).

**8. Resignation and Removal.**

a. The Interested Parties may remove the Escrow Agent at any time by giving to the Escrow Agent thirty (30) calendar days' prior written notice of removal signed by an Authorized Person of each of the Interested Parties. The Escrow Agent may resign at any time by giving to each Interested Party thirty (30) calendar days' prior written notice of resignation.

b. Upon any such notice of resignation or removal, the Interested Parties shall appoint a successor escrow agent and give written notice of such successor escrow agent to the Escrow Agent. If a successor escrow agent has not accepted such appointment within a (i) 30-day period, in the case of the Escrow Agent's removal, or (ii) 30-day period, in the case of the Escrow Agent's resignation, the Escrow Agent may either (a) deliver the Settlement Funds Escrow Property to TIN's counsel, Tim Gray, Forman Perry Watkins Krutz & Tardy LLP, 701 Poydras Street, Suite 4350, New Orleans, LA 70139, or (b) apply, at the expense of the Interested Parties to the Court having jurisdiction for the matter for the appointment of a successor escrow agent or for other appropriate relief.

c. Upon receipt of written notice of the identity of the successor escrow agent, the Escrow Agent shall either deliver the Settlement Funds Escrow Property then held hereunder to the successor escrow agent, less the Escrow Agent's fees, costs, expenses and the value of other obligations owed to the Escrow Agent hereunder, or hold such Settlement Funds Escrow Property (or any portion thereof) pending distribution, until all such fees, costs and expenses or the value of other obligations are paid to it.

d. Upon delivery of the Settlement Funds Escrow Property to the successor escrow agent or to an Interested Party, the Escrow Agent shall have no further duties, responsibilities or obligations hereunder.

**9. Governing Law; Jurisdiction; Waivers.**

a. The parties agree that, to the extent such laws would otherwise not apply, this Escrow Agreement (including this choice-of-law provision) and the rights and obligations of the parties to this Agreement shall be governed by, construed in accordance with, and all controversies and disputes arising under, in connection with or in relation to this Agreement shall be resolved pursuant to, the laws of the State of New York applicable to contracts made and to be wholly performed in the State of New York, provided, however that the rights, privileges, protections and immunities of the Escrow Agent shall be governed by the laws of the State of New York, without regard to conflicts of law principles thereof.

b. The parties consent to the exclusive jurisdiction of the Court for any proceedings commenced regarding this Agreement, including, but not limited to, any proceeding for the appointment of a successor escrow agent that the Escrow Agent may commence pursuant

to this Agreement. The parties irrevocably submit to the jurisdiction of the Court for the determination of all issues in such proceedings and irrevocably waive any objection to venue or inconvenient forum for any proceeding brought in the Court. All other jurisdictional defenses, arguments and rights are fully reserved by TIN and nothing in this Agreement is intended to prejudice the assertion in any forum against any party of those jurisdictional defenses, arguments and rights.

c. Subject to TIN's reservations asserted in the subparagraph immediately above, the parties irrevocably and unconditionally waive, to the fullest extent permitted by law, and agree not to plead or claim, any right of immunity from legal action, suit or proceeding, from setoff or counterclaim, from the jurisdiction of any court, from service of process, from attachment upon or prior to judgment, from attachment in aid of execution or judgment, from execution of judgment, or from any other legal process or proceeding for the giving of any relief or for the enforcement of any judgment, and each consents to such relief and enforcement against it, its assets and its revenues in any jurisdiction, in each case with respect to any matter arising out of, or in connection with, this Agreement.

d. The parties irrevocably and unconditionally waive any right to trial by jury with respect to any proceeding relating to this Agreement.

**10. Instructions, Verification, Communications.**

a. The Escrow Agent shall be authorized to take instructions from the Special Master or the Settlement Administrator. With the consent of the other Interested Parties, the Escrow Agent shall be authorized to take instructions on behalf of TIN from Tiffanee Wade-Henderson, Chief Counsel -- Environmental Litigation, International Paper, 6400 Poplar Avenue, Memphis, TN 38197 or Tim Gray, Forman Perry Watkins Krutz & Tardy LLP, 701 Poydras Street, Suite 4350, New Orleans, LA 70139 and on behalf of the Plaintiffs' Steering Committee from Tommy W. Thornhill, Thornhill Law Firm, 1308 Ninth Street, Slidell, LA 70458.

b. In the event Escrow Agent shall receive written instructions and shall determine pursuant to its sole discretion that verification of such instructions shall be required, then Escrow Agent shall be permitted to seek confirmation of such instructions by way of telephone contact to the author of such written instructions. Verification of the instructions by the purported author of the instructions called at the telephone number placed on the instructions shall serve to verify such instructions.

c. To help the U.S. government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. When an account is opened, the Escrow Agent will ask for information that will allow the Escrow Agent to identify relevant parties. The Interested Parties hereby acknowledge such information disclosure requirements and agree to comply with all such information disclosure requests from time to time from the Escrow Agent.

d. TIN represents and warrants to the Escrow Agent that, pursuant to the Amended Settlement Agreement, they have the right, power and authority (i) to give and receive

instructions and notices required by this Agreement, and (ii) to make all determinations that may be required or that they deem appropriate under this Agreement.

**11. Notices; Wiring Instructions.**

a. Any notice permitted or required hereunder shall be in writing in English, and shall be sent (i) by personal delivery, overnight delivery by a recognized courier or delivery service, or (ii) mailed by registered or certified mail, return receipt requested, postage prepaid, or (iii) confirmed telecopy accompanied by mailing of the original on the same day by first class mail, postage prepaid, in each case addressed to the address and person(s) designated below their respective signature hereto (or to such other address as any such party may hereafter designate by written notice to the other parties). Notices to the Escrow Agent shall only be deemed given upon actual receipt by the Escrow Agent. Whenever under the terms hereof the time for giving a notice or performing an act falls upon a Saturday, Sunday, or a banking holiday in New York, such time shall be extended to the next day on which the Escrow Agent is open for business.

b. Any funds to be paid to or by the Escrow Agent hereunder shall be sent by wire transfer pursuant to the following instructions (or by such method of payment and pursuant to such instruction as may have been given in advance and in writing to or by the Escrow Agent, as the case may be, in accordance with Section 11(a) above):

If to TIN

Tiffanee Wade-Henderson  
Chief Counsel -- Environmental Litigation  
International Paper  
6400 Poplar Avenue  
Memphis, TN 38197

Tim Gray  
Forman Perry Watkins Krutz & Tardy LLP  
701 Poydras Street, Suite 4350  
New Orleans, LA 70139

If to Plaintiffs' Steering Committee

Tommy W. Thornhill  
Thornhill Law Firm  
1308 Ninth Street  
Slidell, LA 70458



If to the Escrow Agent:

Rebecca Brayman  
Regions Bank  
Corporate Trust Department  
1901 6th Avenue North, 28th Floor  
Birmingham, AL 35203

**12. Amendment.**

Except as specifically set forth in this Agreement, any amendment of this Agreement shall be binding only if evidenced by a writing signed by each of the parties to this Agreement.

**13. Severability.**

The invalidity, illegality or unenforceability of any provision of this Agreement shall in no way affect the validity, legality or enforceability of any other provision. If any provision of this Agreement is held to be unenforceable as a matter of law, the other provisions shall not be affected thereby and shall remain in full force and effect.

**14. Termination.**

This Agreement shall terminate upon notice from the PSC and TIN, subject, however, to the survival of obligations after specifically contemplated in this Agreement to so survive.

**15. Counterparts.**

This Agreement may be executed simultaneously in two or more counterparts, any one of which need not contain the signatures of more than one party, but all such counterparts taken together shall constitute one and the same agreement. Facsimile signatures on counterparts of this Agreement shall be deemed original signatures with all rights accruing thereto.

**16. Mergers and Conversions.**

Any corporation into which the Escrow Agent may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Escrow Agent will be a party, or any corporation succeeding to all or substantially all the corporate trust business of the Escrow Agent will be the successor of the Escrow Agent hereunder without the execution or filing of any paper with any party hereto or any further act on the part of any of the parties hereto except where an instrument of transfer or assignment is required by law to effect such succession, anything herein to the contrary notwithstanding.

**17. Effective Date.**

“Effective Date” shall mean the date when the Settlement becomes Final. “Final” means:

a. If no objections to the Settlement are filed, or if any objections are filed and voluntarily withdrawn prior to entry of the Order and Judgment, then the date 30 days following the approval by the Court of the Order and Judgment and its entry on the Court's docket pursuant to Federal Rule of Civil Procedure 58(a), if there is no appeal; or

b. If any objections are filed and not voluntarily withdrawn prior to the entry of the Order and Judgment pursuant to Federal Rule of Civil Procedure 58(a), then the later of: (a) the expiration of the time to file or notice any appeal from the Court's Order and Judgment approving this Settlement; or (b) the date of final affirmance of any appeals from the Court's Order and Judgment approving this Settlement.

[Remainder of this page intentionally left blank.]

**IN WITNESS WHEREOF, each of the parties has caused this Escrow Agreement to be executed by a duly authorized representative as of the day and year first written above.**

**Regions Bank,  
as Escrow Agent**

By: \_\_\_\_\_  
Name:  
Title:  
Date:

**TIN, Inc.**

By: \_\_\_\_\_  
Tiffanee Wade-Henderson  
Chief Counsel -- Environmental Litigation  
International Paper  
6400 Poplar Avenue  
Memphis, TN 38197  
  
Date:

**Plaintiffs' Steering Committee**

By: \_\_\_\_\_  
Tommy W. Thornhill  
Thornhill Law Firm  
1308 Ninth Street  
Slidell, LA 70458  
  
Date: