

EXHIBIT E

Earnings and Residue

Earnings on the investment of amounts held in trust will be credited to a separate Earnings Account and shall be utilized by the Trustee to pay the unreimbursed expenses and unpaid fees of plaintiffs' attorneys. Interest will not be paid on amounts due to class members. Any amount remaining in the Earnings Account upon the termination of the trust (after payment of all remaining obligations to plaintiffs' attorneys) shall be deposited into the Settlement Administration Expense Account ("SAEA") if the SAEA remains in existence at that time. Earnings on the SAEA after the termination of the trust will be deposited into such account and used for the purposes of that account. If the SAEA has been terminated, any remainder in the Earnings Account upon the termination of the trust will be paid or credited to the non-profit corporations established pursuant to the settlements in *Alaniz* and *Karamatsu* (the "COLA Defense Corporations") to meet their needs and obligations.

After the first checks for back pay are issued by the trustee to class members (representing 100% of the Gross Amount due to each class member), the trustee shall determine the amount of the Reserve Account, and any amount of the Aggregate Gross Amount as originally estimated for purposes of settlement, which are in excess of the actual Gross Amount due to all class members. The amount of such excess shall be applied to the payment of any remaining unpaid fees of plaintiffs' attorneys. The balance (if any) of such reserves shall be available for the payment of prejudgment interest to class members as described below.

With respect to the undistributed principal remaining in the trust as of the Back Pay Termination Date (including all amounts held for non-responding class members, all amounts of uncashed checks, and any amounts of the Reserve Account and estimated Aggregate Gross Amount remaining after payment of all obligations to plaintiffs' attorneys), the Trustee shall determine an appropriate amount to be retained for any class members not covered by timely reports submitted by or for COLA Payors as provided in Section 12 of the Stipulation and to cover outstanding checks for back pay issued within the previous 90 days. The remainder of such undistributed principal (the "PJI Fund") shall be utilized by the Trustee to pay prejudgment interest to all class members who have submitted Claim Verification forms and cashed their checks for the Gross Amount. (Such class members are referred to as "participating class members.")

The amount of prejudgment interest distributable to each participating class member shall be that class member's proportionate share of the PJI Fund (exclusive of earnings on such fund), which share, however, shall not exceed 100% of the amount of prejudgment interest due on the class member's Gross Amount under the Back Pay Act. Such proportionate share is equal to the estimated amount of prejudgment interest allocable to the Gross Amount due to the participating class member divided by the sum of all estimated amounts of prejudgment interest allocable to the Gross Amounts due to all participating class members. Such estimates will be based on simplifying assumptions and adjustments as provided in the Stipulation.

On the Trust Termination Date, any and all amounts remaining in trust (including undistributed amounts of principal from the PJI Fund, together with all further accumulated earnings on the trust) shall be applied first to the payment of any remaining obligations to plaintiffs' attorneys. Any remaining balance shall be paid or credited to the COLA Defense Corporations to meet their needs and obligations.