

ALTERNATIVE
DISPUTE
RESOLUTION
CENTER

Irell & Manella LLP
840 Newport Center Drive
Suite 450
Newport Beach, CA 92660-6324

Telephone: (949) 760-5288
Fax: (949) 760-5289



Principal Terms of NFL Litigation Settlement

Class Settlement – The settlement will include all players who have retired as of the date on which the Court grants preliminary approval to the settlement agreement, their authorized representatives, or family members (in the case of a former player who is deceased).

No Admissions of Liability or Weakness of Claims – The settlement does not represent, and cannot be considered, an admission by the NFL of liability, or an admission that plaintiffs' injuries were caused by football. Nor is it an acknowledgement by the plaintiffs of any deficiency in their case. Instead, it represents a decision by both sides to compromise their claims and defenses, and to devote their resources to benefit retired players and their families, rather than litigate these cases.

Payments – The NFL and NFL Properties will make payments in connection with the settlement as follows:

- (A) Baseline medical exams, the cost of which will be capped at \$75 million;
- (B) A separate fund of \$675 million to compensate former players who have suffered cognitive injury or their families;
- (C) A separate research and education fund of \$10 million;
- (D) The costs of notice to the members of the class, which will not exceed \$4 million;
- (E) \$2 million, representing one-half of the compensation of the Settlement Administrator for a period of 20 years; and
- (F) Legal fees and litigation expenses to the plaintiffs' counsel, which amounts will be set by the District Court.

Timing of Payments – If the agreement receives preliminary approval from the District Court, the NFL will pay the costs of preparing and distributing notice to the class members (up to \$4 million). If the settlement receives final approval, and any appeals have been concluded, the NFL will pay approximately 50 percent of the settlement amount over three years, and the balance over the next 17 years.

Baseline Medical Examinations – Eligible retired players may receive a Baseline Medical Assessment, the results of which will be used to establish a qualifying diagnosis, either now or at a point in the future. The baseline examination program will operate for a period of 10 years. After 10 years, any funds allocated for this program that have not been spent will be added to the fund for payment of monetary awards.

Injury Compensation Fund – The fund of at least \$675 million will be available to pay monetary awards to retired players who present medical evidence of severe cognitive impairment, dementia, Alzheimer's, ALS, or to their families. The precise amount of compensation will be based upon the specific diagnosis, as well as other factors including age, number of seasons played in the NFL, and other relevant medical conditions. These determinations will be made by independent doctors working with settlement administrators appointed by the District Court.

If a retired player's condition worsens over time, he may apply for a supplemental payment.

In the event the Injury Compensation Fund ultimately is deemed insufficient to pay all approved claims, the Settlement Administrator will make a recommendation to the Court that the NFL make an additional, one-time contribution to the Injury Compensation Fund up to a maximum amount of \$37.5 million.

Research and Education Fund – The NFL will allocate \$10 million toward medical, safety, and injury-prevention research, and toward educating retired players on NFL benefits programs. A portion of this fund will be used to support joint efforts by the NFL and retired NFL players to promote education and safety initiatives in youth football.

Other Benefits – No retired player will forfeit or become ineligible for any other benefits provided by the current Collective Bargaining Agreement between the NFL and the NFL Players Association.

Schedule for Further Activity – The parties will prepare and file complete agreements with Judge Brody in Philadelphia, who will then schedule a hearing to consider whether to grant preliminary approval to the settlement. Assuming preliminary approval is granted, the Judge will direct that notice be given to the retired players and will schedule a hearing to consider whether to grant final approval to the settlement.