

REDW LLC

Ramah Navajo Chapter - Settlement Administrator

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Ramah Navajo Chapter Class Action Supplemental Explanation of Final
Share Percentage – Named Class Representatives

December 19, 2003

The following steps were used to arrive at your entity's Final Share Percentage per Appendix F to the Second Partial Settlement Agreement ("PSA2"). That percentage was shown at the close of the "final share percentage verification sheet" previously mailed to you. This Supplemental Explanation should be viewed in conjunction with the Final Share Percentage Schedule mailed on December 16, 2003, which you can view on the Class Website at www.rncsettlement.com Final Share Percentage List (on the home page).

1. The Base Year Amount was determined for each entity (*Column 3 of Schedule*).
2. The Base Year Amounts for all entities were summed for a total of \$409,581,158 (*Sum of Column 3*).
3. The Ratio of Base Year Expenditures (*Column 4*) was then determined. We were required by Appendix F to PSA2 to disclose this information to all Class Members in the Final Share Percentage Schedule. **This percentage is not the Percentage used to calculate your organization's share of PSA2 proceeds.**
4. The Share allocation (*Column 7 of Schedule*) is an intermediate step in determining your organization's share of PSA2 proceeds. As reflected in the Notes to the Final Share Percentage Schedule, Column 7 represents each organization's proportionate share of base year expenditures after making the adjustments for full allocation, two-thirds (2/3 allocation) and one-third (1/3 allocation) required by paragraph 12(a) of Appendix F for Class Members with only two or one qualifying years. **The decimal figure in Column 7 is also not the percentage or ratio used to calculate your organization's share of PSA2 proceeds.**
5. Your organization is a Named Class Representative per PSA2, Art. VI (C). Accordingly, your organization's adjusted share percentage is determined by (1) dividing your organization's adjusted share of allocation by all Class Members adjusted share of allocation (column 7 amount/ total of column 7 share amounts) and (2) multiplying that figure by 1.2. **This percentage (column 8 of schedule) is the percentage used to calculate your organization's share of PSA2 proceeds.**
6. **The percentage reflected in Column 8 will be multiplied by \$28,350,000 (Art. VI (C) 2.a.3) to determine your organization's share of PSA2 proceeds.**
7. As reflected in our letter dated December 16, 2003, any objections approved by the Court which result in an increase in any Class Members' share percentage for the base year will cause a proportional decrease in all other class members' final share percentages. Any changes in the Class Members' final share percentages would cause a change in amounts paid to Named Class Representatives, which would cause a corresponding change in the Net Common Fund.
8. The new deadline for filing objections with the Court Clerk is thirty days from December 19, 2003, the date of mailing of the notification of this supplemental explanation.

Should you have any questions please contact Susan Hansen at 1-888-726-9418 or 1-505-998-3274.

Sincerely,

RAMAH SETTLEMENT ADMINISTRATION