

**KAISER GYPSUM ASBESTOS PERSONAL INJURY
TRUST DISTRIBUTION PROCEDURES**

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KAISER GYPSUM ASBESTOS PERSONAL INJURY
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The Kaiser Gypsum Asbestos Personal Injury Initial Trust Distribution Procedures (the “**TDP**”) contained herein provide for resolving “**Asbestos Personal Injury Claims**”¹ as defined in the Joint Plan of Reorganization of Kaiser Gypsum Company, Inc. (“**Kaiser Gypsum**”) and Hanson Permanente Cement, Inc. (“**HPCI**”) (together, the “**Debtors**”), dated as of July 27, 2018 (as it may be amended, modified or supplemented, the “**Plan**”),² as provided in and required by the Plan and the Kaiser Gypsum Asbestos Personal Injury Trust Agreement (the “**Trust Agreement**”). The Plan and Trust Agreement establish the Kaiser Gypsum Asbestos Personal Injury Trust (the “**Asbestos Trust**”). The Trustee of the Asbestos Trust (the “**Trustee**”) shall implement and administer this TDP in accordance with the Trust Agreement.

SECTION 1.

INTRODUCTION

1.1 Purpose. This TDP has been adopted pursuant to the Trust Agreement. It is designed to provide fair, equitable and substantially similar treatment for all Asbestos Claims that may presently exist or may arise in the future.

1.2 Interpretation. Except as expressly provided below, nothing in this TDP shall be deemed to create a substantive right for any claimant. The rights and benefits provided herein to holders of Asbestos Claims shall vest in such holders as of the Effective Date.

¹ Asbestos Personal Injury Claims shall be referred to herein as “**Asbestos Claims**.”

² Capitalized terms used herein and not otherwise defined shall have the meanings assigned to them in the Plan and the Trust Agreement.

SECTION 2.

OVERVIEW

2.1 Asbestos Trust Goal. The goal of the Asbestos Trust is to treat all claimants similarly and equitably in accordance with the requirements of section 524(g) of the Bankruptcy Code. This TDP furthers that goal by setting forth procedures that allow claimants with Insured Asbestos Claims to pursue their Asbestos Claims in the tort system, as they did prior to the Petition Date (“**Pre-Petition**”), and that provide for processing and paying both the uninsured portions of such claims, as well as the Uninsured Asbestos Claims that would have been paid by the Debtors Pre-Petition, on an impartial, first-in-first-out (“**FIFO**”) basis, with the intention of paying all claimants over time as equivalent a share as possible of the value of (a) subject to Section 7.2 hereof, the portions of their Insured Asbestos Claims that are not covered by any Asbestos Insurance Policy and (b) their Uninsured Asbestos Claims that would have been paid by the Debtors Pre-Petition ((a) and (b) are collectively referred to herein as the “**Uninsured Amounts**”).

2.2 Asbestos Claims Handling and Liquidation Procedures. Insured Asbestos Claims shall be resolved primarily in the tort system as described in Section 5.3 below. Once claimants obtain payment on a settlement, judgment, or some other final resolution of their claim in their favor in the tort system, they may then submit evidence of such payment or final resolution to the Asbestos Trust, which will resolve the portions of the Insured Asbestos Claims that are not covered by any Asbestos Insurance Policy subject to Section 7.2 hereof.³ Uninsured portions of claims shall be processed based on their place in the applicable FIFO Processing Queue to be established pursuant to Section 5.1 below. The Asbestos Trust shall take all reasonable steps to

³ If an Insured Asbestos Claim is resolved in the tort system for less than the applicable deductible amount, the subject claimant does not need to submit evidence of payment to the Asbestos Trust as no payment will have been made.

resolve the uninsured portions of Insured Asbestos Claims as efficiently and expeditiously as possible.

Uninsured Asbestos Claims, if any, shall be processed based on their place in the applicable FIFO Processing Queue. If the Asbestos Trust is satisfied that the claimant has presented a claim that would be cognizable and valid in the applicable tort system and would have been compensable by the Debtors Pre-Petition, the Asbestos Trust shall offer the claimant a settlement amount to be determined based on the values paid by the Debtors with respect to substantially similar claims in the tort system, which values shall be determined by reference to the Debtors' tort system history, including the valuation data contained in such history. The Asbestos Trust shall take all reasonable steps to resolve Uninsured Asbestos Personal Claims as efficiently and expeditiously as possible.

Unresolved disputes involving the Asbestos Trust and the resolution of its liability with respect to Uninsured Amounts shall be subject to binding or non-binding arbitration as set forth in Section 5.8 below, at the election of the claimant, under ADR Procedures established by the Asbestos Trust. Holders of Asbestos Claims that cannot be resolved by non-binding arbitration may enter the tort system as provided in Section 5.9 below. If a claimant obtains a judgment against the Asbestos Trust in the tort system, such judgment shall be payable as provided in Section 7.4 below.

2.3 Establishment and Application of the Payment Percentage. The initial Payment Percentage (as defined and described in Sections 4.1 and 4.2 below) for all claims, or portions of claims, paid by the Asbestos Trust shall be established by the Trustee with the consent of the Trust Advisory Committee (“TAC”) and the Future Claimants’ Representative (“FCR”) promptly after the Asbestos Trust is established. After the uninsured amount of an Insured Asbestos Claim or the value of an Uninsured Asbestos Claim is determined pursuant to the procedures set forth herein,

the claimant shall ultimately receive a pro-rata share of that amount (subject to Section 7.2 hereof) based on the Payment Percentage. Pre-Effective Date Liquidated Insured Asbestos Claims (as defined in Section 5.2 below) are included within the definition of Insured Asbestos Claims and the deductible or other uninsured amount of such claim shall be subject to the Payment Percentage. Each Asbestos Personal Injury Indirect Claim (an “**Indirect Asbestos Claim**”) is either an Insured Asbestos Claim or an Uninsured Asbestos Claim, depending upon the facts underlying the particular Indirect Asbestos Claim, and the portion of the value of any such claim for which the Asbestos Trust is responsible shall be subject to the Payment Percentage.

The Payment Percentage may be adjusted upwards or downwards from time to time by the Asbestos Trust with the consent of the TAC and the FCR to reflect then-current estimates of the Asbestos Trust’s assets and its liabilities. Because there is uncertainty in the prediction of both the total amount of the Asbestos Trust’s asbestos-related liabilities and the value of the Asbestos Trust’s assets over time, no guarantee can be made of any particular Payment Percentage that will be applicable to a payment on any Asbestos Claim.

2.4 Asbestos Trust’s Determination of the Maximum Annual Payment. After calculating the Payment Percentage, the Asbestos Trust shall model the cash flow, principal and income year-by-year to be paid over its entire life to ensure that all present and future holders of Asbestos Claims are compensated at the applicable Payment Percentage. In each year, based upon the model of cash flow, the Asbestos Trust shall be empowered to pay out the portion of its funds payable for that year according to the model (the “**Maximum Annual Payment**”). The Asbestos Trust’s distributions to all claimants for that year shall not exceed the Maximum Annual Payment. The Payment Percentage and the Maximum Annual Payment figures are based on projections over the lifetime of the Asbestos Trust. If such long-term projections are revised,

the Payment Percentage may be adjusted accordingly, which would result in a new model of the Asbestos Trust's anticipated cash flow and a new calculation of the Maximum Annual Payment figures.

However, year-to-year variations in the Asbestos Trust's flow of claims or the value of its assets, including earnings thereon, will not mean necessarily that the long-term projections are inaccurate; they may simply reflect normal variations, both up and down, from the smooth curve created by the Asbestos Trust's long-term projections. If, in a given year, however, asset values, including earnings thereon, are below projections, the Asbestos Trust may need to distribute less in that year than would otherwise be permitted based on the original Maximum Annual Payment derived from long-term projections. Accordingly, the original Maximum Annual Payment for a given year may be temporarily decreased if the present value of the assets of the Asbestos Trust as measured on a specified date during the year is less than the present value of the assets of the Asbestos Trust projected for that date by the cash flow model described in the foregoing paragraph. The Asbestos Trust shall make such a comparison whenever the Trustee becomes aware of any information that suggests that such a comparison should be made. If the Asbestos Trust determines that as of the date in question, the present value of the Asbestos Trust's assets is less than the projected present value of its assets for such date, then it will remodel the cash flow year-by-year to be paid over the life of the Asbestos Trust based upon the reduced value of the total assets as so calculated and identify the reduced portion of its funds to be paid for that year, which will become the Temporary Maximum Annual Payment (additional reductions in the Maximum Annual Payment can occur during the course of that year based upon subsequent calculations). If in any year the Maximum Annual Payment was temporarily reduced as a result of an earlier calculation and, based upon a later calculation, the difference between the projected present value of the

Asbestos Trust's assets and the actual present value of its assets has decreased, the Temporary Maximum Annual Payment shall be increased to reflect the decrease in the differential. In no event, however, shall the Temporary Maximum Annual Payment exceed the original Maximum Annual Payment. As a further safeguard, the Asbestos Trust's distribution to all claimants for the first nine months of a year shall not exceed 85% of the Maximum Annual Payment determined for that year. If on December 31 of a given year, the original Maximum Annual Payment for such year is not in effect, the original Maximum Annual Payment for the following year shall be reduced proportionately.

SECTION 3.

TDP ADMINISTRATION

3.1 Trust Advisory Committee and FCR. Pursuant to the Plan and the Trust Agreement, the Asbestos Trust and this TDP shall be administered by the Trustee in consultation with the TAC, which represents the interests of holders of present Asbestos Personal Injury Claims, and the FCR, who represents the interests of holders of Asbestos Personal Injury Claims that may be asserted in the future. The Trustee shall obtain the consent of the TAC and the FCR on any amendments to this TDP pursuant to Section 3.2 below, and on such other matters as are otherwise required below or in Section 2.2(f) of the Trust Agreement. The Trustee shall also consult with the TAC and the FCR on such matters as are provided below or in Section 2.2(e) of the Trust Agreement.

3.2 Consent and Consultation Procedures. In those circumstances in which consultation or consent is required, the Trustee shall provide written notice to the TAC and the FCR of the specific amendment or other action that is proposed. The Trustee shall not implement

such amendment or take such action unless and until the parties have engaged in the Consultation Process described in Sections 5.7(a) and 6.6(a), or the Consent Process described in Sections 5.7(b) and 6.6(b), of the Trust Agreement, respectively.

SECTION 4.

PAYMENT PERCENTAGE

4.1 Uncertainty of Debtors' Asbestos Claims Liabilities. As discussed above, there is inherent uncertainty regarding the Asbestos Trust's total asbestos-related liabilities, as well as the total value of the assets available to the Asbestos Trust to pay its expenses and liabilities with respect to Uninsured Amounts. Consequently, there is inherent uncertainty regarding the amounts that holders of all Asbestos Claims shall receive from the Asbestos Trust. To seek to ensure substantially equivalent treatment of all present and future Asbestos Claims by the Asbestos Trust, the Trustee must determine from time to time the percentage of value that holders of present and future Asbestos Claims are likely to receive from the Asbestos Trust (the "**Payment Percentage**").

4.2 Computation of the Payment Percentage. As provided in Section 2.3 above, the initial Payment Percentage shall be set by the Trustee with the consent of the TAC and the FCR promptly after the Asbestos Trust is established. Thereafter, the Payment Percentage shall be subject to change pursuant to the terms of this TDP and the Trust Agreement if the Trustee, with the consent of the TAC and FCR, determines that an adjustment is required. No less frequently than once every three (3) years, with the first three-year period commencing on the first day of January following the Effective Date, the Trustee shall reconsider the then applicable Payment Percentage to assure that it is based on accurate, current information and may, after such reconsideration, change the Payment Percentage if necessary with the consent of the TAC and the FCR. The Trustee shall also reconsider the then applicable Payment Percentage at shorter intervals

if they deem such reconsideration to be appropriate or if requested to do so by the TAC or the FCR. In any event, no less frequently than once every twelve (12) months, commencing one year after the date the Asbestos Trust first makes available the proof of claim forms and other claims materials required to file a claim with the Asbestos Trust, the Trustee shall compare the liability forecast on which the then applicable Payment Percentage is based with the actual claims filing and payment experience of the Asbestos Trust to date. If the results of the comparison call into question the ability of the Asbestos Trust to continue to rely upon the current liability forecast, the Trustee shall undertake a reconsideration of the Payment Percentage.

The Trustee must base his or her determination of the Payment Percentage on current estimates of payments related to Uninsured Amounts, the value of the assets of the Asbestos Trust, all anticipated administrative and legal expenses, and any other material matters that are reasonably likely to affect the sufficiency of funds available to pay a comparable percentage of the Asbestos Trust's liability to holders of Asbestos Claims with respect to Uninsured Amounts. When making these determinations, the Trustee shall exercise common sense and flexibly evaluate all relevant factors.

4.3 Applicability of the Payment Percentage.

The Trust shall apply the Payment Percentage to all payments made to holders of Asbestos Claims. The payment to a claimant shall reflect the Payment Percentage in effect at the time of the payment. If a redetermination of the Payment Percentage has been proposed in writing by the Trustee to the TAC and the FCR but has not yet been adopted, the claimant shall receive the lower of the current Payment Percentage or the proposed Payment Percentage. However, if the proposed Payment Percentage is the lower amount but is not subsequently adopted, the claimant shall thereafter receive the difference between the lower proposed amount and the higher current

amount. Conversely, if the proposed Payment Percentage is the higher amount and is subsequently adopted, the claimant shall thereafter receive the difference between the lower current amount and the higher adopted amount.

At least thirty (30) days prior to proposing in writing to the TAC and the FCR a change in the Payment Percentage, the Trustee shall issue a written notice to claimants or claimants' counsel indicating that the Trustee is reconsidering such Payment Percentage.

If the Trustee, with the consent of the TAC and the FCR, makes a determination to increase the Payment Percentage due to a change in the estimates of the Asbestos Trust's future assets and/or liabilities, the Trustee shall make supplemental payments to all claimants who previously liquidated their claims against the Asbestos Trust and received payments based on a lower Payment Percentage. The amount of any such supplemental payment shall be the liquidated value of the claim in question times the newly adjusted Payment Percentage, less all amounts previously paid to the claimant with respect to the claim.

The Asbestos Trust's obligation to make a supplemental payment to a claimant shall be suspended in the event the payment in question would be less than \$250.00, and the amount of the suspended payment shall be added to the amount of any prior supplemental payment/payments that was/were also suspended because it/they would have been less than \$250.00. However, the Asbestos Trust's obligation shall resume, and the Asbestos Trust shall pay any such aggregate supplemental payments due the claimant at such time that the total exceeds \$250.00.

SECTION 5.

RESOLUTION OF ASBESTOS CLAIMS.

5.1 Ordering, Processing and Payment of Asbestos Claims.

5.1(a) Ordering of Asbestos Claims.

5.1(a)(1) Establishment of FIFO Processing Queues.

The Asbestos Trust shall order claims that are sufficiently complete to be reviewed for processing purposes on a FIFO basis except as otherwise provided herein (the “**FIFO Processing Queue**”). The Asbestos Trust shall establish two FIFO Processing Queues: (1) the Primary FIFO Processing Queue; and (2) the Uninsured FIFO Processing Queue. All Insured Asbestos Claims shall be placed in the Primary FIFO Processing Queue, and all Uninsured Asbestos Claims, if any, shall be placed in the Uninsured FIFO Processing Queue. The Asbestos Trust will have two processing queues because it is anticipated that the processing of Uninsured Asbestos Claims, if any, will require more extensive individualized review of a claimant’s submission materials.

The claimant’s position in the applicable FIFO Processing Queue shall be determined by the date the claim is filed with the Asbestos Trust. If any claims are filed on the same date, the claimant’s position in the Primary FIFO Processing Queue shall be determined by the date on which the applicable Asbestos Insurer(s) paid the claimant’s claim or, if there was no payment required by such Asbestos Insurer(s), the date on which a settlement in claimant’s favor was finalized, with earlier paid and resolved claims given priority over later paid claims, and the claimant’s position in the Uninsured FIFO Processing Queue shall be determined by the date of the diagnosis of the asbestos-related disease, with claimants with earlier diagnosis dates given priority over later diagnosed claimants. If any claims are filed and were either paid/resolved by

the applicable Asbestos Insurer(s) on the same date or diagnosed on the same date, the claimant's position in the applicable FIFO Processing Queue shall be determined by the claimant's date of birth, with older claimants given priority over younger claimants.

5.1(a)(2) Effect of Statutes of Limitation and Repose. All Uninsured Asbestos Claims, if any, must meet either (i) for claims first filed in the tort system against a Debtor or Reorganized Debtor, the applicable federal, state or foreign statutes of limitation and repose that were in effect at the time of the filing of the claim in the tort system, or (ii) for claims not filed against a Debtor or Reorganized Debtor in the tort system, the applicable federal, state or foreign statutes of limitation and repose that were in effect at the time of the filing with the Asbestos Trust. However, the running of the relevant statute of limitation and repose shall be tolled as of the earliest of (A) the actual filing of the claim against a Debtor or Reorganized Debtor, whether in the tort system or by submission of the claim to a Debtor or Reorganized Debtor pursuant to an administrative settlement agreement; (B) the tolling of the claim against a Debtor by an agreement or otherwise; or (C) the Petition Date. If an Uninsured Asbestos Claim meets any of the tolling provisions described in the preceding sentence and was not barred by the applicable federal, state or foreign statute of limitation and repose at the time of the tolling event, it shall be treated as timely filed if it is actually filed with the Asbestos Trust within three (3) years after the six-month anniversary of the date the Asbestos Trust first makes available the proof of claim form and other claims materials required to file a claim (the "**Initial Claims Filing Date**"). In addition, any Uninsured Asbestos Claim that was first diagnosed after the Petition Date, irrespective of the application of any relevant federal, state or foreign statute of limitation and repose, must be filed with the Asbestos Trust within three (3) years after the date of diagnosis or within three (3) years after the Initial Claims Filing Date, whichever occurs later.

All claims for uninsured portions of Insured Asbestos Claims must be filed with the Asbestos Trust within three (3) years after the date on which the applicable Asbestos Insurer(s) paid (or, in the case of claims for which no payment was due from the applicable Asbestos Insurer(s), settled) the claimant's claim.

5.1(b) Payment of Asbestos Claims. All Asbestos Claims shall be paid in FIFO order based on the date the resolution of their claim with the Asbestos Trust becomes final as evidenced by the claimant's acceptance of an offer from the Asbestos Trust (the "**FIFO Payment Queue**"); all such payments are subject to the applicable Payment Percentage.

Where the claimant is deceased or incompetent, and the settlement and payment of his or her claim must be approved by a court of competent jurisdiction or through a probate process prior to acceptance of the claim by the claimant's representative, an offer made by the Asbestos Trust on the claim shall remain open so long as proceedings before that court or in that probate process remain pending, provided that the Asbestos Trust has been furnished with evidence that the settlement offer has been submitted to such court or is in the probate process for approval. If the offer is ultimately approved by the court or through the probate process and accepted by the claimant's representative, the Asbestos Trust shall pay the claim in the amount so offered, subject to the Payment Percentage in effect at the time the offer was first made.

5.2 Resolution of Pre-Effective Date Liquidated Insured Asbestos Claims.

5.2(a) Processing and Payment. After a claimant receives payment from the applicable Asbestos Insurer(s) with respect to an Insured Asbestos Claim that was liquidated by a settlement or judgment prior to the Effective Date (or if no payment was required by the applicable Asbestos Insurer(s), after such settlement or judgment is finalized) (collectively "**Pre-Effective Date Liquidated Insured Asbestos Claims**"), the claimant may then seek payment for the

deductible portion of the claim from the Asbestos Trust in accordance with the procedures set forth in Section 5.4 below.

5.3 Resolution of Unliquidated Insured Asbestos Claims.

5.3(a) Procedure for Litigating Unliquidated Insured Asbestos Claims.

Pursuant to Plan Section IV.O.1., claimants holding unliquidated Insured Asbestos Claims who wish to recover on such claims must sue the Reorganized Debtor(s) in the relevant tort system to obtain the benefit of insurance coverage under the Asbestos Insurance Policies. The lawsuit may name as the defendant one or both of the Reorganized Debtors and shall be deemed by operation of law to be an action against the applicable Reorganized Debtor(s). All lawsuits brought against the Reorganized Debtor(s) must be filed by the claimant in his or her own right and name and not as a member or representative of a class. Service of process on the Reorganized Debtor(s) may be made, pursuant to applicable federal or state law where the lawsuit is filed, upon the following:

Kaiser Gypsum Company, Inc. and
Hansen Permanente Cement, Inc.
c/o Three Rivers Management, Inc.
Manor Oak One, Suite 200
1910 Cochran Road
Pittsburgh, PA 15220
Attn: Charles E. McChesney II, Esq.
Email: Charles.McChesney@TRMI.Biz

Any lawsuit naming the Reorganized Debtor(s) may be filed by claimants in the federal or state court of their choosing where the applicable Debtor(s) would have been subject to *in personam* jurisdiction as of the Petition Date, or any other court of competent jurisdiction, as permitted under applicable federal or state law.

Where a lawsuit that is still pending against the Debtor(s) was already pending prior to the Effective Date, the lawsuit may proceed, subject, however, to all defenses, including those based on venue, forum non conveniens, and jurisdiction.

The applicability of statutes of limitations and repose in all such lawsuits shall be determined under applicable state or federal law. If a lawsuit involving the Debtor(s) was filed prior to the Effective Date (even if the lawsuit was dismissed as a result of the filing of the Debtors' bankruptcy cases), the filing date of such lawsuit shall be the operative date for purposes of the applicable statute of limitations.

Prejudgment interest in all such lawsuits shall be subject to and calculated based on applicable state or federal law, including any applicable limitations thereunder, and including without limitation section 502 of the Bankruptcy Code.

5.3(b) Tender to Truck or Applicable Asbestos Insurer. The Reorganized Debtor(s), or their agents, shall tender all actions filed pursuant to Section 5.3(a) to Truck Insurance Exchange (“**Truck**”) and, if appropriate, to any other applicable Asbestos Insurer. The Reorganized Debtor(s) shall provide to Truck, or any other applicable Asbestos Insurer, such information as is required under the terms and conditions of the Asbestos Insurance Policies and the Excess CIP Agreement, if applicable. The Reorganized Debtor(s) shall have no obligation to answer, appear, or otherwise participate in the action other than as expressly set forth in the Plan and as may be necessary to maintain coverage under the Asbestos Insurance Policies.

All defenses and all contribution claims including those that could have been asserted by the Debtor(s) prepetition shall be preserved and available to any Asbestos Insurer in regards to any Insured Asbestos Claim.

5.3(c) Denied Insured Asbestos Claims.

5.3(c)(1) Handling of Denied Insured Asbestos Claims Generally. In the event that all applicable Asbestos Insurers deny coverage for an Insured Asbestos Claim or otherwise reject or refuse to defend or pay an Insured Asbestos Claim (other than as a result of a breach by Reorganized Debtors of their Asbestos Insurer Cooperation Obligations), the claimant must first, pursue and obtain a judgment in the tort system against the Reorganized Debtor(s), in name only, and then submit documentation evidencing the judgment to the Asbestos Trust. Upon receiving such documentation, the Asbestos Trust, in consultation with the TAC and the FCR, shall, at its discretion, determine whether it will pursue payment of the judgment against the applicable Asbestos Insurer on the claimant's behalf or take no further action with respect to the claim. In the event the Asbestos Trust does not choose to pursue payment of the judgment, it will be the obligation of the claimant to pursue the applicable Asbestos Insurer for payment of the judgment.

If an Asbestos Insurer provides notice to the Asbestos Trust and a claimant holding an Insured Asbestos Claim that such Asbestos Insurer contests coverage for the Insured Asbestos Claim because the Reorganized Debtors are alleged to have failed to satisfy or otherwise perform the Asbestos Insurer Cooperation Obligations (a "**Notice**"), within forty-five (45) calendar days of receiving such Notice, the Asbestos Trust and the claimant holding such claim shall provide to the Reorganized Debtors any documents or information they respectively received from the Asbestos Insurer denying, rejecting, or disclaiming coverage. If such information is not provided within such forty-five (45) day period, the Reorganized Debtors shall have no obligations under Section IV.L.2. of the Plan with respect to such Insured Asbestos Claim unless the failure to provide such information as required did not unfairly prejudice the Reorganized Debtors.

Pursuant to Section IV.L.2.d. of the Plan, the Reorganized Debtors must, within forty-five calendar days of receiving a Notice, provide to the Asbestos Trust and the subject claimant (1) any documents or information the Reorganized Debtors received from the Asbestos Insurer denying, rejecting, or disclaiming coverage and (2) any documents or other information the Reorganized Debtors have within their possession, custody, or control regarding the Reorganized Debtors' efforts to satisfy any of the Asbestos Insurer Cooperation Obligations in respect of the subject claim. The Asbestos Trust or the holder of the subject claim or both may assert an action against the Asbestos Insurer seeking coverage for the Insured Asbestos Claim. If such an action results in a Final Order providing that the Asbestos Insurer does not have a coverage obligation for the subject claim and the basis for the finding that there is no coverage obligation *may* be because the Reorganized Debtors failed to satisfy or otherwise perform any of the Asbestos Insurer Cooperation Obligations, then the Asbestos Trust or the holder of the subject claim or both may bring a subsequent direct action against the Reorganized Debtors for the sole purpose of seeking a finding that the Reorganized Debtors failed to satisfy or perform any of the Asbestos Insurer Cooperation Obligations.

5.3(c)(2) Handling of Denied Insured Asbestos Claims Where Reorganized Debtors have Breached their Asbestos Insurer Cooperation Obligations. If an Asbestos Insurer does not provide coverage for an Insured Asbestos Claim because a court determines in a Final Order that the Reorganized Debtors failed to satisfy or otherwise perform their Asbestos Insurer Cooperation Obligations, the Asbestos Trust, the TAC, the FCR, and the claimant, each individually or in any combination jointly, may, as outlined in Plan Section IV.L.2., seek (1) specific performance directing the Reorganized Debtors to cure the breach of their Asbestos Insurer Cooperation Obligations, and/or (2) payment from the Reorganized Debtors for

the judgment or settlement amount of the Insured Asbestos Claim for which coverage has been denied by the Asbestos Insurer. Regardless of which remedy is sought, the party may also seek payment from the Reorganized Debtors for reasonable attorneys' fees expended in pursuing relief from the Reorganized Debtors.

Where a party seeks payment or specific performance related to a Denied Insured Asbestos Claim, the Reorganized Debtors shall, within thirty (30) calendar days of receiving notice of the Denied Insured Asbestos Claim, either (a) remit payment of (i) the judgment or settlement amount of the Denied Insured Asbestos Claim to the Asbestos Trust or the claimant, as applicable, and if payment of the value of the Denied Insured Asbestos Claim is made to the Asbestos Trust, the Asbestos Trust shall in turn remit payment to the claimant, and (ii) reasonable attorneys' fees expended in enforcing the right provided in Section IV.L.2. of the Plan, except for any attorneys' fees expended in connection with a direct action against the Reorganized Debtors permitted by Section IV.L.2.d. of the Plan (collectively, "**Legal Fees**") to the appropriate party, or (b) attempt to cure their breach of the Asbestos Insurer Cooperation Obligations. If the Reorganized Debtors successfully cure their breach such that the Asbestos Insurer reverses its previous denial of coverage and pays the Denied Insured Asbestos Claim in full, the Reorganized Debtors shall have no further obligation to pay the Denied Insured Asbestos Claim; the Reorganized Debtors shall, however, remain liable for the Legal Fees and shall remit payment of such Legal Fees to the appropriate party. If the Reorganized Debtors are unable to cure their breach of the Asbestos Insurer Cooperation Obligations, the Reorganized Debtors shall pay to the Asbestos Trust or the claimant, as applicable, the judgment or settlement amount of the Denied Insured Asbestos Claim and shall remit the Legal Fees to the appropriate party.

If the Reorganized Debtors pay the claimant directly on the Denied Insured Asbestos Claim in any manner as set forth in this Section, the Asbestos Trust shall have no further obligation or liability with respect to the claim, apart from payment of the deductible portion of the claim, which the claimant may pursue separately as described in Section 5.4 below.

5.4 Payment by the Asbestos Trust of the Portion of Insured Asbestos Claims Not Covered by any Asbestos Insurance Policy.

5.4(a) Procedure. Once a claimant obtains payment from the applicable Asbestos Insurer(s) on the claimant's Insured Asbestos Claim (including a Pre-Effective Date Liquidated Insured Asbestos Claim or an insured Indirect Asbestos Claim) (or, if there was no payment required by the applicable Asbestos Insurer(s), the date on which a settlement in claimant's favor was finalized), the claimant may then seek payment from the Asbestos Trust of the portion of the Insured Asbestos Claim that is not covered by any Asbestos Insurance Policy subject to Section 7.2 hereof.

5.4(b) Proof of Resolution and Payment. Claimants must submit proof to the Asbestos Trust that their Insured Asbestos Claim has been fully and finally resolved and, if the settlement or judgment amount exceeded the amount of the applicable deductible, paid by the applicable Asbestos Insurer(s). The Asbestos Trust, in consultation with the TAC and FCR, shall develop and establish criteria for submitting evidence of a resolved and paid claim and a claim form governing the submission of such proof. The Asbestos Trust, in consultation with the TAC and the FCR, may require claimants to submit documents evidencing the following: (1) exposure to asbestos or asbestos-containing products designed, marketed, manufactured, fabricated, constructed, sold, supplied, produced, installed, maintained, serviced, specified, selected, repaired, removed, replaced, released, distributed, or in any other way made available by Kaiser Gypsum or Hanson or any other Entity for whose products, acts, omissions, business, or operations either of the Debtors has liability ("**Debtor Exposure**"); (2) a first exposure date that falls within the

Asbestos Insurer coverage periods; (3) evidence regarding the duration and circumstances of the Debtor Exposure; and (4) proof of diagnosis of an asbestos-related disease.

5.4(c) Releases. In addition to submitting proof of resolution or payment, claimants must also submit properly executed releases, as further described in Section 7.5 below through which the claimant fully releases the Asbestos Trust, along with any Settling Asbestos Insurers, from any liability or obligation of any kind arising from or related to the claimant's Asbestos Claim.

5.4(d) Applicable Deductible and Other Payments Due. After receiving all required documents, the Asbestos Trust shall then determine the applicable deductible amount for the claim submitted and any amount owed to the claimant by the Asbestos Trust as a result of payments, if any, to the Asbestos Trust by Settling Asbestos Insurers. Applicable deductibles for claims settled or paid by Truck shall be those established in the Truck Asbestos Insurance Policies and shall apply as follows:

- \$5,000—For all claims with a first exposure date on or before December 31, 1975.
- \$50,000—For all claims with a first exposure date between January 1, 1976 and March 31, 1981 (inclusive).
- \$100,000—For all claims with a first exposure date between April 1, 1981 and March 31, 1983 (inclusive).

5.4(e) Application of Payment Percentage. After the Asbestos Trust determines the applicable deductible amount pursuant to the Asbestos Insurance Policies and any other amount owed to the claimant by the Asbestos Trust with respect to the subject claim as a result of payments, if any, to the Asbestos Trust by Settling Asbestos Insurers, the claimant shall ultimately receive a pro-rata share of the value of the aggregate amount owed by the Asbestos Trust to the claimant

based on the then applicable Payment Percentage described in Section 4.3 above. The Payment Percentage shall apply equally to all Insured Asbestos Claims.

5.4(f) Ordering and Payment of Payments. Upon filing an Insured Asbestos Claim with the Asbestos Trust for a payment, the claimant will be placed in the Primary FIFO Processing Queue to be established by the Asbestos Trust pursuant to Section 5.1(a) above. Payments of amounts owed shall be made in accordance with the FIFO Payment Queue described in Section 5.1(b) above.

5.5 Handling, Litigation, and Payment of Uninsured Asbestos Claims.

5.5(a) General. Consistent with Plan Section IV.O.2., claimants holding Uninsured Asbestos Claims must submit their claims directly to the Asbestos Trust. The Trustee, in consultation with the TAC and FCR, shall develop and approve separate claim materials for Uninsured Asbestos Claims. In any event, however, claimants must submit, at minimum, documents evidencing: (1) Debtor Exposure; (2) a first exposure date that falls outside the Asbestos Insurer coverage periods; (3) evidence regarding the duration and circumstances of the Debtor Exposure; and (4) proof of diagnosis of an asbestos-related disease. In addition to submitting evidence of the above, claimants holding Uninsured Asbestos Personal Injury Claims must also make an offer of proof to the Asbestos Trust demonstrating that their Uninsured Asbestos Claim would be cognizable and valid in the applicable tort system and would have been compensable by the Debtors Pre-Petition.

Before making any payment to a claimant, the Asbestos Trust must have reasonable confidence that the medical evidence provided in support of the claim is credible and consistent with recognized medical standards. The Asbestos Trust may require the submission of X-rays, CT scans, detailed results of pulmonary function tests, laboratory tests, tissue samples, results of

medical examinations, or reviews of other medical evidence, and shall require that medical evidence submitted comply with recognized medical standards regarding equipment, testing methods and procedures to assure that such evidence is reliable. Medical evidence (i) that is of a kind shown to have been received in evidence by a state or federal judge at trial, (ii) that is consistent with evidence submitted to a Debtor to settle, for payment, similar disease cases prior to the Petition Date, or (iii) that is a diagnosis by a physician shown to have previously qualified as a medical expert with respect to the asbestos-related disease in question before a state, federal or foreign judge, is presumptively reliable, although the Asbestos Trust may seek to rebut the presumption. Notwithstanding the foregoing or any other provision of this Successor TDP, any medical evidence submitted by a physician or entity that the Asbestos Trust has determined, after consulting with the TAC and the FCR, to be unreliable shall not be acceptable as medical evidence in support of any Asbestos Claim.

The claimant must demonstrate meaningful and credible Debtor Exposure. That meaningful and credible exposure evidence may be established by an affidavit or sworn statement of the claimant, a co-worker, or a family member in the case of a deceased claimant (providing the Asbestos Trust finds such evidence reasonably reliable), by invoices, employment, construction or similar records, or by other credible evidence. The specific exposure information required by the Asbestos Trust to process a claim shall be set forth on the proof of claim form to be used by the Asbestos Trust. The Asbestos Trust may also require submission of other or additional evidence of exposure when it deems such to be necessary.

The Asbestos Trust shall, in its discretion, determine whether the evidence submitted and offer of proof are sufficient. If the Asbestos Trust concludes that the evidence and offer of proof are sufficient and that any other criteria established by the Trustee has been satisfied, the Asbestos

Trust shall determine the liquidated value of the claim, with reference to Debtors' Pre-Petition tort system history and the valuation data included in such history. The Asbestos Trust shall consider all of the valuation factors reflected in Debtors' tort system history, which may include: (i) the claimant's age, disability, employment status, disruption of household, family or recreational activities, dependents, special damages, and pain and suffering; (ii) the duration and circumstances of claimant's Debtor Exposure; (iii) the asbestos-related disease of the claimant; (iv) the claimant's jurisdiction and law firm; and (v) the industry of exposure. The Asbestos Trust shall then make a settlement offer to the claimant. If the claimant accepts the offer, the claimant must submit a release, in the form to be determined by the Asbestos Trust, and shall then accept payment from the Asbestos Trust in full and complete satisfaction of the claimant's Uninsured Asbestos Claim.

If the Trust denies the claim, or the claimant rejects the settlement offer, the claimant may pursue binding or nonbinding arbitration in accordance with the ADR Procedures set forth in Section 5.8 below to resolve disputes concerning whether the evidence submitted in support of the claim is sufficient, whether the claim would have been compensable in the tort system Pre-Petition, as well as the valuation of the claim based on comparison to the Debtors' Pre-Petition settlement history.

Claimants who elect non-binding arbitration and then reject their arbitral awards retain the right to institute a lawsuit in the tort system against the Asbestos Trust pursuant to Section 5.9 below. All lawsuits brought against the Asbestos Trust involving Uninsured Asbestos Claims must be filed by the claimant in his or her own right and name and not as a member or representative of a class and no such lawsuit may be consolidated with any other lawsuit. A claimant shall be eligible for payment of a judgment for monetary damages obtained in the tort system from the Asbestos Trust (subject to the Payment Percentage) as provided in Section

7.4 below. No award of punitive or exemplary damages shall be compensable by the Asbestos Trust.

5.5(b) Extraordinary Claim Review Process.

5.5(b)(1) In General. “**Extraordinary Claim**” means an Uninsured Asbestos Claim that otherwise satisfies the requirements herein for payment by the Asbestos Trust and that is held by a claimant whose exposure to asbestos (i) occurred predominantly as a result of working in a manufacturing facility of the Debtor during a period in which the Debtor was manufacturing asbestos-containing product at that facility or (ii) was at least 75% the result of exposure to an asbestos-containing product or to conduct for which the Debtor has legal responsibility, and in either case there is little likelihood of a substantial recovery elsewhere. Each such Extraordinary Claim shall be presented for Extraordinary Claim Review and, if valid shall be entitled to an award value that takes into account its Extraordinary Claim status, which value shall be multiplied by the applicable Payment Percentage.

Any dispute as to Extraordinary Claim status shall be submitted to a special Extraordinary Claims Panel established by the Asbestos Trust with the consent of the TAC and the FCR. All decisions of the Extraordinary Claims Panel shall be final and not subject to any further administrative or judicial review.

5.5(b)(2) Additional Documentation and Information for Extraordinary Claim Review. To be eligible for a payment under this TDP, the holder of an Uninsured Asbestos Claim submitted for Extraordinary Claim Review must provide the following additional information:

5.5(b)(2)(i) Requirement to Identify Other Claims. A claimant seeking Extraordinary Claim Review must submit the information described in Section 5.5(b)(2)(ii) about all other claims asserted by the claimant that relate in any way

to the alleged injuries for which the claimant seeks compensation. Other claims about which information must be submitted include claims by the claimant, the claimant's decedent, and any present or past holder of the Uninsured Asbestos Claim. Other claims include, but are not limited to, the following: (a) lawsuits filed in any court, arbitration proceedings before any panel or tribunal, and administrative proceedings (such as workers' compensation claims) before any governmental or quasi-governmental body; (b) claims that were resolved or settled without the institution of litigation (such as pre-filing settlements reached after notification of the existence of a claim without the need to file a lawsuit); and (c) claims that have been submitted in bankruptcy proceedings or to other asbestos trusts or claim resolution facilities that resulted from bankruptcy proceedings.

5.5(b)(2)(ii) Information Required About Other Claims. A claimant seeking Extraordinary Claim Review shall submit the following information for each other claim: (a) the name of the entity against whom the other claim was made, (b) the date of the other claim, and (c) the amounts of all payments received or to be received from the entity to whom the other claim was submitted. The claimant must also submit copies of any documents submitted to or served upon any such entity containing information regarding the alleged injured party's contact with or exposure to asbestos or asbestos-containing products, including without limitation any claim forms submitted to other asbestos trusts or claim resolution facilities that resulted from bankruptcy proceedings (along with any attachments), ballots submitted by or on behalf of the claimant in any bankruptcy case, and any discovery response filed or served in tort litigation. The claimant shall also certify that, to the

best of his or her knowledge, at that time, with the exception of the other claims that have been expressly disclosed and identified by the claimant, no other entity is known to the claimant to be potentially responsible for the alleged injuries that are the basis of the Extraordinary Claim.

5.5(b)(2)(iii) Authorization for Release of Information. Any claimant seeking Extraordinary Claim Review shall execute a release of information form in favor of the Asbestos Trust, in the form attached as Appendix I, authorizing all other asbestos trusts and claim resolution facilities against whom any such other claim has been made or asserted based on the injured party's injury to release to the Asbestos Trust all information submitted to it by such claimant or entity who made such other claim and to disclose the status of any such claim and the amount and date of any payment on the claim. The release of information form shall authorize the Asbestos Trust to obtain all submissions made by the claimant or his or her heirs, executors, successors, or assigns in the future to any other asbestos trust or claim resolution facility. The Asbestos Trust may amend the form attached as Appendix I from time to time to add newly established asbestos trusts or claim resolution facilities. These authorizations will be used not only to verify information provided in connection with particular Extraordinary Claims but also in connection with the Asbestos Trust's periodic audits for fraud.

5.5(b)(2)(iv) Claimant Certification.

(a) If the claimant seeking Extraordinary Claim Review is or has been represented by an attorney in any litigation or in the filing of other asbestos trust claims based on the injury that forms the basis for the Extraordinary Claim, the claimant's attorney shall provide a

certification under penalty of perjury. The certification shall affirm that the attorney has fully investigated the alleged injuries that are the basis of the Extraordinary Claim, including conferring with any other attorneys who represent the claimant asserting the Extraordinary Claim with respect to claims against other asbestos trusts or any other entity, and that no good-faith basis exists, at the time the certification is executed, to bring a claim against any entity that is not identified in the proof of claim form submitted to the Asbestos Trust by the claimant asserting the Extraordinary Claim.

(b) If the claimant seeking Extraordinary Claim Review has not been represented by an attorney in any litigation or in the filing of other asbestos trust claims based on the injury that forms the basis for the Extraordinary Claim, the claimant shall provide a certification under penalty of perjury that he or she has fully investigated the alleged injuries that are the basis of the Extraordinary Claim, and that no good-faith basis exists, at the time the certification is executed, to bring a claim against any entity that is not identified in the proof of claim form submitted to the Asbestos Trust by the claimant.

5.6 Payment of Judgments Reduced by Settling Asbestos Insurers' Shares.

If a claimant obtains a judgment in the tort system that exceeds the Truck per claim policy limit or that otherwise requires payment from a Non-Settling Asbestos Insurer and the court hearing the Insured Asbestos Claim reduces the claimant's judgment payable by the excess Non-Settling Asbestos Insurer, dollar-for-dollar based on the share attributable to a Settling Asbestos Insurer consistent with Plan Section IV.P., the claimant whose judgment has been reduced may seek payment from the Asbestos Trust for the portion of the amount of the judgment reduction attributable to the Settling Asbestos Insurer's share. To obtain such payment, the claimant must file with the Asbestos Trust proof of the judgment and proof of the court's reduction of the

judgment based on the Non-Settling Asbestos Insurer's assertion of its right to reduce the judgment attributable to the Settling Asbestos Insurer's share. Once satisfied that sufficient proof of the judgment reduction has been submitted, the Asbestos Trust shall place the claim in the FIFO Payment Queue and the Asbestos Trust shall pay the amount of the judgment reduction attributable to the Settling Asbestos Insurer, subject to the then applicable Payment Percentage.

5.7 Indirect Asbestos Claims. An Indirect Asbestos Claim that is an Insured Asbestos Claim shall be subject to all of the procedures set forth herein with respect to Insured Asbestos Claims. An Indirect Asbestos Claim that is an Uninsured Asbestos Claim shall be subject to all of the procedures set forth herein with respect to Uninsured Asbestos Claims and to the requirements set forth below.

If an Indirect Asbestos Claim asserted against the Asbestos Trust is an Uninsured Asbestos Claim, it shall be treated as presumptively valid and paid by the Asbestos Trust subject to the applicable Payment Percentage if (a) such claim satisfied the requirements of any bar date for such claim established by the Bankruptcy Court, if applicable, and is not otherwise disallowed by section 502(e) of the Code or subordinated under section 509(c) of the Code, (b) the holder of such claim (the "**Indirect Claimant**") establishes to the satisfaction of the Trustee that (i) the Indirect Claimant has paid in full the liability and obligation of the Asbestos Trust to the individual claimant to whom the Asbestos Trust would otherwise have had a liability or obligation under this TDP (the "**Direct Claimant**"), (ii) the Uninsured Asbestos Claim of the Direct Claimant would be cognizable and valid in the applicable tort system and would have been compensable by the Debtors in the tort system Pre-Petition; (iii) the Direct Claimant and the Indirect Claimant have forever and fully released the Asbestos Trust from all liability to the Direct Claimant, and (iv) the claim is not otherwise barred by a statute of limitation and repose or by other applicable law, and

(c) the Asbestos Trust has not yet paid the Direct Claimant. In no event shall any Indirect Claimant have any rights against the Asbestos Trust superior to the rights of the related Direct Claimant against the Asbestos Trust, including any rights with respect to the timing, amount or manner of payment.

If an Indirect Claimant cannot meet the presumptive requirements set forth above, including the requirement that the Indirect Claimant provide the Asbestos Trust with a full release of the Direct Claimant's claim, the Indirect Claimant may request that the Asbestos Trust review the Indirect Asbestos Claim individually to determine whether the Indirect Claimant can establish under applicable state law that the Indirect Claimant has paid all or a portion of a liability or obligation that the Asbestos Trust had to the Direct Claimant, which shall also require establishing that the Uninsured Asbestos Claim of the Direct Claimant would be cognizable and valid in the applicable tort system and would have been compensable by the Debtors in the tort system Pre-Petition. If the Asbestos Trust determines that the Indirect Claimant has established these things and the Asbestos Trust has not already paid the Direct Claimant, the Asbestos Trust shall reimburse the Indirect Claimant the amount of the liability or obligation so paid, subject to the then applicable Payment Percentage. However, in no event shall such reimbursement to the Indirect Claimant be greater than the amount to which the Direct Claimant would have otherwise been entitled under this TDP. In all such cases, the liquidated value of any Indirect Asbestos Claim paid by the Asbestos Trust to an Indirect Claimant shall be treated as an offset to or reduction of the full liquidated value of any Asbestos Claim that might be subsequently asserted by the Direct Claimant against the Asbestos Trust.

The Trustee may develop and approve a separate claim form for Indirect Asbestos Claims.

5.8 Arbitration.

5.8(a) Establishment of ADR Procedures. The Trustee, with the consent of the TAC and the FCR, shall establish binding and non-binding arbitration procedures, as part of the Alternative Dispute Resolution (“**ADR**”) Procedures to be established by the Trustee with the consent of the TAC and the FCR, for resolving disputes concerning the compensability and/or valuation of Asbestos Claims by the Asbestos Trust. With respect to all claims eligible for arbitration, the claimant, but not the Asbestos Trust, may elect either non-binding or binding arbitration. The ADR Procedures may be modified by the Asbestos Trust with the consent of the TAC and the FCR.

5.8(b) Claims Eligible for Arbitration. In order to be eligible for arbitration, the claim processing process with respect to a claim must be complete and the claimant must have also completed separately any processes required under the ADR Procedures. The claim processing process shall be treated as completed for these purposes when the claim has been reviewed by the Asbestos Trust, the Asbestos Trust has made an offer on the claim, the claimant has rejected the offer, and the claimant has notified the Asbestos Trust of the rejection in writing. The claim processing process shall also be treated as completed if the Asbestos Trust has rejected or denied the claim and has notified the claimant of the rejection or denial in writing.

5.8(c) Limitations on and Payment of Arbitration Awards. A claimant who submits to arbitration and who accepts the arbitral award shall receive payments in the same manner as one who accepts the Asbestos Trust’s original offer on the claim. Moreover, all payments on arbitral awards shall be subject to the Payment Percentage.

5.9 Litigation. Claimants who elect non-binding arbitration and then reject their arbitral awards retain the right to institute a lawsuit in the tort system against the Asbestos Trust

pursuant to Section 7.3 below. A claimant shall be eligible for payment of a judgment for monetary damages obtained in the tort system from the Asbestos Trust's available cash only as provided in Section 7.4 below.

5.10 Claims Audit Program. The Asbestos Trust, with the consent of the TAC and the FCR, may develop methods for auditing the reliability of medical evidence, including additional reading of X-rays, CT scans and verification of pulmonary function tests, as well as the reliability of evidence of exposure to asbestos, including exposure to asbestos, asbestos-containing-products, or conduct for which the Asbestos Trust has legal responsibility. In the event that the Asbestos Trust reasonably determines that any individual or entity has engaged in a pattern or practice of providing unreliable medical or exposure evidence to the Asbestos Trust, it may decline to accept additional evidence from such provider in the future.

The Asbestos Trust shall utilize the services of a third-party claims processing facility (the "**Claims Processor**") to assist in the evaluation of claims submitted to the Asbestos Trust and shall participate in a cross-trust audit program (the "**Cross-Trust Audit Program**"). The Cross-Trust Audit Program shall include a comparison of Uninsured Asbestos Claims filed with the Asbestos Trust against claims filed with all other asbestos trusts administered by the Claims Processor that participate in the Cross-Trust Audit Program, but shall include no fewer than four other trusts. The filing of any Uninsured Asbestos Claim with the Asbestos Trust, regardless of the treatment sought, shall constitute consent for each other asbestos trust participating in the Cross-Trust Audit Program to release to the entity overseeing the Cross-Trust Audit Program (the "**Auditor**") all information submitted to such other asbestos trust by or on behalf of the claimant pursuant to the provisions of the Cross-Trust Audit Program and to disclose the status of any such claim and the amount and date of any payment on the claim to the Auditor.

To the extent that the Asbestos Trust or the Auditor believes that it is relevant, nothing herein shall preclude the Asbestos Trust or the Auditor, in the Asbestos Trust's sole discretion, from reviewing or taking into consideration other claims filed against asbestos trusts in addition to those asbestos trusts involved in the Cross-Trust Audit Program when reviewing Uninsured Asbestos Claims. Any claimant subject to the Asbestos Trust's Claims Audit Program or the Cross-Trust Audit Program shall cooperate and, in the case of claimants holding Uninsured Asbestos Claims, if requested, provide the Asbestos Trust or the Auditor with authorization to obtain from other asbestos trusts any information such claimant has submitted to such other asbestos trusts.

Further, in the event that an audit reveals that fraudulent information has been provided to the Asbestos Trust, the Asbestos Trust may penalize any claimant or claimant's attorney by rejecting the Asbestos Claim or by other means including, but not limited to, requiring the source of the fraudulent information to pay the costs associated with the audit and any future audit or audits, reordering the priority of payment of all affected claimants' Asbestos Claims, raising the level of scrutiny of additional information submitted from the same source or sources, refusing to accept evidence or claim submissions from the same source or sources, seeking the prosecution of the claimant or claimant's attorney for presenting a fraudulent claim in violation of 18 U.S.C. § 152, and seeking sanctions from the Bankruptcy Court.

SECTION 6.

CLAIMS MATERIALS

6.1 Claims Materials. The Asbestos Trust shall prepare suitable and efficient claims materials ("**Claims Materials**") for all Asbestos Claims, and shall provide such Claims Materials

upon a written request for such materials to the Asbestos Trust. In developing its claim filing procedures, the Asbestos Trust shall make every effort to provide claimants with the opportunity to utilize currently available technology at their discretion, including filing claims and supporting documentation over the internet and electronically by disk or CD-ROM. The claim forms to be used by the Asbestos Trust shall be developed by the Trustee and submitted to the TAC and the FCR for approval; they may be changed by the Trustee with the consent of the TAC and the FCR.

6.2 Content of Claims Materials. The Claims Materials shall include a copy of this TDP, such instructions as the Trustee shall approve, and a detailed claim form. If requested by the claimant, the Asbestos Trust shall accept information provided electronically.

6.3 Withdrawal or Deferral of Claims. A claimant can withdraw an Uninsured Asbestos Claim at any time upon written notice to the Asbestos Trust and file another claim subsequently without affecting the status of the claim for purposes of statutes of limitations or repose. All such claims filed after withdrawal shall be given a place in the applicable FIFO Processing Queue based on the date of such subsequent filing. A claimant can also request that the processing of his or her Asbestos Claim by the Asbestos Trust be deferred for a period not to exceed three (3) years without affecting the status of the claim for statute of limitations purposes, in which case the claimant shall retain his or her original place in the FIFO Processing Queue. Except for Asbestos Personal Injury Claims held by representatives of deceased or incompetent claimants for which court or probate approval of the Asbestos Trust's offer is required, a claim shall be deemed to have been withdrawn if the claimant neither accepts, rejects, nor initiates arbitration within one (1) year of the Asbestos Trust's written offer of payment or rejection of the claim.

6.4 Filing Requirements and Fees. The Trustee shall have the discretion to determine, with the consent of the TAC and the FCR, whether a filing fee should be required for any Asbestos Claims.

6.5 Confidentiality of Claimants' Submissions. All submissions to the Asbestos Trust by a holder of an Asbestos Claim, including a claim form and materials related thereto, shall be treated as made in the course of settlement discussions between the holder and the Asbestos Trust, and intended by the parties to be confidential and to be protected by all applicable state and federal privileges and protections, including but not limited to those directly applicable to settlement discussions. The Asbestos Trust will preserve the confidentiality of such claimant submissions, and shall disclose the contents thereof only, with the permission of the holder, to another trust established for the benefit of asbestos personal injury claimants pursuant to section 524(g) of the Bankruptcy Code or other applicable law, to such other persons as authorized by the holder, or in response to a valid subpoena of such materials issued by the Bankruptcy Court, a Delaware State Court, or the United States District Court for the District of Delaware.

Furthermore, the Asbestos Trust shall provide counsel for the holder a copy of any such subpoena immediately upon being served; provided, however, that if a subpoena seeks records or information pertaining to more than fifty (50) claimants, the Asbestos Trust may instead first provide a copy of the subpoena to counsel for the TAC and the FCR and delay providing a copy of the subpoena to counsel for individual holders of Asbestos Claims until, in the Trustee's judgment, it appears likely that information or records relating to the holders may have to be produced in response to the subpoena. In such a case, the Asbestos Trust shall ensure that the notice that is provided to counsel for the holders allows such counsel sufficient time to object to the production. The Asbestos Trust shall on its own initiative or upon request of the claimant in

question take all necessary and appropriate steps to preserve said privileges before the Bankruptcy Court, a Delaware State Court, or the United States District Court for the District of Delaware and before those courts having appellate jurisdiction related thereto.

Notwithstanding anything in the foregoing to the contrary, with the consent of the TAC and the FCR, the Asbestos Trust may, in specific limited circumstances, disclose information, documents, or other materials reasonably necessary in the Asbestos Trust's judgment to preserve, litigate, resolve, or settle coverage, or to comply with an applicable obligation under an insurance policy or settlement agreement within the Asbestos Personal Injury Insurance Assets; provided, however, that the Asbestos Trust shall take any and all steps reasonably feasible in its judgment to preserve the further confidentiality of such information, documents and materials, and prior to the disclosure of such information, documents or materials to a third party, the Asbestos Trust shall receive from such third party a written agreement of confidentiality that (a) ensures that the information, documents and materials provided by the Asbestos Trust shall be used solely by the receiving party for the purpose stated in the agreement and (b) prohibits any other use or further dissemination of the information, documents and materials by the third party except as set forth in the written agreement of confidentiality.

Nothing in this TDP, the Plan or the Trust Agreement expands, limits or impairs the obligation under applicable law of a claimant to respond fully to lawful discovery in any underlying civil action regarding his or her submission of factual information to the Asbestos Trust for the purpose of obtaining compensation for asbestos-related injuries from the Asbestos Trust.

6.6 English Language. All claims, claim forms, submissions, and evidence submitted to the Asbestos Trust or in connection with any claim or its liquidation shall be in the English language.

SECTION 7.

GENERAL GUIDELINES FOR LIQUIDATING AND PAYING CLAIMS

7.1 Discretion to Vary the Order and Amounts of Payments in Event of Limited Liquidity. Consistent with the provisions hereof and subject to the FIFO Processing and Payment Queues and the Payment Percentage set forth above, the Trustee shall proceed as quickly as possible to liquidate valid Asbestos Claims, and shall make payments to holders of such claims in accordance with this TDP promptly as funds become available and as claims are liquidated, while maintaining sufficient resources to pay future valid claims in substantially the same manner.

Because the Asbestos Trust's assets and liabilities over time remain uncertain, and decisions about payments must be based on estimates that cannot be done precisely, such decisions may have to be revised in light of experiences over time, and there can be no guarantee of any specific level of payment to claimants. However, the Trustee shall use his or her best efforts to treat similar claims in substantially the same manner, consistent with his or her duties as Trustee, the purposes of the Asbestos Trust, and the practical limitations imposed by the inability to predict the future with precision.

In the event that the Asbestos Trust faces issues with respect to liquidity, the Trustee may, with the consent of the TAC and the FCR, (a) suspend the normal order of payment, (b) temporarily limit or suspend payments altogether, or (c) commence making payments on an installment basis.

7.2 Punitive Damages. Punitive or exemplary damages, *i.e.*, damages other than compensatory damages, shall not be considered or paid by the Asbestos Trust on any Asbestos Claim, notwithstanding their availability, or award, in the tort system.

7.3 Suits in the Tort System. If the holder of an Asbestos Claim disagrees with the Asbestos Trust's determination regarding the compensability or valuation of the subject Asbestos

Claim, and if the holder has first submitted the claim to non-binding arbitration as provided in Section 5.8 above, the holder may file a lawsuit against the Asbestos Trust in any court of competent jurisdiction. Any such lawsuit must be filed by the claimant in his or her own right and name and not as a member or representative of a class, and no such lawsuit may be consolidated with any other lawsuit. All defenses (including, with respect to the Asbestos Trust, all defenses that could have been asserted by the Debtors, except as otherwise provided in the Plan) shall be available to both sides at trial; however, the Asbestos Trust may waive any defense and/or concede any issue of fact or law. If the claimant was alive at the time the initial Pre-Petition complaint was filed or on the date the claim form was filed with the Asbestos Trust, the case shall be treated as a personal injury case with all personal injury damages to be considered even if the claimant has died during the pendency of the claim.

7.4 Payment of Judgments for Money Damages. If and when a claimant obtains a judgment in the tort system against the Asbestos Trust, the claim shall be placed in the FIFO Payment Queue based on the date on which the judgment became final. Thereafter, the claimant shall receive from the Asbestos Trust an initial payment (subject to the applicable Payment Percentage) of an amount equal to the greater of (i) the Asbestos Trust's last offer to the claimant or (ii) the award that the claimant declined in non-binding arbitration; provided, however, that in no event shall such payment amount exceed the amount of the judgment obtained in the tort system. The claimant shall receive the balance of the judgment, if any, in five (5) equal installments in years six (6) through ten (10) following the year of the initial payment (also subject to the applicable Payment Percentage in effect on the date of the payment of the subject installment).

Under no circumstances shall the Asbestos Trust pay exemplary or punitive damages or interest under any statute on any judgments obtained in the tort system as provided in Section 7.2 above.

7.5 Releases. The Trustee shall, with the consent of the TAC and the FCR, determine the form and substance of the release to be provided to the Asbestos Trust. As a condition to receiving any payment from the Asbestos Trust, a claimant or, in the case of an Indirect Asbestos Claim, an Indirect Claimant and the related Direct Claimant shall be required to execute such release. The Trustee may modify the provisions of this release with the consent of the TAC and the FCR.

SECTION 8.

MISCELLANEOUS

8.1 Amendments.

8.1(a) Amendments in General. Except as otherwise provided herein, the Trustee may amend, modify, delete, or add to any provisions of this TDP, provided the Trustee first obtains the consent of the TAC and the FCR pursuant to the consent process set forth in Sections 5.7(b) and 6.6(b) of the Trust Agreement. Nothing herein is intended to preclude the TAC or the FCR from proposing to the Trustee, in writing, amendments to this TDP. Any amendment proposed by the TAC or the FCR shall remain subject to Section 7.3 of the Trust Agreement.

8.1(b) Amendments Related to a Settlement with Truck. In the event the Asbestos Trust, with the consent of the TAC and the FCR, reaches a settlement with Truck on or after the Effective Date that resolves Truck's asbestos insurance coverage, such settlement shall require the approval of the Bankruptcy Court. To the extent such settlement requires a revision of

this TDP, such revision shall likewise require the consent of the TAC and the FCR, and the approval of the Bankruptcy Court.

8.2 Severability. Should any provision contained in this TDP be determined to be unenforceable, such determination shall in no way limit or affect the enforceability or operative effect of any and all other provisions of this TDP. Should any provision contained in this TDP be determined to be inconsistent with or contrary to the Debtors' obligations to any Asbestos Insurer, the Asbestos Trust with the consent of the TAC and the FCR may amend this TDP and/or the Trust Agreement to make the provisions of either or both documents consistent with the duties and obligations of the Debtors to their Asbestos Insurers.

8.3 Governing Law. Except for purposes of determining the validity and/or liquidated value of any Asbestos Claim, administration of this TDP shall be governed by, and construed in accordance with, the laws of the State of Delaware. The law governing the determination of validity and/or liquidation of Asbestos Claims in the case of arbitration shall be the laws of the State of Delaware and in the case of litigation in the tort system shall be decided by the choice-of-law rules applicable in the state or federal court where the lawsuit is filed.

**APPENDIX I: AUTHORIZATION FOR ASBESTOS TRUST TO OBTAIN TRUST
RECORDS**

**AUTHORIZATION FOR RELEASE OF RECORDS OF OTHER ASBESTOS
TRUSTS AND CLAIM RESOLUTION FACILITIES**

TO WHOM IT MAY CONCERN:

The Claimant named below hereby authorizes each asbestos trust and claim resolution facility listed in the attachment hereto to provide directly to the Kaiser Gypsum Asbestos Personal Injury Trust (the "Asbestos Trust"), or any of its representatives, all submissions made by Claimant and (if different from the Claimant) the party whose injury forms the basis of the claim (the "Injured Party"), including claim forms, any attachments to claim forms, and any amended or supplemental claim forms. Claimant expressly acknowledges that the other asbestos trust or claim resolution facility may provide such documents directly to the Asbestos Trust and need not obtain any further authorization from the Claimant or his/her representatives.

A copy of this Authorization shall be as valid as the original. This Authorization contains no expiration date and may be exercised by the Asbestos Trust at any time. If Claimant's representative has signed this Authorization, a notarized power of attorney is attached.

Name of Claimant: _____
Social Security No.: _____
Date of Birth: _____

Name of Injured Party (if different from Claimant): _____
Social Security No.: _____
Date of Birth: _____

Name of representative for Claimant or Injured Party: _____

Signing party: _____

Signature: _____

Date: _____

Notarized:

Attachment: List of Asbestos Trusts and Claim Resolution Facilities

List of Other Asbestos Trusts and Claim Resolution Facilities

A&I Corp. Asbestos Bodily Injury Trust	Forty-Eight Insulations Qualified Settlement Trust	Raytech Corp. Asbestos Personal Injury Settlement Trust
A-Best Asbestos Settlement Trust	Fuller-Austin Asbestos Settlement Trust	Rock Wool Mfg Company Asbestos Trust
AC&S Asbestos Settlement Trust	G-I Asbestos Settlement Trust	Rutland Fire Clay Company Asbestos Trust
Amatex Asbestos Disease Trust Fund	H.K. Porter Asbestos Trust	Shook & Fletcher Asbestos Settlement Trust
APG Asbestos Trust	Hercules Chemical Company, Inc. Asbestos Trust	Skinner Engine Co. Asbestos Trust
API, Inc. Asbestos Settlement Trust	J.T. Thorpe Settlement Trust	Stone and Webster Asbestos Trust
Armstrong World Industries Asbestos Personal Injury Settlement Trust	JT Thorpe Company Successor Trust	Swan Asbestos and Silica Settlement Trust
ARTRA 524(g) Asbestos Trust	Kaiser Asbestos Personal Injury Trust	T H Agriculture & Nutrition, LLC Industries Asbestos Personal Injury Trust
ASARCO LLC Asbestos Personal Injury Settlement Trust	Keene Creditors Trust	Thorpe Insulation Company Asbestos Personal Injury Settlement Trust
Babcock & Wilcox Company Asbestos Personal Injury Settlement Trust	Lummus 524(g) Asbestos PI Trust	United States Gypsum Asbestos Personal Injury Settlement Trust
Bartells Asbestos Settlement Trust	Lykes Tort Claims Trust	United States Lines, Inc. and United States Lines (S.A.) Inc. Reorganization Trust
Brauer 524(g) Asbestos Trust	M.H. Detrick Company Asbestos Trust	United States Mineral Products Company Asbestos Personal Injury Settlement Trust
Burns and Roe Asbestos Personal Injury Settlement	Manville Personal Injury	UNR Asbestos-Disease

Trust	Settlement Trust	Claims Trust
C.E. Thurston & Sons Asbestos Trust	Muralo Trust	Utex Industries, Inc. Successor Trust
Celotex Asbestos Settlement Trust	NGC Bodily Injury Trust	Wallace & Gale Company Asbestos Settlement Trust
Combustion Engineering 524(g) Asbestos PI Trust	Owens Corning Fibreboard Asbestos Personal Injury Trust (OC Sub-Fund)	Western MacArthur-Western Asbestos Trust
Congoleum Plan Trust	Owens Corning Fibreboard Asbestos Personal Injury Trust (FB Sub-Fund)	W.R. Grace Trust
DII Industries, LLC Asbestos PI Trust	PLI Disbursement Trust	Pittsburgh Corning Trust
Eagle-Picher Industries Personal Injury Settlement Trust	Plibrico Asbestos Trust	Bondex Trust
Federal Mogul U.S. Asbestos Personal Injury Trust	Porter Hayden Bodily Injury Trust	Flintkote Company and Flintkote Mines Limited Asbestos Personal Injury Trust
MLC Asbestos Personal Injury Trust	Metex Asbestos Trust	Leslie Controls, Inc. Asbestos Personal Injury Trust
Plant Insulation Company Asbestos Settlement Trust	Quigley Co. Inc. Asbestos Personal Injury Trust	Yarway Asbestos Personal Injury Trust
GST Settlement Facility	Geo. V. Hamilton, Inc. Asbestos Trust	