

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE SALOMON ANALYST METROMEDIA
LITIGATION

Case No. 02-CV-7966
Judge Gerard E. Lynch

STATEMENT BY THE MEDIATOR, FORMER U.S. DISTRICT JUDGE,
HON. LAYN R. PHILLIPS

Statement by the Mediator, former U.S. District Judge Hon. Layn R. Phillips

1. I am a former United States District Court Judge for the Western District of Oklahoma and a member of Irell & Manella LLP, where I am head of the Irell & Manella Alternative Dispute Resolution Center. My curriculum vitae is attached as Exhibit A.

2. I was retained by the Parties in *In re Salomon Analyst Metromedia Litigation*, a class action filed in the United States District Court for the Southern District of New York, to attempt to mediate a settlement of the action.


3. I presided over an in-person mediation between the Parties on May 4 and 5, 2006 at the offices of Irell & Manella LLP. Prior to the scheduled mediation, the Parties submitted confidential mediation statements supporting their respective positions. The issues in this case were complex and novel, and I met jointly and separately with each side to discuss the strengths and weaknesses of their respective positions, and the risks of litigation, in an effort to bridge the differences between the Parties. The discussions during this mediation session were vigorous on both sides.

4. Since this first mediation session, I have continued to communicate with the Parties regarding their settlement positions and have continued to attempt to mediate a settlement. These discussions, which occurred over a period of more than two years, ultimately resulted in a settlement of \$35,000,000.

5. In my opinion, the proposed Settlement is the result of vigorous arm's length negotiation by both sides. I believe, based on my extensive discussions with the Parties and the information made available to me during the mediation process, that the settlement was negotiated in good faith and that the settlement is fair and reasonable.

6. Based on my involvement with the mediation, including discussions of the relative value of certain claims, I also believe that the proposed Plan of Allocation is fair and reasonable.

Dated: November 10, 2008



Hon. Layn R. Phillips

CURRICULUM VITAE: JUDGE LAYN R. PHILLIPS

Layn R. Phillips, age 56, is a partner with the Los Angeles law firm of Irell & Manella. He is a former United States District Judge and United States Attorney, and founder of the Irell and Manella Alternative Dispute Resolution Center.

Judge Phillips was born and raised in Oklahoma. He attended undergraduate school and law school at the University of Tulsa in Tulsa, Oklahoma and Georgetown University Law Center in Washington D.C. In 1977 he joined the Federal Trade Commission's Honors Program and was assigned to the Bureau of Competition in Washington, D.C., where for the next three years he investigated and litigated civil antitrust cases involving mergers and monopolization claims. In 1980, he joined the United States Attorney's office in Los Angeles as an Assistant United States Attorney, serving as a federal prosecutor in the Central District of California until 1984. During the Reagan Administration, he returned to Oklahoma where he was appointed by the President to serve as the United States Attorney in Tulsa, Oklahoma.

In 1986, he was nominated by the President to serve as a United States District Judge for the Western District of Oklahoma in Oklahoma City. During his four years on the bench he presided over approximately 150 federal civil and criminal trials in various districts within the Tenth Circuit. In 1990, Judge Phillips was also designated by the Chief Justice of the United States Supreme Court to preside over cases in the Fifth Circuit in the Northern District of Texas, Dallas Division.

Judge Phillips also sat by designation on the United States Court of Appeals for the Tenth Circuit in Denver, Colorado, where he participated in numerous panel decisions and published several opinions in the field of civil rights, business litigation, environmental law and summary judgment practice. In July 1991, he resigned from the federal bench and joined Irell & Manella as a litigation partner.

As an advocate, Judge Phillips has more than 50 trials to his credit. These trials span several substantive areas of the law, including allegations of unfair competition, environmental contamination, securities fraud, public corruption, money laundering, bank fraud, mail fraud, merger violations, professional malpractice, tax evasion, narcotics trafficking prosecutions, and transgressions of the RICO and Continuing Criminal Enterprise statutes. As a result of his trial work, he has been elected into, and now serves, as a Fellow in the American College of Trial Lawyers.

While serving as a federal judge, he also gained extensive experience in the realm of settlement negotiations and mediation, presiding over dozens of settlement conferences in complex business disputes and class actions. Judge Phillips has mediated hundreds of disputes referred by private parties and courts, and has been appointed a Spécial Master by numerous federal courts in complex civil proceedings. He has also been designated as special counsel to various boards and corporations, conducting internal investigations on sensitive issues. He has been nationally recognized as a mediator by the International Institute for Conflict Prevention and Resolution, serving on its National Panel of Distinguished Neutrals. Beginning in 2007, Judge Phillips will also serve on the Straus Institute for Dispute Resolution's Advisory Council at Pepperdine University School of Law.

Judge Phillips has also been active in a variety of bar association activities, as well as continuing legal education presentations. During 2001, he served as the President of the Federal Bar Association in Orange County, California, and served on the Orange County Bar Association Board of Directors and Judiciary Committee. Judge Phillips has also served as the President of two American Inns of Court, and maintains the status of Master Emeritus in three separate Inns. He is a member of the California, Oklahoma, Texas and District of Columbia bar associations.

Judge Phillips is a Fellow of the American Bar Foundation. In 2004-2005 he served as the Co-Chair of the Central District of California Lawyer Representatives to the Ninth Circuit Judicial Conference. In 2005 Judge Phillips was selected by the Central District of California federal judiciary to serve as the Chairman of the Magistrate Judge Merit Selection Panel, a position he still holds. He was also a 2006 Co-Chair for the ABA's Litigation Section's Annual Meeting in Los Angeles.

As an undergraduate student, Judge Phillips graduated with highest honors as an economics major, receiving his college's Wall Street Journal Award for the Outstanding Economics graduate. He attended the University of Tulsa on a NCAA tennis scholarship, serving as the team's captain, winning the Missouri Valley Conference Championship at #1 singles. He also received an NCAA post-graduate scholarship, and was inducted into the University of Tulsa Athletic Hall of Fame. Judge Phillips also graduated from law school with highest honors, finishing second in his class at the University of Tulsa. He then pursued an additional two years of graduate law studies at Georgetown University to complement his work in the field of economic regulation of industry.

For his years of commitment to public service, in 1989 he was named as one of the 10 Outstanding Young Americans by the U.S. Junior Chamber of Commerce. In 1991, he resigned from the federal bench and joined Irell & Manella, where he specializes in complex civil litigation, internal investigations, and alternative dispute resolution. He has the dual honor of being named by *LawDragon Magazine* in 2006 as one of the "Leading Judges in America" and as one of the "Leading Litigation Attorneys in America." *The Los Angeles Daily Journal* named Mr. Phillips as one of California's 100 most influential lawyers in 2008. In addition, Mr. Phillips was also again selected for inclusion in The Best Lawyers in America for 2009.

Judge Phillips lives in Orange County, California with his wife Kathryn, and their three children Amanda, age 30, Parker, age 20, and Graham, age 15.