SETTLEMENT AGREEMENT

This agreement shall become effective on the date of last signature by one of Parties A and B at the end the agreement, wherein

Party A: Individual who used concentrates and derivatives of plasma coagulation factors processed or sold by Party B during the period 1978 through 1985 for treating hemophilia (hereinafter referred to as "Blood Coagulation") and are infected with Human Immunodeficiency Virus (HIV) (hereinafter referred to as "Patient"), or all his/her legitimate heirs (Patient and his/her heirs shall hereinafter be individually and collectively referred to as "Claimant");

Party B: Bayer Corporation (also referring to Cutter Laboratories, Inc., Cutter Laboratories, which are the divisions of Miles, Inc., Miles Laboratories, Inc., Miles, Inc. and Miles Inc.) and Baxter Healthcare Corporation as well as Baxter International Inc. (hereinafter collectively referred to as "Baxter", also referring to Travanol Laboratories, Inc. and Hyland Therapeutics, which are the divisions of Baxter Healthcare Corporation). Bayer Corporation and Baxter are hereinafter collectively referred to as "Manufacturer".

WHEREAS, Patient alleges that he/she used Blood Coagulation for treating hemophilia and is infected with Human Immunodeficiency Virus (HIV), wherein Blood Coagulation was processed or sold by Manufacturer during the period 1978 through 1985 (hereinafter referred to as "Infection Incident");

WHEREAS, Manufacturer has constantly denied any legal responsibility for the Infection Incident sustained by the Claimant, but is willing to provide Claimant with monetary compensation based on humanitarian consideration;

WHEREAS, Claimant fully understands his/her rights and the terms and conditions of this agreement, and has had the opportunity to consult with any legal advisor for advice, and is now willing to waive any claim against Manufacturer and to reach a settlement based on the monetary compensation mentioned above.

NOW THEREFORE, based on the forgoing reasons, both parties agree to the following:

1. Manufacturer shall, through its designated trustee attorney Tsung-Te Li of Tsar & Tsai Law Firm in Taiwan (hereinafter referred to as "Trustee"), pay NT$2,000,000.00 as monetary compensation to each Patient or all his/her legal heirs upon receipt of the documents required under Paragraph 3 of this agreement by Trustee.

2. Upon receipt of the money mentioned in Paragraph 1, Claimant shall no longer file any litigation or claim for any damage (including but not limited to non-property damage) or any other liabilities for any reason related to Infection Incident against Manufacturer, its present and former parent companies, subsidiaries, affiliated corporations, partners, joint ventures, their suppliers, distributors, import and export agents (particularly referring to Tian Shing Trading Co., Ltd. and Yang Hung Hong Ltd. in Taiwan), and all their respective directors, officers, employees, agents, shareholders, as well as the insurers of the above mentioned companies/persons and their predecessors and successors. Claimant shall not sue for any liability or claim for damage regarding Infection Incident against Manufacturer or the above mentioned companies, persons or insurers for any reasons and facts, whether already taken place or not, known or unknown at this time, predicable or unpredictable, whether the claim is based on statute provisions or equity principle, whether the claim base already existed or will take place. Claimant understands and expressly agrees that this agreement shall completely and finally release Manufacturer from any and all liabilities, not only including all known and expected damages, but also those unknown and unexpected, or the consequence of any complications arisen or discovered subsequently.

3. In order to receive the monetary compensation described in Paragraph 1, Claimant shall submit the following documents to Trustee:
    1) This original agreement in triplicates, signed by Claimant or his/her authorized agent, and the said signature shall be authenticated (a) by a notary public or (b) by an attorney of the Republic of China; or (c) Claimant and his/her authorized agent shall produce a certificate of seal to prove that the signature is authentic.
    2) A certificate that Patient used Blood Coagulation processed and sold between 1978 and 1985 for treating hemophilia and is infected with HIV virus, the said certificate shall be prepared in the following manner: (a) Photocopies of Patient's medical record which shall be certified to be in conformity with the original by the hospital in custody of the medical record; or (b) a certificate shall be issued by the doctor of the hospital where Patient received treatment; or (c) a certificate issued by Department of Health, Executive Yuan, R.O.C.;
    3) If Claimant should be all legal heirs of Patient, official certification documents evidencing the death of Patient and the relationship between Patient and all legal heirs shall be attached (including but not limited to death certificate of Patient, or certificate of cancellation of household registration, and household registration copies of all heirs); and
    4) Application for Payment (as shown in Annex 1).

4. If the application documents are completely in conformity with the provisions of this agreement, Trustee shall remit NT$2,000,000.00 to the account of a financial institution designated in the Application for Payment within 7 working days from receipt of the documents stated in Paragraph 3 above. However, if Trustee finds that the name of Patient in the Application for Payment is not on the Name List of Patients of Hemophilia with HIV Infection kept by Department of Health, Executive Yuan, R.O.C., Trustee shall further verify whether Claimant is eligible to receive the monetary compensation, and therefore shall not be subject to the limitation to make payment within the 7 working days, but shall make payment or inform Claimant and Department of Health, Executive Yuan, R.O.C. at the latest within 37 working days from receiving documents stated in Paragraph 3 above.

5. If there should be any nonconformity between the payment request and the provisions of this agreement, Trustee shall inform Claimant that payment request was not effective and explain the reason; and shall inform Department of Health, Executive Yuan, and R.O.C. in writing (stating the justified reason for payment refusal in detail). Trustee shall keep application documents or return them based on the instruction of Claimant.

6. Claimant shall submit documentation to correct any nonconformity upon receipt of the notice that the payment request was not completely in conformity with the provisions of this agreement.

7. Manufacture shall not accept any request for partial payment or several payments.

8. Upon signing this agreement and receiving the monetary compensation set out in Paragraph 1 of this agreement, Claimant shall not make any accusation or complaint that would directly or indirectly harm the reputation of Manufacturer in any public occasions or to the media.

9. After having paid monetary compensations to some Claimants, if Manufacturer decides to raise the compensation amount of Paragraph 1 of this agreement or provide additional benefits in order to reach settlement with other Claimants regarding Infection Incident, it shall also provide the same additional amount or additional benefits to Claimants who have already been paid.

10. Both Manufacture and Trustee shall keep confidential any information regarding Claimant, including information obtained from Department of Health or Claimant. Any of the above information shall only be used for implementing this agreement, and only those persons who need the information to implement this agreement can use it. Despite the confidential provision of this paragraph, Manufacturer shall be allowed to

disclose information to the bank that guarantees Manufacture to execute its debt under this agreement, but such disclosure shall be limited to the necessity to implement this agreement.

11. Should any part of this agreement be found invalid, unenforceable or in violation of public order or law, yet the said part is not a primary consideration of this agreement, the remaining terms and conditions shall still be valid.

12. Four originals of this agreement are prepared, three Manufacturers and Claimant shall each hold one as evidence, with a copy submitted to Department of Health.

Manufacturer Bayer Corporation	Claimant
_____	_____
Name: Title: Date:	Name: Date:

Baxter Healthcare Corporation

_____	_____
Name: Title: Date:	Name: Date:

Baxter International Inc.

_____	_____
Name: Title: Date:	Name: Date:

Annex I

APPLICATION FOR PAYMENT

To: Attorney Tsung-Te Li of Tsar & Tsai Law Form
(8F, 245 TunHua S. Road, Section 1, Taipei 106)

Claimant hereby requests payment pursuant to Settlement Agreement executed on _____(date) and confirms the following:

1. Claimant is Patient_____(name and identification card number)/all heirs of Patient _____(names and identification card numbers) under Settlement Agreement.

2. Claimant hereby requests payment of NT$2,000,000.00 pursuant to Settlement Agreement, please remit the money to _____ _____(name of entrusted financial institution and account number).

3. Any notice to Claimant shall be made in writing and sent to the following person and address:

   To: Mr. /Ms. _____
   Address: _____

Claimant

_____
Name:

_____
Name:

_____
Name:

_____
Name:

Republic of China Year Month Day

和解合約

本合約由甲乙雙方於最後簽署之一方於文末簽署之日成立，

甲方：為治療血友病而使用乙方於民國六十七年至民國七十四年間所加工或銷售之血漿凝血因子濃縮劑及衍生物(下稱「凝血製劑」)且感染人類免疫缺乏病毒(HIV)之個人(以下稱患者)，或其全體合法繼承人(患者及其繼承人以下單獨或合稱「請求人」)；

乙方：Bayer Corporation(亦指 Cutter Laboratories, Inc., Cutter Laboratories，其係 Miles, Inc.,之部門，Miles Laboratories, Inc., Miles, Inc.,及 Miles Inc.) 和 Baxter Healthcare Corporation 及 Baxter International Inc.(以下合稱「百特」，亦指 Travanol Laboratories, Inc.及 Hyland Therapeutics，其係 Baxter Healthcare Corporation 之部門)。Bayer Corporation及百特以下稱為「製造商」。

緣，患者指稱其為治療血友病而使用凝血製劑，且感染人類免疫缺陷病毒(HIV)及其他病毒，而該凝血製劑係製造商於民國六十七年至民國七十四年間所加工或銷售(以下稱為「感染事件」)；

緣，製造商始終否認其對請求人因前感染事件之遭遇有任何法律責任，但願意基於人道考量，對請求人提供補償金；

緣，請求人充份瞭解其權利以及本合約的條款，並有機會徵詢法律顧問意見，基於前述的補償金，現在願意放棄向製造商索賠，達成和解。

基於前述緣由，雙方同意約定如下：

一、製造商將透過其在台灣指定的保管人常在國際法律事務所李宗德律師(以下稱「保管人」)，由保管人於收到本合約第三條規定的文件時，支付新台幣二百萬元之補償金予每一患者或其全體合法繼承人。

二、一旦請求人收到第一條所述之款項，即不得再以與感染事件相關之任何事由向製造商，其目前和先前之母公司、子公司、關係企業、合夥人、合資事業、其供應商、經銷商、進出口代理商（尤指天行貿易股份有限公司和 Yang Hung Hong Ltd., Taiwan）、其所有董事、職員、受僱人、代理人、股東、前述公司／人員及其前手與繼受人的保險人提起訴訟、請求損害賠償（包括但不限於非財產上之損害）或負其他責任。無論請求之原因事實是否已經發生，是否已知或不知，是否可預見或不可預見，也不管請求權基礎是依法律規定或出自衡平原則，或者該請求基礎已經存在或將來才發生，請求人就感染事件，均不再向製造商或前述公司/人員/保險人訴追責任或請求救濟。請求人明瞭並明示同意以本合約就感染事件完全而終局地免除製造商之一切責任，不但包括所有已知及預期的損害，亦包括不知及非預期之損害，或嗣後產生或發現併發症之後果。

三、為領取第一條規定之補償金，請求人應向保管人提出下列文件：

(1)本合約正本三份，須經請求人或其授權之代理人簽名，該簽名應(a)經公證人或(b)中華民國之律師認證；或(c)由請求人及其授權代理人出具印鑑證明，證明簽名之真正。

(2)患者為治療血友病而使用民國六十七年至七十四年間加工或銷售之凝血製劑，且感染 HIV 病毒之證明，該證明得以下列方法為之：(a)患者之病歷影本，並經保管該病歷之醫院證明與原本相符；或(b)由患者接受治療之醫院醫師出具證明；或(c)行政院衛生署出具之證明；

(3)如果請求人是患者的全體合法繼承人，應檢附得證明患者死亡及請求人係患者之全體合法繼承人之官方證明文件（包括但不限於患者之死亡證明或除戶證明及全體繼承人之戶籍謄本）；及

(4)付款申請書（如附件一所示）。

四、若申請文件完全符合本合約之規定，保管人自接獲前開第三條所載之文件時起七個工作日內，應將新台幣貳佰萬元整匯入付款申請書所指定之金融機構帳戶。惟保管人若發現付款申請書所稱之患者姓名未載於行政院衛生署所保存之「感染 HIV 血友病患名單」上，保管人得進一步確認請求人有無受領補償金之資格，不受本條七個工作日內付款之限制，但至遲應於接獲前開第三條所載之文件時起三十七個工作日內付款或依本合約第五條規定通知請求人及行政院衛生署。

五、若付款請求有不符合本合約規定之情事，保管人將立即通知請求人，告知其付款請求未能生效，並解釋原因；且應同時以書面(詳細載明拒絕付款之正當理由)知會行政院衛生署。保管人將依請求人之指示保管申請文件或將文件退還。

六、請求人如接獲付款請求未完全符合本合約規定之通知時，得提出文件以改正不符合之處。

七、製造商概不接受部分付款及分數次付款之請求。

八、請求人於簽署本合約並受領本合約第一條所定之補償金後，不得在任何公開場合或向媒體發表任何有直接或間接損害製造商名譽之處之關於感染事件之控訴或抱怨。

九、製造商依本合約向部分請求人支付補償金後，如果決定提高本合約第一條之補償金額或提供額外利益，以便就感染事件與其他請求人和解，製造商亦應向已獲付款的請求人提供相同的增加金額或額外利益。

十、對於請求人之任何資訊，包括自衛生署或請求人取得之資料，製造商及其保管人於任何時間均應保密。任何上述資訊僅限於履行本合約時使用，且僅限於需要該資訊以履行本合約之人員使用。本條雖有保密之規定，製造商仍得向保證製造商履行本合約債務之銀行公開資訊，但以履行本合約所必要者為限。

十一、若本合約有任何部分經認定無效、無法執行或違反公共秩序或法律，而該部分並非雙方締約的主要考慮，則其餘條款仍為有效。

十二、本合約壹式正本肆份，由三位製造商及請求人各執一份為憑，副本一份交衛生署收執。

製造商
Bayer Corporation

_____
姓名：
職稱：
日期：

請求人

_____
姓名：
日期：

Baxter Healthcare Corporation

_____
姓名：
職稱：
日期：

_____
姓名：
日期：

Baxter International Inc.

_____
姓名：
職稱：
日期：

_____
姓名：
日期：

附件一

付款申請書

受文者：常在國際法律事務所李宗德律師
（台北市106敦化南路一段二四五號八樓）

請求人依其於_____（日期）簽署之和解合約請求付款，並確認下列事項：

一、請求人係和解合約所稱之患者_____〔姓名及身分證字號〕／患者之全體繼承人_____〔姓名及身分證字號〕。

二、請求人依和解合約請求支付新台幣貳佰萬元整。請將該款項匯入_____〔受託金融機構名稱及帳戶號碼〕。

三、對於請求人之任何通知，應以書面向下述人及地址為之：

應受送達人：_____先生／女士

地址：_____

請求人

_____
姓名：

_____
姓名：

_____
姓名：

_____
姓名：

中　華　民　國　　年　　月　　日

Richard Peng
American Translators Association Certified Chinese Translator
Judicial Council of California Certified Court Interpreter
Tel: (909) 896-9436 Fax: (909) 861-9387
E-mail: richinese@yahoo.com
Website: www.acechinesetrans.com

CERTIFICATION OF TRANSLATION

I, the undersigned, say that I am a Certified Chinese Translator by American Translators Association (Certification No. 224208) and a Certified Court Mandarin Interpreter by the Judicial Council of California (Certification No. 301140); I am fluent in both Chinese and English languages and competent to translate between them; I have been a translator for 26 years, translating legal documents such as the one I have examined herein. I certify that the attached English translation from Chinese is true and correct to the best of my ability and belief.

DESCRIPTION OF DOCUMENT

1. Settlement Agreement and Annex I, 5 pages.

Executed under penalty of perjury this 3rd day of March in 2008 at Los Angeles County, California.

Richard Peng
Official Court Interpreter
United States District Court
Central District of California
ID No.: 2000 INTERPRETER No. 13

On this 3rd day of March in 2008, before me, Jenny Leung, the undersigned Notary Public, personally appeared the above-named Richard Peng, who swore that the above statements were true to the best of his knowledge and belief.

Notary Public in and for the County of Los Angeles
State of California

JENNY LEUNG
COMM. # 1506155
NOTARY PUBLIC-CALIFORNIA
LOS ANGELES COUNTY
COMM. EXP. SEPT. 5, 2008