

Whirlpool Statement

April 17, 2015

Class Dismissal follows Whirlpool Corporation Settlement Actions with Residents

Arkansas Federal District Judge P.K. Holmes this week dismissed an environmental class action lawsuit pending against Whirlpool since May 2013. This action comes in the wake of a settlement achieved between Whirlpool and property owners. In addition to the proposed class action claims, Whirlpool has settled lawsuits asserted by many individual property owners in the area, and it has agreed to compensate numerous residents who had not engaged in litigation. Accounting for all of the lawsuits, as well as payments to owners who had not sued the company, Whirlpool has paid more than \$3 million in compensation to area property owners.

Whirlpool has now settled lawsuits brought by all but one property owner whose land is above the TCE contaminated groundwater. In addition, one other owner of nearby property has remaining claims pending in court.

According to Whirlpool Vice President for Communications, Jeff Noel,

"The settlements concluded during the past two months include paying affected owners the amount by which each property was devalued by the Tax Assessor, plus 33% of that amount. In exchange for the payments, property owners agreed to release all claims and dismiss pending litigation, to file deed restrictions prohibiting drilling of wells on the properties, and to allow access for testing and remediation activities being undertaken by Whirlpool and its consultants."

According to Noel, "Whirlpool remained steadfast in its promise to be fair to the community by treating all property owners the same and by compensating even property owners who had not brought claims against us. To achieve this, we literally went door-to-door in the community seeking out people who had chosen not to sue the company to ensure that they were compensated the same as those plaintiffs in the litigation. We will also continue to work closely with environmental regulators and the City of Ft. Smith to remediate the contamination pursuant to the Consent Letter and RADD. We are also actively working to sell the remainder of the closed facility for redevelopment, which we hope will only further help nearby property owners."

The class action lawsuit was initiated in May 2013. Whirlpool previously agreed to settlement terms with class counsel but the court declined to certify the class, in part because there were too few members of the class. In addition to the class action, owners of 39 properties represented by separate counsel brought individual claims for damages in 2013. Although these individual owners objected to the class action settlement proposed to the court in 2014, all but four of the plaintiffs have accepted the terms Whirlpool offered to the class members. Three of the four remaining claims relate to property where TCE has not been detected above federal drinking water standards.

In all, the owners of 54 properties have entered into, or are in the process of finalizing, settlement agreements on the same terms.

Whirlpool remains determined to resolve all claims on the terms proposed to residents, but it will continue to fight any remaining claims in the courts. According to Noel, "The claims that are continuing in litigation are outliers with demands that are simply unreasonable. We have been

more than generous in determining the compensation we will pay to owners, but any settlement must be fair to everyone involved. We were very pleased with our personal meetings with residents and found that they greatly appreciated our efforts to pay the full value of the Tax Assessor's substantial devaluations, plus an additional 33% of that amount. We are hopeful the remaining plaintiffs will accept these terms in the near future and we can all move forward in a positive way."

###