##  **Sequencing Adjustment.**

**7.5(a) Eligibility for Payment.** Subject to the limitations set forth below, a sequencing adjustment shall be paid on all unliquidated Trust Claims with respect to which a claimant has had to wait one (1) year or more for payment, following the submission to the Trust of all documents and information necessary for the Trust to approve the Trust Claim for payment; provided, however, that no claimant shall receive a sequencing adjustment for a period in excess of seven (7) years. The sequencing adjustment factor for each year shall be the coupon issue yield equivalent (as determined by the Secretary of the Treasury) of the average accepted auction price for the first auction of 5-year Treasury Notes occurring in such year. The Trust shall have the discretion to change the sequencing adjustment factor with the consent of the TAC and the Future Claimants’ Representative.

**7.5(b) Method of Calculation.** A sequencing adjustment shall be payable on the Scheduled Value of any unliquidated Trust Claim that meets the requirements of Disease Levels I–IV, VI, and VII, whether the claim is liquidated under Expedited Review, Individual Review, or by arbitration. No sequencing adjustment shall be paid on any claim liquidated in the tort system pursuant to Sections 5.11 above and 7.6 below. The sequencing adjustment on an unliquidated Trust Claim that meets the requirements of Disease Level V shall be based on the Average Value of such a claim. Sequencing adjustments on all such unliquidated claims shall be measured from the date of payment back to the earliest of the date that is one (1) year after the date on which the claimant submitted all documents and information necessary for the Trust to approve the Trust Claim for payment; provided, however, that any time periods with respect to which the Trust was waiting for the claimant to take an action shall be subtracted out of the time period calculations.

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