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FILED Clerk District Court

FEB 17 2016

for the Northern Mariana Islands By (Deputy Clerk)

IN THE UNITED STATES DISTRICT COURT FOR THE NORTHERN MARIANA ISLANDS

BETTY JOHNSON, on behalf of herself, and as a representative of a class of similarly-situated persons,

CIVIL CASE NO. 09-00023

ORDER

Plaintiffs,

VS.

ELOY S. INOS, Governor of the Commonwealth of the Northern Mariana Islands ("CNMI"), *et al.*,

Defendants.

This matter came before the court on February 12, 2016. At the request of the Settlement Fund Trustee ("Trustee"), the court held an emergency hearing to discuss the disbursement of the 25 percent pension payments. Present at the District Court were Ms. Nicole M. Torres, Attorney for the Settlement Fund; and Ms. Teresita Sablan, Attorney for the CNMI Government. Also present at the District Court were Acting Governor of the CNMI Victor Hocog; Ms. Larissa Larson, CNMI Secretary of Finance; and Ms. Lillian Pangelinan, Settlement Fund Administrator. Appearing telephonically were Ms. Joyce H. Tang, Settlement Fund Trustee; Mr. Dean Manglona, Attorney for the Settlement Fund; and Ms. Margery Bronster, Attorney for the Plaintiffs.

Pursuant to the Settlement Agreement, the Trustee is responsible for disbursing 75

percent of the pension payments. The remaining 25 percent is not the Trustee's responsibility; 2 however, in an effort to accommodate the Government, the Trustee has also been disbursing the remaining 25 percent on behalf of the Government. The emergency hearing was held because the 3 Trustee and the Government are not able to agree on whether the 25 percent pension payments 4 5 are currently being properly funded. Without ruling on this issue, ¹ the court orders the following: 6 a. The Executive Branch shall make the 75 percent pension payments a priority, as 7 that is its obligation under the Settlement Agreement. 8 b. The Executive Branch shall work closely with the Trustee—and with the Legislature—if necessary, to address the Trustee's concerns over the lack of 9 proper appropriation for the 25 percent pension payments. 10 c. Any delay or failure to pay the 25 percent pension payments is not the responsibility of the Trustee. d. The court encourages the Executive Branch and the Trustee to work cooperatively 12 and collaboratively, as they had done in the past. 13 The next hearing on this matter is hereby set for February 19, 2016, at 8:30 a.m. The court orders the presence of the Governor, the Speaker of the House of 14 Representatives, and the President of the Senate at the hearing. 15 SO ORDERED. 16

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/s/ Frances M. Tydingco-Gatewood **Designated Judge** Dated: Feb 17, 2016

At this time, the court is not ruling on this issue because Acting Governor Hocog has represented to the court that he is willing to work with the Trustee in resolving the Trustee's concerns.