

**UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

IN RE:

ALL MATTERS RELATED TO NORTH
AMERICAN REFRACTORIES
COMPANY, et al. in Case No. 02-20198, as
affected by the May 24, 2013 Order
Entering Final Decree entered at Doc. No.
7940
Debtors

Misc. Case No. 15-00204-TPA

Chapter 11

HONEYWELL INTERNATIONAL INC.,
Plaintiff,
v.

Adv. No. 21-02097

NORTH AMERICAN REFRACTORIES
COMPANY ASBESTOS PERSONAL
INJURY SETTLEMENT TRUST,
Defendant

**MOTION FOR ENTRY OF AN ORDER (I) APPROVING THE NARCO ASBESTOS
TRUST AMENDED BUYOUT AGREEMENT AND AMENDED AGREEMENTS,
(II) DECLARING THE AMENDED BUYOUT AGREEMENT IS CONSISTENT WITH
THE PLAN AND DOES NOT AFFECT THE NARCO CHANNELING INJUNCTION,
AND (III) APPROVING THE FORM AND MANNER OF NOTICE OF THE AMENDED
BUYOUT AGREEMENT**

The North American Refractories Company Asbestos Personal Injury Settlement Trust (the “NARCO Asbestos Trust” or the “Trust”), through its undersigned counsel and with the consent and full support of Honeywell International Inc. (“Honeywell”), the NARCO Asbestos Trust Advisory Committee (the “NARCO Asbestos TAC”), and the NARCO Asbestos Future Claimants Representative (the “FCR”),¹ respectfully submits this motion (this “Motion”) for entry of an order (the “Proposed Order”), filed contemporaneously herewith, (a) approving the “Amended and Restated Buyout Agreement,” dated November 20, 2022 (the “Amended Buyout Agreement”) and the Amended Agreements (as defined in the Amended Buyout Agreement) attached thereto, which are attached to this Motion as **Exhibit A**, (b) declaring that the Amended Buyout Agreement is consistent with the Plan and has no effect on the NARCO Channeling Injunction, which shall remain in full force and effect, and (c) approving the Notice (as defined below) with respect to this Motion.²

¹ Honeywell, the NARCO Asbestos Trust, the NARCO Asbestos TAC, and the FCR are collectively referred to herein as the “Parties” and individually as a “Party.”

² On November 18, 2022, the Trust and Honeywell executed a “Buyout Agreement” that was conditioned upon receiving the consent of the NARCO Asbestos TAC and the FCR. The Trust, with the consent and support of Honeywell, contemporaneously filed a *Motion for Entry of an Order (I) Approving the NARCO Asbestos Trust Buyout Agreement and Amended Agreements, (II) Declaring the Buyout Agreement is Consistent with the Plan and Does Not Affect the NARCO Channeling Injunction, and (III) Approving the Form and Manner of Notice of the Buyout Agreement*, in Misc. Case No. 15-00204-TPA at Docket No. 497 (the “November 18 Approval Motion”). Now, the Parties, including the NARCO Asbestos TAC and the FCR, have executed the Amended Buyout Agreement and unanimously consent to and fully support such agreement. As such, on November 21, 2022, the Trust moved to withdraw the November 18 Approval Motion (Misc. Case No. 15-00204-TPA, Doc. No. 500).

In support of this Motion and the Amended Buyout Agreement, the NARCO Asbestos Trust is contemporaneously filing the: (a) *Declaration of Charles E. Finch in Support of the NARCO Trust Amended Buyout Agreement*; (b) *Declaration of Mark M. Gleason in Support of the NARCO Trust Amended Buyout Agreement*; (c) *Declaration of Dr. Jessica Horewitz in Support of the NARCO Trust Amended Buyout Agreement*; (d) *Declaration of Lynn A. Dummett in Support of the NARCO Asbestos Trust Amended Buyout Agreement*; (e) *Declaration of Lawrence Fitzpatrick in Support of the NARCO Asbestos Trust Amended Buyout Agreement*; and (f) *Declaration of Steven T. Baron in Support of the NARCO Trust Amended Buyout Agreement*. In support of this Motion, the NARCO Asbestos Trust respectfully states as follows:

PRELIMINARY STATEMENT³

1. The NARCO Asbestos Trust seeks approval from this Court to implement the terms of the Amended Buyout Agreement. By its terms, the Amended Buyout Agreement requires that the Trustees: (i) release, relinquish, and extinguish the NARCO Asbestos Trust's right to "evergreen" funding from Honeywell in exchange for a lump-sum cash payment of \$1.325 billion, subject to certain adjustments set forth in the Amended Buyout Agreement; (ii) amend the Trust Documents to implement certain claims processing and governance reforms; and (iii) exchange mutual general releases with the Parties.

2. The Amended Buyout Agreement is the product of extensive arm's-length negotiations among the Parties. The Trustees have determined based on many considerations that entering into the Amended Buyout Agreement is in the best interests of the NARCO Asbestos Trust and its beneficiaries. The FCR and the TAC are fully supportive of the Amended Buyout

³ Capitalized terms not defined in this Preliminary Statement shall have the meanings ascribed to them below.

Agreement and believe it is in the best interest of their constituents. The Parties have executed the Amended Buyout Agreement and consented to the transactions and amendments contemplated by its terms. As such, the NARCO Asbestos Trust respectfully requests that the Court enter an order approving its implementation.

3. The NARCO Asbestos Trust also requests that the Court enter an order declaring that the Amended Buyout Agreement, and the Amended Agreements attached thereto, are consistent with the Plan and have no effect on the NARCO Channeling Injunction, which shall remain in full force and effect.

JURISDICTION

4. This Court has jurisdiction to consider the Motion pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).

5. Venue in this Court is proper pursuant to 28 U.S.C. § 1409(a).

6. The Plan provided this Court with exclusive jurisdiction over matters involving the NARCO Asbestos Trust to “ensure that the purposes and intent” of the Plan are carried out, “enforce and interpret the terms and conditions of the Plan Documents,” and “interpret, enforce, and administer the terms of the NARCO Asbestos Trust Agreement, the NARCO Channeling Injunction, and the NARCO Asbestos TDP (including all annexes and exhibits to any of the foregoing).” (Plan § 11.2.)

7. The Court also retained jurisdiction, by its Order Entering Final Decree Closing Certain Chapter 11 Cases, No. 02-20198-TPA (the “Main Case”) [Doc. No. 7940] (Bankr. W.D. Pa. May 24, 2013) (the “Final Decree”), to “enforce the terms and conditions of the Plans (including all related documents contemplated by the Plans),” which include the First Amended NARCO Trust Agreement (the “Trust Agreement”) and the Trust Distribution Procedures

(the “TDP”), and to “prevent interference with the Plans’ execution and provide aid in the Plans’ operation[.]” The Final Decree provides the Clerk “shall accept for filing . . . without the requirement that any party in interest file a request to re-open” the Main Case, “any pleadings, motions, subpoenas, or other papers pursuant to which any party in interest seeks to invoke the exclusive or retained jurisdiction of this Court provided for in the Plans.” (Final Decree ¶ 4.)

8. The statutory predicates for the relief requested are Section 105(a) of Title 11 of the United States Code (the “Bankruptcy Code”) and Sections 2201 and 2202 of Title 28 of the United States Code (the “Declaratory Judgment Act”). The NARCO Asbestos Trust files this Motion pursuant to Rule 9014 of the Federal Rules of Bankruptcy Procedure (“Bankruptcy Rules”).

9. The Parties consent to the entry of a final order by the Court in connection with this Motion to the extent that it is later determined that the Court, absent consent of the Parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution.

BACKGROUND

A. General Background.

10. On January 4, 2002, NARCO and certain of its affiliated entities commenced their chapter 11 bankruptcy cases by filing petitions with this Court. (Confirmation Order at 13.)⁴ On December 28, 2005, NARCO filed its Third Amended Plan of Reorganization (the “Plan”) and its Combined Disclosure Statement. (*Id.*) Pursuant to Section 524(g) of the Bankruptcy Code, the

⁴ “Confirmation Order” shall mean the *Revised Memorandum Opinion on Confirmation of Third Amended Plan of Reorganization for North American Refractories Company, et al., dated December 28, 2005 and Third Amended Plan of Reorganization for Global Industrial Technologies, Inc., et al. dated December 28, 2005, as Supplemented* filed in *In re N. Am. Refractories Co.*, Case No. 02-20198 (Bankr. W.D. Pa. Nov. 13, 2007) [Doc. No. 5507].

Plan provided for the creation of the NARCO Asbestos Trust and the entry of “a ‘channeling injunction’ pursuant to which the NARCO Asbestos Trust Claims and NARCO Asbestos Demands are channeled to the NARCO Asbestos Trust for payment (the ‘NARCO Channeling Injunction’).” (Confirmation Order at 11; Plan at 1, § 5.4.) The NARCO Channeling Injunction is a permanent injunction that stayed, restrained, and enjoined all past, present, and future holders of NARCO Asbestos Trust Claims or NARCO Asbestos Demands “from taking any action for the purpose of directly or indirectly collecting, recovering, or receiving payments, satisfaction, or recovery” from the NARCO Protected Parties (as defined in the Plan) (including Honeywell) with respect to such Claims or Demands. (Plan § 5.4; Affirmance Order at 3-7.)

11. In exchange for the protection of the NARCO Channeling Injunction, Honeywell agreed to fund the NARCO Asbestos Trust’s annual claim payments and operating expenses “on an evergreen basis, subject to certain annual caps” set forth in the Trust Agreement, which range from \$100 million to \$150 million. (Confirmation Order, Ex. 1, ¶¶ 152-157.) The Plan further provided that “on the effective date of the NARCO Plan, 79% of the common stock” of Reorganized ANH would be “contributed to the NARCO Asbestos Trust.” (*Id.* ¶ 153.) The NARCO Asbestos Trust was also expected to fund claim payments using “[a]ll dividends and income realized” from the NARCO Asbestos Trust’s acquisition or holding of the stock or securities of Reorganized ANH, which is known today as HarbisonWalker International Holdings, Inc. (“HWI”). (*Id.* ¶ 320; Plan ¶ 10.3.8; Trust Agr. § 4.2(a).) As such, Honeywell agreed to transfer to the Trust on a quarterly basis “an amount of cash equal to the amount of claims approved for payment from the respective Claims Fund, minus any amounts received by the NARCO Asbestos Trust during that quarter from any of its holdings” including any dividends and/or income recognized on account of the Trust’s equity interest in HWI. (Trust Agr. § 2.3(c)(i).)

12. On November 13, 2007, this Court entered the Confirmation Order. (Confirmation Order at 51.) On December 18, 2007, the District Court affirmed the Confirmation Order and issued the NARCO Channeling Injunction, effective as of the Effective Date of the Plan.⁵ The Plan and the NARCO Asbestos Trust went effective on April 30, 2013 (the “Effective Date”). On May 24, 2013, the Court issued an order closing NARCO’s bankruptcy proceedings, but expressly retained jurisdiction over matters involving the interpretation and administration of the Plan and the NARCO Asbestos Trust. (Final Decree at 1.)

B. The NARCO Asbestos Trust.

13. The NARCO Asbestos Trust is a Delaware statutory trust governed by the Trust Agreement and the Delaware Statutory Trust Act (“DSTA”). (Trust Agr. § 2.1.) The purpose of the NARCO Asbestos Trust is to “use the NARCO Asbestos Trust Assets and income to promptly pay holders of valid NARCO Asbestos Trust Claims in such a way that holders of similar NARCO Asbestos Trust Claims are paid in substantially the same manner” and to “otherwise comply in all respects with the requirements of a trust set forth in Section 524(g)(2)(B)(i) of the Bankruptcy Code.” (Trust Agr. § 2.2.)

14. The NARCO Asbestos Trust is administered by three trustees who were selected on the basis of their qualifications: Mark M. Gleason, The Honorable Ken M. Kawaichi (Ret.), and Richard B. Schiro, Esq. (the “Trustees”). The Trustees act as fiduciaries to the NARCO Asbestos Trust and administer the NARCO Asbestos Trust in accordance with the Trust Agreement, the TDP, and the North American Refractories Company Asbestos Personal Injury

⁵ See Order (I) Affirming the Revised Confirmation Order of the Bankruptcy Court and Confirming Third Amended Plans of Reorganization dated December 28, 2005 of North American Refractories Company, et al., and Global Industrial Technologies, Inc., et al., as Supplemented and (II) Affirming and Issuing Injunctions, *In re N. Am. Refractories Co.*, et al., Misc. Case No. 07-318 (W.D. Pa. Dec. 18, 2007) (the “Affirmance Order”).

Settlement Trust Bylaws (the “Bylaws,” and together with the Trust Agreement and the TDP, the “Trust Documents”). (Confirmation Order, Ex. 1, ¶¶ 158-159; Trust Agr. § 3.2(a).) The Trustees have broad discretion to “take any and all actions that, in the judgment of the Trustees, are necessary or proper to fulfill the purposes of the NARCO Asbestos Trust,” including certain specifically enumerated actions. (Trust Agr. § 3.1.)

15. The Trustees must consult with and, before taking certain actions, obtain the consent of the NARCO Asbestos TAC, the FCR, and Honeywell, whose consent shall not be unreasonably withheld. (Confirmation Order, Ex. 1, ¶ 158; Trust Agr. §§ 3.2, 8.1(b).) The NARCO Asbestos TAC serves “in a fiduciary capacity representing all holders of present NARCO Asbestos Trust Claims.” (Trust Agr. § 6.1.) The FCR “serve[s] in a fiduciary capacity, representing the interests of the holders of NARCO Asbestos Trust Claims yet to accrue for the purpose of protecting the rights of such persons.” (*Id.* § 7.1.)

16. The Trustees may amend and/or modify the Trust Documents “after consultation with Honeywell, the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative, and subject to the consent of Honeywell, the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative,” whose consent shall not be unreasonably withheld. (Trust Agr. §§ 8.1(b), 8.4.) Neither the Trust Agreement nor the TDP, however, may be modified or amended “in any way that would jeopardize the efficacy or enforceability of the NARCO Channeling Injunction.” (*Id.*)

17. The NARCO Asbestos Trust processes two general categories of NARCO Asbestos Trust Claims. “Pre-Established Claims,” in general, are claims that are subject to (i) a pre-Effective Date settlement agreement with NARCO and/or Honeywell, or (ii) a final, non-appealable pre-petition judgment against NARCO and/or Honeywell. (TDP § 4.2(a).) “Pre-

Established Claims” also include other pre-petition NARCO Asbestos Trust Claims filed and served on NARCO or Honeywell in the tort system. (*Id.*) NARCO Asbestos Trust Claims that are not Pre-Established Claims are processed as “Annual Contribution Claims.” (*Id.*)

18. The TDP provides claimants with the right to elect either “Expedited Review” (“ER”) or “Individual Review” (“IR”) of their claims. (TDP § 4.3.) In general, claims processed through ER “are subject to an ‘expeditious’ and ‘less burdensome’ approval and if approved can result in payments of a fixed but relatively modest amount, depending on the disease level involved.” *In re N. Am. Refractories Co.*, 542 B.R. 350, 354 (Bankr. W.D. Pa. 2015). The TDP’s “Scheduled Values” for ER claims range from \$1,200 to \$75,000. (TDP § 4.3(a)(3).) Claims processed through IR “are subject to a more probing inquiry but can result in a much larger payment if granted.” *In re N. Am. Refractories Co.*, 542 B.R. at 354. The TDP-mandated “Average Values” for IR claims, other than those that are considered “Extraordinary Claims,” range from \$15,000 to \$200,000 and the “Maximum Values” for such claims range from \$50,000 to \$1,000,000, depending on the disease level.⁶ (TDP § 4.3(b)(3).)

C. The Amended Buyout Agreement.

19. The Parties have engaged in extensive arm’s-length negotiations concerning the NARCO Asbestos Trust’s relationship with Honeywell. (Gleason Decl. ¶¶ 6-10; Dummett Decl. ¶¶ 4-5; Fitzpatrick Decl. ¶ 7; Baron Decl. ¶ 3.) On November 18, 2022, Honeywell and the

⁶ The NARCO Asbestos Trust’s Average and Maximum Values are adjusted for inflation or deflation based on the Consumer Price Index. (TDP § 7.2.) The inflation-adjusted Average Values currently range from \$18,650 to \$248,663. The inflation-adjusted Maximum Values range from \$62,165 to \$1,243,314. In calculating whether the amounts offered to IR claims arithmetically average the TDP-mandated “Average Values,” the NARCO Asbestos Trust is required to exclude from its calculations “any amounts that were at or below the Scheduled Value for the relevant Disease Levels of such claims,” but includes “all amounts awarded to claimants pursuant to the arbitration procedures described in Section 4.10” of the TDP. (TDP § 4.3(b)(3), n.8.)

NARCO Asbestos Trust executed a “Buyout Agreement” that was conditioned upon the NARCO Asbestos TAC and the FCR agreeing to its terms. On November 20, 2022, the Parties executed the Amended Buyout Agreement.

20. Pursuant to the terms of the Amended Buyout Agreement, Honeywell has agreed to make a lump-sum cash payment of \$1,325,000,000 to the NARCO Asbestos Trust, subject to certain adjustments set forth in the Amended Buyout Agreement (as adjusted, the “Buyout Amount”), in exchange for (i) the Trustees amending the Trust Agreement, TDP, and Bylaws to eliminate Honeywell’s evergreen funding obligation and (ii) transferring the economic value of the NARCO Asbestos Trust’s interest in HWI to Honeywell. As set forth in the Amended Buyout Agreement, the NARCO Asbestos Trust will retain its 79% ownership of HWI.⁷ The expected treatment of the HWI Interest (as defined in the Amended Buyout Agreement) on the terms and conditions set forth in the Amended Buyout Agreement are material terms to the Amended Buyout Agreement and are a material part of the consideration for the promises and undertakings contemplated therein, including the payment of the Buyout Amount. The Amended Buyout Agreement further contemplates certain other agreed-to amendments to the Trust Documents, which are reflected in the attachments to the Amended Buyout Agreement.⁸

⁷ As set forth in the Amended Buyout Agreement, the Buyout Amount is not subject to any deductions for claims payments, expenses, or any other amounts that Honeywell is required to fund to the NARCO Asbestos Trust, except for (a) Honeywell funding of payments for claims that enter the payment queue on and after April 1, 2023, and (b) HWI Net Dividends received by the NARCO Asbestos Trust on or after April 1, 2023, all as further explained in the Amended Buyout Agreement. Finally, the Buyout Amount is subject to deduction for the net, after-tax proceeds that the NARCO Asbestos Trust actually realizes from any sale of its equity interest in HWI if such proceeds are realized before Closing.

⁸ Any summary, description, or characterization of the Amended Buyout Agreement set forth in this Motion is qualified in its entirety by the Amended Buyout Agreement. In the event that there is any conflict between this Motion and the Amended Buyout Agreement, the Amended Buyout Agreement will control in all respects. Capitalized terms used but not otherwise defined

D. Notice of the Motion and the Amended Buyout Agreement.

21. The NARCO Asbestos Trust has prepared a form of notice, substantially in the form attached hereto as **Exhibit B** (the “Notice”), to notify parties of this Motion and the Amended Buyout Agreement. Upon filing this Motion, the NARCO Asbestos Trust will publicize notice of the Motion and the Amended Buyout Agreement, and the Amended Agreements attached thereto, by (a) posting the Notice as an announcement on the NARCO Asbestos Trust’s website at <https://www.claimsres.com/category/narco/>, (b) emailing the Notice to all claimants who have filed NARCO Asbestos Trust Claims with the NARCO Asbestos Trust at the contact information maintained in the NARCO Asbestos Trust database of Claims Resolution Management Corp. (CRMC), the NARCO Asbestos Trust’s claims processor, and (c) publishing the Notice in at least two national publications, such as USA Today, the Wall Street Journal, or other national publications with similar distribution. In addition, the NARCO Asbestos Trust will publish the Notice, along with this Motion and all exhibits hereto, on the “Documents” page of the NARCO Asbestos Trust’s website and available to download free of charge, at <https://www.claimsres.com/documents/narco/>.

22. The NARCO Asbestos Trust will also serve the Notice, this Motion, and the Amended Buyout Agreement on: (i) counsel for Honeywell; (ii) counsel for the NARCO Asbestos TAC; (iii) counsel for the FCR; (iv) the APG Asbestos Trust; (v) the Reorganized Debtors; (vi) the United States Trustee; (vii) counsel for all official committees in the Bankruptcy Case; (viii) all parties who filed a request for service of notices under Fed. R. Bankr. P. 2002(i); (ix) all parties who are registered to receive ECF notifications for the Main Case; (x) all parties whose rights are

in this summary shall have the respective meanings ascribed to them in the Amended Buyout Agreement.

known to be affected by this Motion; and (xi) any other person entitled to notice pursuant to Bankruptcy Rule 2002.⁹

RELIEF REQUESTED

23. The NARCO Asbestos Trust respectfully requests that the Court enter the Proposed Order, pursuant to Section 11.2 of the Plan, Section 105(a) of the Bankruptcy Code, and Bankruptcy Rule 9014, (a) approving the Amended Buyout Agreement and the transactions contemplated therein, including (i) the payment by Honeywell of the Buyout Amount to the NARCO Asbestos Trust, (ii) the Amended Agreements attached to the Amended Buyout Agreement, and (iii) the exchange of mutual releases among the Parties; and (b) finding the form and manner of notice of this Motion and the Amended Buyout Agreement, including the transactions contemplated therein, is sufficient.

24. The NARCO Asbestos Trust also respectfully requests that the Court enter an order declaring that the transactions and amendments contemplated by the Amended Buyout Agreement are consistent with the Plan and do not modify, dissolve, terminate, or affect in any manner the NARCO Channeling Injunction, which is a permanent injunction that remains in full force and effect.

⁹ Due to the voluminous nature of this Motion, the Amended Buyout Agreement, the Amended Agreements, and any attachments, where the Notice is to be provided by mail, the NARCO Asbestos Trust will provide notice by mailing the Notice attached hereto as **Exhibit B** to the foregoing along with a USB thumb drive containing the Amended Buyout Agreement, all of the Amended Agreements and applicable redlines and attachments, and all other relevant documents.

BASIS FOR RELIEF REQUESTED

25. Section 11.2 of the Plan provides this Court with exclusive jurisdiction to “ensure that the purposes and intent” of the Plan are carried out, “enforce and interpret the terms and conditions of the Plan Documents,” and “interpret, enforce, and administer the terms and conditions of the NARCO Asbestos Trust Agreement, the NARCO Channeling Injunction, and the NARCO Asbestos TDP (including all annexes and exhibits to any of the foregoing).” Section 8.4 of the Trust Agreement provides that the Trust Documents may be amended and/or modified with “the consent of Honeywell, the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative” to the extent such modification or amendment does not “in any way . . . jeopardize the efficacy or enforceability of the NARCO Channeling Injunction.” Section 105(a) of the Bankruptcy Code provides, in pertinent part, that “[t]he court may issue any order, process or judgment that is necessary or appropriate to carry out the provisions of this title.” 11 U.S.C. § 105(a). Taken together, Section 11.2 of the Plan, Section 8.4 of the Trust Agreement, and Section 105(a) of the Bankruptcy Code provide this Court with the power to approve an agreement that furthers the Plan’s purposes and intent and amends the Trust Documents.

26. The Declaratory Judgment Act further authorizes this Court to “declare the rights and other legal relations of any interested party seeking such declaration, whether or not further relief is or could be sought.” 28 U.S.C. § 2201(a).

27. The NARCO Asbestos Trust files this Motion pursuant to Bankruptcy Rule 9014, which provides that “[i]n a contested matter not otherwise governed by [the Bankruptcy Rules], relief shall be requested by motion, and reasonable notice and opportunity for hearing shall be afforded the party against whom relief is sought,” but “[n]o response is required under this rule unless the court directs otherwise.” Fed. R. Bankr. P. 9014(a).

I. THE AMENDED BUYOUT AGREEMENT FULFILLS THE NARCO ASBESTOS TRUST’S PURPOSE AND AIDS THE PLAN’S OPERATION.

28. This Court expressly retained jurisdiction over matters involving the NARCO Asbestos Trust to “ensure that the purposes and intent” of the Plan are carried out, “enforce and interpret the terms and conditions of the Plan Documents,” and “interpret, enforce, and administer the terms of the NARCO Asbestos Trust Agreement, the NARCO Channeling Injunction, and the NARCO Asbestos TDP (including all annexes and exhibits to any of the foregoing).” (Plan § 11.2.) In furtherance of this continuing jurisdiction, the Final Decree expressly provided that the Court may issue orders to “enforce the terms and conditions of the Plans (including all related documents contemplated by the Plans)” and “prevent interference with the Plans’ execution and provide aid in the Plans’ operation[.]” (*Id.* ¶ 5.)

29. “Section 105(a) of the Bankruptcy Code grants the Court broad equitable power ‘to issue any order, process or judgment that is necessary or appropriate’ to advance the bankruptcy proceedings and matters related to the proceeding.” *In re Labrum & Doak, LLP*, 237 B.R. 275, 305 (Bankr. E.D. Pa. 1999); *see also In re Nixon*, 404 F. App’x 575, 578 (3d Cir. 2010) (“It is well settled that the court’s power under § 105(a) is broad.”); *Caesars Entm’t Operating Co. v. BOKF, N.A.*, 808 F.3d 1186, 1188 (7th Cir. 2015). While the Court cannot “trump specific provisions of the Bankruptcy Code” by issuing a Section 105(a) order, there is no risk of a conflict with the Bankruptcy Code here. *In re Nixon*, 404 F. App’x at 578 (internal citations omitted). Instead of contradicting any provision of the Bankruptcy Code, an order granting the requested relief would aid in the Plan’s operation and is consistent with the Plan’s grant of exclusive jurisdiction over these matters to the Court.

30. An order approving the Amended Buyout Agreement pursuant to Section 105(a) would also further the NARCO Asbestos Trust’s purpose, which is “to assume . . . any and all

liability of Honeywell, any Honeywell Affiliate, the Debtors, their successors or predecessors in interest or their affiliates, with respect to any and all NARCO Asbestos Trust Claims . . . ; to use the NARCO Asbestos Trust Assets and income to promptly pay holders of valid NARCO Asbestos Trust Claims in such a way that holders of similar NARCO Asbestos Trust Claims are paid in substantially the same manner; and to otherwise comply in all respects with the requirements of a trust set forth in Section 524(g)(2)(B)(i) of the Bankruptcy Code.” (Trust Agr. § 2.2.)

31. The Trust Agreement grants the Trustees broad discretion to “administer the NARCO Asbestos Trust Assets in accordance with the[se] purposes” and use their “power to take any and all actions that, in the judgment of the Trustees, are necessary or proper to fulfill the purposes of the NARCO Asbestos Trust” (Trust Agr. § 3.1.) The Trust Agreement also provides the Trustees with certain specific powers to fulfill the NARCO Asbestos Trust’s purposes, including the power to “sell, transfer or exchange any or all of the NARCO Asbestos Trust Assets at such prices and upon such terms as they may consider proper, consistent with the other terms of this NARCO Asbestos Trust Agreement,” and “make, pursue (by litigation or otherwise), collect, compromise or settle any claim, right, action or cause of action included in the NARCO Asbestos Trust Assets or which may otherwise hereafter accrue in favor of the NARCO Asbestos Trust.”¹⁰ (*Id.* § 3.1(c).) Section 3.5 of the Trust Agreement also empowers the Trustees to “administer the processing and payment of NARCO Asbestos Trust Claims in accordance with the NARCO Asbestos TDP . . . as the same may be amended from time to time, in accordance with the provisions hereof and thereof.” (*Id.* § 3.5(b).)

¹⁰ The “NARCO Asbestos Trust Assets” include the “cash, stock and rights transferred to the NARCO Asbestos Trust pursuant to the NARCO Asbestos Trust Agreement.” (Plan, Ex. 1 at 15.)

32. With respect to these and all other provisions of the Trust Documents, the Trust Agreement provides that “after consultation with Honeywell, the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative, and subject to the consent of Honeywell, the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative,” whose consent shall not be unreasonably withheld, “[t]he Trustees . . . may modify or amend” the Trust Documents. (Trust Agr. § 8.4; *see also* id. § 8.1(b).)

33. The Trustees have determined, pursuant to their authority under the Trust Agreement and with the consent and full support of Honeywell, the NARCO Asbestos TAC, and the FCR, that taking the following actions will fulfill the purposes of the NARCO Asbestos Trust and the Plan: (i) releasing, relinquishing, and extinguishing the NARCO Asbestos Trust’s right to “evergreen” funding from Honeywell and/or the HWI Interest in exchange for a lump-sum cash payment of \$1.325 billion, subject to certain adjustments as described in the Amended Buyout Agreement; (ii) amending the Trust Documents to implement certain claims processing and governance reforms, as reflected in the Amended Agreements attached to the Amended Buyout Agreement (**Ex. A**); and (iii) exchanging mutual general releases among certain of the Parties, as described in Section 8 of the Amended Buyout Agreement. (Gleason Decl. ¶¶ 6-10; Dummett Decl. ¶¶ 4-6; Fitzpatrick Decl. ¶¶ 2, 9; Baron Decl. ¶¶ 3, 4.)

34. In particular, the Trustees have evaluated whether releasing Honeywell from its evergreen funding obligations in exchange for the Buyout Amount has a sound business purpose. The Trustees ultimately agreed to accept the Buyout Amount on the basis of numerous considerations. In evaluating the Buyout Amount, the Trustees considered the estimates of the Trust’s expected liability for NARCO Asbestos Trust Claims put forward by experts for the NARCO Asbestos Trust (Charles Finch) and Honeywell (Dr. Jessica Horewitz) in *Honeywell*

International, Inc. v. N. Am. Refractories Co. Asbestos Personal Injury Settlement Trust, Adv. No. 21-02097-TPA (Bankr. W.D. Pa.). (See Gleason Decl. ¶¶ 8-9.) The Trustees further considered Mr. Finch’s opinion that the Amended Buyout Agreement provides the Trust with reasonable assurances that it will be able to pay all current and future NARCO Asbestos Trust Claimants the full liquidated value of their claims. (See Gleason Decl. ¶ 9; Finch Decl. ¶¶ 9-10.) The Trustees understand that Dr. Horewitz has similarly concluded that the Buyout Amount is sufficient to cover the Trust’s future claims liability. (See Horewitz Decl. ¶ 10.)

35. In addition to these expert opinions, the Trustees considered (i) recent observable trends in the NARCO Asbestos Trust’s claims data and the effect of inflation on future claim payments; (ii) the operating costs the NARCO Asbestos Trust is reasonably likely to incur under the revised arrangements among the Parties contemplated by the Amended Buyout Agreement; (iii) the nominal funds that the NARCO Asbestos Trust is reasonably likely to have available to pay claimants if the Buyout Amount is invested using a conservative asset allocation; and (iv) the views of the NARCO Asbestos TAC and the FCR, who each believe that entering into the Amended Buyout Agreement is in the best interest of their constituents. (See Gleason Decl. ¶¶ 8-9; Finch Decl. ¶ 10; Fitzpatrick Decl. ¶ 9; Baron Decl. ¶ 4.) Based on these considerations, the Trustees have concluded that entering into the Amended Buyout Agreement is a reasonable decision for the NARCO Asbestos Trust that ensures the purposes and intent of the Plan and the NARCO Asbestos Trust will continue to be carried out. (Gleason Decl. ¶¶ 7-10.)

36. In analyzing whether the Trustees’ determination to enter into the Amended Buyout Agreement was “proper,” the Trustees’ judgment should be given deference “unless the court finds that the trustee acted in bad faith or in an arbitrary or unreasonable manner” in approving the transaction. *In re Barker Tr. Agreement*, 2005 WL 396334, at *3 (Del. Ch. Feb. 7, 2005). “[W]hen

trustees are in existence, and capable of acting, a court of equity will not interfere to control them in the exercise of a *discretion vested in them by the instrument* under which they act.” *Firestone Tire & Rubber Co. v. Bruch*, 489 U.S. 101, 111 (1989) (quoting *Nichols v. Eaton*, 91 U.S. 716, 724–25 (1875)) (emphasis in original); *see also In re Couch Tr.*, 723 A.2d 376, 382–83 (Del. Ch. 1998) (noting courts do not substitute their own judgment for the trustee’s business judgment unless the trustee has “acted in bad faith or in an arbitrary or unreasonable manner”). In similar situations where a trustee is “entrusted to represent the creditor body,” bankruptcy courts also “defer to the trustee’s judgment so long as there is a legitimate business justification” for the trustee’s decision to sell estate assets. *In re Martin*, 91 F.3d 389, 395 (3d Cir. 1996) (describing standard applicable to approval of an asset sale under 11 U.S.C. § 363). As such, the NARCO Asbestos Trust respectfully submits that the Amended Buyout Agreement, and the Amended Agreements attached thereto, should be approved.

II. THE AMENDED BUYOUT AGREEMENT IS CONSISTENT WITH THE PLAN AND DOES NOT AFFECT THE NARCO CHANNELING INJUNCTION.

37. This Court also has the power to provide declaratory relief interpreting the Plan and the Confirmation Order. *See* 28 U.S.C. § 2201(a); *In re Behanna*, 381 B.R. 631, 641, n.12 (Bankr. W.D. Pa. 2008) (observing that “[i]t is clear that the Court has the authority to provide . . . declaratory relief” and that “asking the Court to interpret the effect of the plan confirmation order in light of subsequent events” is “specifically within the competence of the Court”).¹¹ Because the Amended Buyout Agreement will alter how the NARCO Asbestos Trust is funded and the NARCO Asbestos Trust’s relationship with Honeywell and its HWI Interest, the Trust requests

¹¹ Unless the subject matter of the requested declaration falls within the scope of Bankruptcy Rule 7001, the party requesting declaratory relief may “proceed by way of motion under Fed. R. Bankr. P. 9014[.]” *Id.*

that the Court enter an order declaring that the Amended Buyout Agreement is consistent with the Plan and Confirmation Order in two important respects.

38. *First*, the NARCO Asbestos Trust requests an order declaring that the Amended Buyout Agreement—and, in particular, the replacement of Honeywell’s “evergreen” funding obligation with the lump-sum Buyout Amount—is consistent with the Plan. The Plan’s preamble states that it was “conditioned on . . . the NARCO Asbestos Trust being funded . . . on an evergreen basis by Honeywell, subject to certain annual funding caps[.]” (Plan at 1.) Section 4.2 of the Plan, however, clarifies that the “NARCO Asbestos Trust will be funded *in accordance with the terms and provisions of the NARCO Asbestos Trust Agreement*[.]” (Plan § 4.2.) The Trust Agreement, which was appended to the Plan, confirmed by this Court, and affirmed by the District Court, provides the Trustees with the right to “modify or amend” the Trust Agreement and “sell, transfer or exchange any or all of the NARCO Asbestos Trust Assets[.]” (Trust Agr. §§ 3.1, 8.4.) The NARCO Asbestos Trust therefore respectfully requests the Court enter an order declaring that the Amended Buyout Agreement (including replacing Honeywell’s evergreen funding obligation and the NARCO Asbestos Trust’s HWI Interest for the Buyout Amount, all in accordance with the terms of the Amended Buyout Agreement) is consistent with the Plan.

39. *Second*, the NARCO Asbestos Trust requests an order declaring that the Amended Buyout Agreement does not modify, dissolve, terminate, or affect the NARCO Channeling Injunction. The Plan, which the District Court affirmed when it issued the NARCO Channeling Injunction, makes clear that the NARCO Channeling Injunction was an “essential and necessary” condition to Honeywell supporting confirmation, stating that “there can be no modification, dissolution or termination of the NARCO Channeling Injunction, which shall be a permanent injunction.” (Plan §§ 5.4.3, 9.1.18; Affirmance Order at 3-7.) Moreover, the Trust Agreement

provides that “[n]otwithstanding anything contained herein to the contrary, neither this NARCO Asbestos Trust Agreement nor the NARCO Asbestos TDP shall be modified or amended in any way that would jeopardize the efficacy or enforceability of the NARCO Channeling Injunction.” (Trust Agr. § 8.4.) Accordingly, the NARCO Asbestos Trust respectfully requests the Court enter an order declaring that the Amended Buyout Agreement will not affect the NARCO Channeling Injunction, which is a permanent injunction that shall remain in full force and effect.¹²

40. The Amended Buyout Agreement, and the Amended Agreements attached thereto, are consistent with the Plan, the Confirmation Order, and the Bankruptcy Code in all respects, including as to these specific provisions. Without declaratory relief from this Court concerning the effect of the Amended Buyout Agreement, however, there is a risk that the Amended Buyout Agreement’s purpose could be thwarted by future disputes concerning its effect on the Plan and the NARCO Channeling Injunction. As such, the NARCO Asbestos Trust respectfully requests that the Court exercise its power to declare that the transactions and amendments contemplated by the Amended Buyout Agreement (i) are consistent with the Plan; and (ii) do not modify, dissolve, terminate, or affect in any manner the NARCO Channeling Injunction.

III. THE FORM AND MANNER OF THE NOTICE OF THE AMENDED BUYOUT AGREEMENT AND THIS MOTION SHOULD BE APPROVED.

41. The Notice attached hereto as Exhibit B adequately describes the relief requested in this Motion and the Amended Buyout Agreement and provides parties with instructions on how to review this Motion and related exhibits on the NARCO Asbestos Trust’s website at <https://www.claimsres.com/documents/narco/> free of charge. The Notice also includes

¹² The Plan, as affirmed by the District Court, expressly provided this Court with “exclusive jurisdiction” to “interpret, enforce, and administer the terms of the NARCO Asbestos Trust Agreement, the NARCO Channeling Injunction, and the NARCO Asbestos TDP” (Plan § 11.2.16.)

conspicuous language that this Motion and the Amended Buyout Agreement are not intended to modify the Plan and/or modify, dissolve, terminate, or affect the NARCO Channeling Injunction. The Notice also notifies all parties of the date and time for a hearing on this Motion and the deadline by which to object to the relief requested in this Motion.

42. The Amended Buyout Agreement does not amend the Plan or the NARCO Channeling Injunction. The Court has set the hearing on this Motion for December 7, 2022, at 2:00 P.M., prevailing Eastern Time, which provides parties in interest with 16 days' notice. To the extent any party objects to the the length of notice of this Motion, the Trust requests that this Court determine whether additional notice is necessary under the Bankruptcy Rules.

43. The NARCO Asbestos Trust believes the Notice and distribution thereof will provide sufficient notice to all parties of the date and time for a hearing on this Motion and the deadline by which to object to the relief requested in this Motion. For these reasons, the Court should approve the Notice.

NOTICE

44. Notice of this Motion will be given to (i) counsel for Honeywell; (ii) counsel for the NARCO Asbestos TAC; (iii) counsel for the FCR; (iv) the APG Asbestos Trust; (v) the Reorganized Debtors; (vi) the United States Trustee; (vii) counsel for all official committees in the Bankruptcy Case; (viii) all parties who filed a request for service of notices under Fed. R. Bankr. P. 2002(i); (ix) all parties who are registered to receive ECF notifications for the Main Case; (x)

all parties whose rights are known to be affected by this Motion; and (xi) any other person entitled to notice pursuant to Bankruptcy Rule 2002.

NO PRIOR MOTION

45. No previous request for the relief sought herein has been made to this Court or any other court.

[Remainder of this page intentionally left blank.]

CONCLUSION

46. WHEREFORE, for the reasons set forth herein, the NARCO Asbestos Trust respectfully requests that the Court (i) grant the relief requested in this Motion and enter the Proposed Order and (ii) grant such other and further relief as is just and proper.

Dated: November 21, 2022

Respectfully submitted,

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Settlement Trust*

Exhibit A

AMENDED AND RESTATED BUYOUT AGREEMENT

This Amended and Restated Buyout Agreement (this “**Agreement**”) is made and entered into as of November 20, 2022 (the “**Agreement Date**”), by and among (i) Honeywell International Inc., a Delaware corporation (“**Honeywell**”), (ii) the North American Refractories Asbestos Personal Injury Settlement Trust, a Delaware trust (the “**NARCO Asbestos Trust**”), (iii) the NARCO Trust Advisory Committee (the “**NARCO Asbestos TAC**”), and (iv) Lawrence Fitzpatrick, in his capacity as the NARCO Asbestos Future Claimants Representative (the “**FCR**”) (each, a “**Party**” and collectively, the “**Parties**”). This Agreement amends and restates in its entirety that certain Buyout Agreement, dated as of November 18, 2022 (the “**Original Agreement Date**”), by and between Honeywell and the NARCO Asbestos Trust (the “**Original Agreement**”).

RECITALS

WHEREAS, North American Refractories Company (“**NARCO**”) and its affiliated debtors (collectively, the “**Debtors**”) reorganized under the provisions of Chapter 11 of the Bankruptcy Code in cases pending in the United States Bankruptcy Court for the Western District of Pennsylvania (the “**Bankruptcy Court**”) known as In re North American Refractories Company, et al., Jointly Administered as Case No. 02-20198 (the “**Chapter 11 Cases**”);

WHEREAS, at the time of the entry of the order for relief in the Chapter 11 Cases, each of NARCO and Honeywell had been named as defendants in personal injury and wrongful death actions seeking recovery for damages allegedly caused by the presence of, or exposure to, asbestos-containing NARCO Product Line products;

WHEREAS, by order entered on November 13, 2007, the Plan (as defined below) filed by the Debtors, in coordination with Honeywell, the Bankruptcy Court-appointed committee composed of the representatives of the NARCO Asbestos Claimants, and the FCR, was confirmed by the Bankruptcy Court;

WHEREAS, the Plan provided for the creation of the NARCO Asbestos Trust, which was organized pursuant to that certain Certificate of Trust dated as of April 30, 2013;

WHEREAS, pursuant to the Plan, the NARCO Asbestos Trust was funded (i) by an initial cash contribution by Honeywell and by the obligation of Honeywell to make future contractual payments (the “**Honeywell Obligations**”); and (ii) by the NARCO Asbestos Trust’s equity interest in HarbisonWalker International Holdings, Inc., a Delaware corporation formerly known as ANH Refractories Company (“**HWI**” and such equity interest held by the NARCO Asbestos Trust in HWI, together with any equity interests or securities received by the NARCO Asbestos Trust in connection with an HWI Sale or an HWI Dividend (each as defined below), the “**HWI Interest**”), together with any dividends or other income that may be distributed to the NARCO Asbestos Trust by HWI in respect of the HWI Interest;

WHEREAS, pursuant to the Plan, the NARCO Asbestos Trust uses the NARCO Asbestos Trust Assets (as defined in the Plan) and income to pay all valid NARCO Asbestos Trust Claims pursuant to the North American Refractories Company Asbestos Personal Injury Settlement Trust Distribution Procedures (as amended from time to time, the “**TDP**”), and is administered in accordance with the North American Refractories Company Asbestos Personal Injury Settlement Trust Agreement (as amended from time to time, the “**Trust Agreement**”);

WHEREAS, the NARCO Asbestos Trust and Honeywell are each parties to that certain Amended and Restated Cooperation Agreement, dated as of December 11, 2013 (the “**Cooperation Agreement**”);

WHEREAS, the Parties have an ongoing dispute about the proper administration of the NARCO Asbestos Trust;

WHEREAS, simultaneously with the execution of this Agreement, the Parties have executed and filed a joint conditional stipulation of dismissal of the adversary proceeding styled *Honeywell International Inc. v. N. Am. Refractories Co. Asbestos Personal Injury Settlement Trust*, Adv. No. 21-02097-TPA (Bankr. W.D. Pa.), and no other action, suit, proceeding, complaint, or claim by or before any Governmental Authority is currently pending by any Party hereto against any other Party hereto;

WHEREAS, Honeywell desires to pay to the NARCO Asbestos Trust, and the NARCO Asbestos Trust desires to accept from Honeywell, a lump sum, one-time payment in the amount of \$1,325,000,000 (subject to adjustment in accordance with the terms of this Agreement), in exchange for, among other things, the release of Honeywell from all further and future monetary and/or other obligations of any kind (except as, and solely to the extent, set forth in this Agreement) to the NARCO Asbestos Trust, including but not limited to the Honeywell Obligations (the “**Buyout**”);

WHEREAS, Honeywell’s willingness to pay the Buyout Amount (as defined below) is expressly conditioned upon agreement among the Parties that (a) any HWI Net Sale Proceeds (as defined below) actually received by the NARCO Asbestos Trust with respect to the sale or disposition of its HWI Interest will accrue to the benefit of Honeywell, either in the form of (i) a reduction in the Buyout Amount (if such HWI Net Sale Proceeds are actually received prior to the Closing) or (ii) a payment by the NARCO Asbestos Trust to Honeywell (if such HWI Net Sale Proceeds are actually received after the Closing), as applicable and (b) any HWI Dividends (as defined below) actually received by the NARCO Asbestos Trust after the Closing will accrue to the benefit of Honeywell, and the NARCO Asbestos Trust will pay to Honeywell any applicable HWI Net Dividends actually received by the NARCO Asbestos Trust after the Closing, in each case, as set forth herein;

WHEREAS, the Parties understand and agree that the Buyout and Honeywell’s obligation to pay the Buyout Amount will not become effective unless and until approved in all respects by the Bankruptcy Court, and any and all appeals are exhausted and/or defeated;

WHEREAS, Honeywell and the NARCO Asbestos Trust entered into the Original Agreement on November 18, 2022;

WHEREAS, simultaneously with the execution of the Original Agreement, Honeywell and the NARCO Asbestos Trust executed and filed a joint conditional stipulation of dismissal of the adversary proceeding styled *Honeywell International Inc. v. N. Am. Refractories Co. Asbestos Personal Injury Settlement Trust*, Adv. No. 21-02097-TPA (Bankr. W.D. Pa.) [Docket No. 447] and a motion seeking approval of the Original Agreement in the case captioned *In re All Matters Related to North American Refractories Company*, Misc. Case No. 15-00204-TPA (Bankr. W.D. Pa.) [Docket No. 497], and no other action, suit, proceeding, complaint, or claim by or before any Governmental Authority is currently pending by any Party hereto against any other Party hereto; and

WHEREAS, in exchange for the NARCO Asbestos TAC and FCR agreeing to execute this Agreement, Honeywell and the NARCO Asbestos Trust desire to amend and restate the Original Agreement to remove the provision providing for the automatic termination of the Original Agreement if the Closing (as defined below) has not occurred by March 31, 2023 and instead provide for a dollar for dollar credit against the Buyout Amount for (i) the dollar amount of NARCO Asbestos Trust claims entered into a payment queue and funded by Honeywell, in each case after March 31, 2023 (as further described in this Agreement) until the Closing and (ii) HWI Net Dividends actually received by the NARCO Asbestos Trust after March 31, 2023 until the Closing.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and agreements herein contained, and intending to be legally bound hereby, Honeywell and the NARCO Asbestos Trust agree that the Original Agreement is hereby amended and restated in its entirety to read, and the NARCO Asbestos TAC and the FCR hereby agree, as follows:

1. Definitions.

(a) The following terms have the meanings set forth below for purposes of this Agreement:

“Approval Motion” means the *Motion for Entry of an Order (I) Approving the NARCO Asbestos Trust Amended Buyout Agreement and Amended Agreements, (II) Declaring the Amended Buyout Agreement is Consistent with the Plan and Does Not Affect the NARCO Channeling Injunction, and (III) Approving the Form and Manner of Notice of the Amended Buyout Agreement* to be filed in the case captioned *Honeywell International Inc. v. North American Refractories Company Asbestos Personal Injury Settlement Trust*, Adv. Pro. No. 21-02097-TPA (Bankr. W.D. Pa.).

“Base Buyout Amount” means \$1,325,000,000.

“Business Day” means any day, other than a Saturday, Sunday, or day on which commercial banks are required or authorized to be closed in New York, New York.

“Buyout Amount” means the Base Buyout Amount, less the aggregate amount of any HWI Net Sale Proceeds with respect to an HWI Sale that is consummated prior to the Closing and actually received by the NARCO Asbestos Trust in cash prior to the Closing (if any), plus the Unpaid Claims Amount, less the Post-Q1 Claims Amount.

“Final Order” means, as applicable, an order or judgment of the Bankruptcy Court, or other court of competent jurisdiction with respect to the relevant subject matter, that has not been reversed, stayed, modified, or amended, and as to which the time to appeal, seek certiorari, or move for a new trial, reargument, or rehearing has expired and as to which no appeal, petition for certiorari, or other proceeding for a new trial, reargument, or rehearing has been timely taken; or as to which, any appeal that has been taken or any petition for certiorari that has been or may be filed has been withdrawn with prejudice, resolved by the highest court to which the order or judgment could be appealed or from which certiorari could be sought, or the new trial, reargument, or rehearing has been denied, resulted in no stay pending appeal or modification of such order, or has otherwise been dismissed with prejudice; provided, that the possibility that a motion under Rule 60 of the Federal Rules of Civil Procedure, or any analogous rule under the Bankruptcy Rules, may be filed with respect to such order will not preclude such order from being a Final Order.

“Governmental Authority” means any court, governmental department, commission, council, board, agency, bureau, authority or regulatory body or other instrumentality of the United States of America, any foreign jurisdiction, or any state, provincial, county, municipality or local governmental unit thereof.

“HWI Charter” means the Amended and Restated Certificate of Incorporation of HWI, as amended by the Certificate of Amendment, effective on December 31, 2015.

“HWI Dividends” means any dividends or distributions of any kind, whether or not in cash, actually received by the NARCO Asbestos Trust after the Closing with respect to, derived from, relating to or arising out of the HWI Interest (excluding HWI Sale Proceeds and any HWI Special Dividend).

“HWI Governance Documents” means the HWI Charter, the bylaws of HWI and the HWI Shareholders Agreement.

“HWI Net Dividends” means HWI Dividends, less any accrued or incurred and payable HWI Transaction Fees with respect to such HWI Dividends (to the extent not previously deducted from the calculation of HWI Net Dividends), less any NARCO HWI Taxes with respect to such dividend (to the extent not previously deducted from the calculation of HWI Net Dividends).

“HWI Net Sale Proceeds” means any HWI Sale Proceeds, less any accrued or incurred and payable HWI Transaction Fees with respect to such proceeds (to the extent not previously deducted from the calculation of HWI Net Sale Proceeds), less any NARCO HWI Taxes incurred with respect to such proceeds (to the extent not previously deducted from the calculation of HWI Net Sale Proceeds). For the avoidance of doubt, HWI Net Sale Proceeds shall only include amounts actually received by the NARCO Asbestos Trust and, subject to Section 3(a)(vii), shall not include any proceeds, payments or consideration paid to third parties by or on behalf of the NARCO Asbestos Trust in connection with such HWI Sale.

“HWI Sale Proceeds” means any payments, proceeds or consideration (including any HWI Special Dividend), whether or not in cash, actually received by the NARCO Asbestos Trust with respect to or arising out of an HWI Sale. For the avoidance of doubt, HWI Sale Proceeds shall not include (i) any HWI Dividends or (ii) any portion of the payments, proceeds or consideration in such HWI Sale to be paid to the NARCO Asbestos Trust that is contingent upon future events (including, without limitation, amounts held in escrow and/or any earnout or deferred consideration) unless and until such proceeds are actually received by the NARCO Asbestos Trust.

“HWI Sale” means (i) a merger, acquisition, business combination or sale, disposition, assignment, or other transfer of any or all of the equity of HWI or any legal entity in which the NARCO Asbestos Trust holds any equity interest or other security following completion of any prior HWI Sale or (ii) a sale, disposition, assignment or other transfer of all or substantially all of the assets of HWI and its subsidiaries or any legal entity in which the NARCO Asbestos Trust holds any equity interest or other security following completion of any prior HWI Sale.

“HWI Shareholders Agreement” means the Amended and Restated Shareholders Agreement of HWI, dated as of December 11, 2013, by and among HWI, the APG Asbestos Trust (“**APG Trust**”) and the NARCO Asbestos Trust.

“HWI Special Dividend” means, to the extent permitted in accordance with the definitive agreement with respect to an HWI Sale, any special cash dividends or distributions (i) paid in connection with, and on or within five (5) Business Days prior to, the closing of an HWI Sale and (ii) actually received by the NARCO Asbestos Trust.

“HWI Transaction Fees” means any documented out-of-pocket fees, costs and expenses (including any documented out-of-pocket legal, shareholder representative, accounting, tax or financial advisory fees, costs or expenses) accrued or incurred and payable by the NARCO Asbestos Trust in connection with (i) any HWI Sale or (ii) HWI Dividend, including, in each case, (A) documented out-of-pocket fees, costs and expenses of enforcing any rights in connection therewith or procuring any contingent consideration or other recovery related to (x) an HWI Sale or (y) an HWI Dividend and (B) any documented out-of-pocket fees, costs and expenses related to any non-cash portion of any HWI Sale Proceeds or HWI Dividend, including the administration, valuation, appraisal or sale thereof. For the avoidance of doubt, HWI Transaction Fees exclude (i) any such out-of-pocket fees, costs or expenses paid or payable by HWI and (ii) any amounts previously paid by Honeywell to the NARCO Asbestos Trust in accordance with Section 3(b)(iv).

“Independent Accountant” means an independent accounting or financial valuation firm of national reputation (excluding the primary outside auditor of Honeywell and the primary outside auditor of NARCO Asbestos Trust) that is mutually agreed between Honeywell and the NARCO Asbestos Trust within ten (10) Business Days, provided, that such Independent Account shall be retained at Honeywell’s sole expense.

“Law” means all applicable laws, statutes, rules, regulations, codes, ordinances, permits, bylaws, variances, policies, judgments, injunctions, orders, guidelines, conditions and licenses of a Governmental Authority having jurisdiction over the assets or the properties of any Party and the operations thereof.

“NARCO HWI Taxes” means the sum of (x) any federal or state income taxes accrued or incurred and payable by or on behalf of the NARCO Asbestos Trust in connection with any HWI Sale Proceeds received by the NARCO Asbestos Trust with respect to, derived from, relating to or arising out of the HWI Interest, calculated as (a) the excess (if any) of such HWI Sale Proceeds over the NARCO Asbestos Trust’s tax basis in the HWI Interest, or portion thereof, treated as exchanged for such HWI Sale Proceeds, *multiplied* by (b) the net combined federal and state tax rate applicable to trusts for the year of the receipt of the HWI Sale Proceeds and (y) any other Taxes (to the extent not included in clause (x), above) of or payable by the NARCO Asbestos Trust with respect to, derived from, relating to or arising from HWI Sale Proceeds or HWI Dividends, including with respect to the receipt, ownership or transfer of any non-cash portion of any HWI Sale Proceeds or HWI Dividends, in each case, prepared and calculated consistent with the NARCO Asbestos Trust’s historic practice, if applicable.

“Non-Cash Transfer Date” means the date that is the earlier of (a) such date as Honeywell directs the NARCO Asbestos Trust in writing and (b) twelve (12) months after the date the NARCO Asbestos Trust receives the applicable non-cash portion of any HWI Sale Proceeds or HWI Dividends.

“Non-Honeywell Parties” means the Parties hereto other than Honeywell.

“**Person**” means an individual, corporation, partnership, limited liability company, limited liability partnership, syndicate, person, trust, association, organization or other legal entity.

“**Post-Q1 Claims Amount**” means (i) if the Closing occurs on or prior to March 31, 2023, zero or (ii) if the Closing occurs after March 31, 2023, an amount equal to the sum of (a) the value of any NARCO Asbestos Trust Claims liquidated and entered into the Annual Contribution Claims Fund Payment Queue or the Pre-Established Claims Fund Payment Queue (as such terms are defined in the Existing Agreements) and funded by Honeywell, in each case during the period from and including April 1, 2023 until the Closing and (b) the amount of any HWI Net Dividends actually received by the NARCO Asbestos Trust during the period from and including April 1, 2023 until the Closing.

“**Review and Dispute Procedures**” shall mean the procedures set forth in Section 3(a)(ii) to (v).

“**Tax**” means any taxes and similar assessments imposed by any Governmental Authority, including income, capital gains, gross receipts, net proceeds, sales, use, transfer, ad valorem, franchise, profits, license, capital, withholding, payroll, employment, real property, personal property (tangible and intangible), environmental, stamp, excise, leasing, duty, registration, alternative and value added taxes, and with respect to the NARCO Asbestos Trust, any interest or any penalties incurred and payable by the NARCO Asbestos Trust which result from an HWI Sale (and which are not the result of any gross negligence, fraud or willful and intentional breach or misconduct of the NARCO Asbestos Trust to pay any such taxes when due as determined by a court of competent jurisdiction by final nonappealable judgment).

“**Unpaid Claims Amount**” means an amount, which shall not be less than zero, equal to (a) the aggregate value of any unpaid NARCO Asbestos Trust Claims liquidated and entered into the Annual Contribution Claims Fund Payment Queue and the Pre-Established Claims Fund Payment Queue (as such terms are defined in the Existing Agreements) as of the earlier of (x) the Closing and (y) March 31, 2023 which remain unfunded by Honeywell as of the Closing minus (b) any amounts received by the NARCO Asbestos Trust from any of its holdings (including the HWI Interests) and available as of the earlier of (x) the Closing and (y) March 31, 2023 for payment of the claims.

(b) Capitalized terms used and not otherwise defined in this Agreement have the meanings given to them in the Third Amended Plan of Reorganization of North American Refractories Company, et al., dated December 28, 2005 (the “**Plan**”) and/or in the TDP (as defined above).

2. The Buyout Payment.

(a) Upon the terms and subject to the conditions of this Agreement, at the Closing (as defined below), Honeywell shall pay to the NARCO Asbestos Trust the Buyout Amount set forth in the Closing Statement (as defined below) in immediately available funds in U.S. dollars by wire transfer to a bank account designated in writing by the NARCO Asbestos Trust in the Closing Statement.

3. Treatment of HWI Interest

(a) HWI Payments. From and after the Closing, the NARCO Asbestos Trust shall retain ownership of the HWI Interest until such time as the HWI Interest is disposed of as contemplated by and pursuant to the terms of this Agreement. Subject to the terms and conditions in this Agreement, the economic right of the NARCO Asbestos Trust in the HWI Interest shall inure to the benefit of Honeywell, and any and all HWI Net Sale Proceeds and HWI Net Dividends shall be delivered to Honeywell, or held for the benefit of Honeywell, in accordance with this Section 3(a).

(i) From and after the Closing, within twenty (20) Business Days after receipt of any HWI Sale Proceeds or HWI Dividend, the NARCO Asbestos Trust shall:

(1) pay to Honeywell the cash portion of such HWI Net Sale Proceeds or HWI Net Dividends as set forth in the Estimated Post-Closing Statement delivered in accordance with Section 3(a)(i)(2) in immediately available funds in U.S. dollars by wire transfer to a bank account designated in writing by Honeywell; provided, that Honeywell delivers to the NARCO Asbestos Trust bank account details at least two (2) Business Days prior to such payment date; and

(2) deliver to Honeywell a statement setting forth the amount of any HWI Sale Proceeds or HWI Dividends and the estimated HWI Net Sale Proceeds or HWI Net Dividends to be delivered to Honeywell with respect to such HWI Sale Proceeds or HWI Dividends (as applicable) pursuant to Section 3(a)(i)(1), with reasonable supporting detail (including copies of invoices as well as the assumptions underlying the calculation of NARCO HWI Taxes) showing the calculation of such estimated HWI Net Sale Proceeds or HWI Net Dividends (each, an “**Estimated Post-Closing Statement**”), provided, that Honeywell shall be permitted to dispute the determination of the amount of the estimated HWI Net Sale Proceeds, HWI Net Dividends, HWI Transaction Fees and NARCO HWI Taxes set forth in each Estimated Post-Closing Statement, in accordance with this Section 3(a).

(ii) Honeywell shall have twenty (20) Business Days from the date of delivery of the Estimated Post-Closing Statement by the NARCO Asbestos Trust (the “**Review Period**”) to review such Estimated Post-Closing Statement. If Honeywell agrees with such Estimated Post-Closing Statement, or does not give written notice to the NARCO Asbestos Trust of any disagreement within the Review Period, then upon the earlier of Honeywell’s written notice to the NARCO Asbestos Trust advising that such statement is acceptable or the expiration of the Review Period if Honeywell has not delivered a notice of dispute prior to such expiration, such Estimated Post-Closing Statement shall be considered final and binding on the NARCO Asbestos Trust and Honeywell.

(iii) If Honeywell does not agree with any portion of the Estimated Post-Closing Statement, then, on or before the expiration of the Review Period, Honeywell shall give written notice thereof to the NARCO Asbestos Trust and list the items and reasons for disagreement (the “**Dispute Notice**”). The NARCO Asbestos Trust and Honeywell shall work in good faith to resolve the items listed in the Dispute Notice. If, within thirty (30) days after the delivery of the Dispute Notice to the NARCO Asbestos Trust (the “**Resolution Period**”), the NARCO Asbestos Trust and Honeywell are unable to resolve any differences arising as a result of the Dispute Notice, NARCO

Asbestos Trust and Honeywell shall each submit, within ten (10) days following the expiration of the Resolution Period, a statement of such remaining disagreements and such party's proposed resolution thereof in the Dispute Notice to an Independent Accountant for a binding and non-appealable determination, which the NARCO Asbestos Trust and Honeywell shall request be rendered within thirty (30) days after such submission. The costs and expenses of the Independent Accountant shall be borne by Honeywell.

(iv) The Independent Accountant shall be instructed to use reasonable best efforts to perform its services and reach a final determination with respect to the matters submitted to it for resolution within thirty (30) days of its engagement, provided, that in resolving any disputed item, the Independent Accountant, acting as an expert and not as an arbitrator or independent reviewer, shall be bound by the terms, conditions, procedures and provisions of this Section 3(a) and any other relevant provisions of this Agreement, and the Independent Accountant's final determination with respect to any disputed item shall not be less than the lowest amount or greater than the highest amount proposed by the NARCO Asbestos Trust and Honeywell in their respective submitted proposed resolutions for such disputed item. The Parties shall request that the Independent Accountant's decision be in writing, set forth the calculations made in reaching its decision and describe the manner in which such calculations were made. The Parties acknowledge and agree that the decision by the Independent Accountant shall be non-appealable and binding on the Parties. Each of the NARCO Asbestos Trust and Honeywell agrees that they will, and agree to direct their respective representatives to, cooperate and assist in the determination with respect to the matters submitted to the Independent Accountant for resolution and in the conduct of the review by the other party and its representatives or, if applicable, the Independent Accountant of any proposed calculations of the HWI Net Sale Proceeds or HWI Net Dividends or the components thereof, including by making available, to the extent reasonably necessary, relevant books, records, accountant or tax advisor work papers (but subject to execution by Honeywell of customary non-reliance agreements) and advisors; provided, that nothing herein shall require either Party to make available any books, records or work papers prepared by the NARCO Asbestos Trust's attorneys or that would otherwise reasonably be expected to result in the waiver of any applicable attorney-client or attorney work product privilege.

(v) Within five (5) Business Days after the applicable cash portion of the HWI Net Sale Proceeds or HWI Net Dividends is determined pursuant to this Section 3(a):

(1) if the cash portion of the HWI Net Sale Proceeds or HWI Net Dividends as determined pursuant to this Section 3(a) is greater than the cash portion of the estimated HWI Net Sale Proceeds or estimated HWI Net Dividends set forth in the applicable Estimated Post-Closing Statement, then the NARCO Asbestos Trust shall pay to Honeywell a cash amount equal to such excess in immediately available funds in U.S. dollars by wire transfer to a bank account designated in writing by Honeywell;

(2) if the cash portion of the HWI Net Sale Proceeds or HWI Net Dividends as determined pursuant to this Section 3(a) is less than the cash portion of the estimated HWI Net Sale Proceeds or estimated HWI Net Dividends set forth in the applicable Estimated Post-Closing Statement, then

Honeywell shall pay to the NARCO Asbestos Trust a cash amount equal to such deficit in immediately available funds in U.S. dollars by wire transfer to a bank account designated in writing by the NARCO Asbestos Trust.

(vi) From and after the Original Agreement Date until the applicable Non-Cash Transfer Date, the NARCO Asbestos Trust shall hold the non-cash portion of any HWI Net Sale Proceeds or HWI Net Dividends (if any) for the benefit of Honeywell. No later than twenty (20) Business Days prior to the applicable Non-Cash Transfer Date, Honeywell shall deliver a written notice to the NARCO Asbestos Trust setting forth applicable delivery instructions with respect to such non-cash portion of any HWI Net Sale Proceeds or HWI Net Dividends (a “**Non-Cash Notice**”). On the applicable Non-Cash Transfer Date, the NARCO Asbestos Trust shall:

(1) transfer such non-cash HWI Net Sale Proceeds or HWI Net Dividends to Honeywell in accordance with the Non-Cash Notice. If requested in writing by Honeywell in a Non-Cash Notice, the NARCO Asbestos Trust shall effect a disposition of such non-cash portion of any HWI Net Sale Proceeds or HWI Net Dividends in accordance with Section 3(a)(vi) and Section 3(b). Honeywell shall pay any HWI Transaction Fees or NARCO HWI Taxes in cash with respect to the non-cash portion of any HWI Sale Proceeds and HWI Dividends (to the extent not previously paid or deducted from the calculation of HWI Net Sale Proceeds or HWI Net Dividends) (the “**Incremental HWI Transaction Fees and Taxes**”) at the time such Incremental HWI Transaction Fees and Taxes become due and payable by the NARCO Asbestos Trust (plus an amount of additional consideration necessary to compensate the NARCO Asbestos Trust for any additional Taxes owed as a result of such payment unless Treasury Regulation 1.468B-2(b)(1) excludes such payments from gross income), provided, that, in the event the NARCO Asbestos Trust receives publicly traded securities in a legal entity as part of the consideration in an HWI Sale, Honeywell may, in its sole discretion and at its sole cost and expense, direct the NARCO Asbestos Trust to sell the portion of such securities that are necessary for the NARCO Asbestos Trust to pay any such Incremental HWI Transaction Fees and Taxes, in lieu of Honeywell making such payments directly (which amount to be sold shall be sufficient to pay any Incremental HWI Transaction Fees and Taxes payable in connection with such sale or shall be otherwise paid by Honeywell to the NARCO Asbestos Trust directly).

(2) deliver to Honeywell a statement setting forth the estimated amount of any Incremental HWI Transaction Fees and Taxes, with reasonable supporting detail (including copies of invoices as well as the assumptions underlying the calculation of NARCO HWI Taxes) showing the calculation of such estimated Incremental HWI Transaction Fees and Taxes (each, an “**Estimated Incremental Fees and Taxes Statement**”), provided, that Honeywell shall be permitted to dispute the determination of the amount of the estimated non-cash HWI Net Sale Proceeds or HWI Net Dividends and estimated HWI Transaction Fees and NARCO HWI Taxes set forth in each Estimated Incremental Fees and Taxes Statement, in accordance with the Review and Dispute Procedures.

The Review and Dispute Procedures set forth in Sections 3(a)(ii) to (v) above with respect to the Estimated Post-Closing Statement shall also apply to the Estimated Incremental Fees and Taxes Statement.

(vii) The NARCO Asbestos Trust shall not direct or otherwise cause any portion of any HWI Sale Proceeds or HWI Dividends to be paid or delivered to any third parties (other than any payments made in respect of HWI Transaction Fees and NARCO HWI Taxes or made pursuant to the terms of any definitive transaction agreement providing for an HWI Sale).

(viii) Notwithstanding, anything to the contrary contained in this Agreement, in the event any NARCO HWI Taxes are determined by the Internal Revenue Service or other Governmental Authority by a final nonappealable judgment or determination to be greater than the NARCO HWI Taxes determined pursuant to this Section 3(a), Section 5(a) or the Review and Dispute Procedures (such excess amount, the “**Excess Taxes**”), as promptly as practicable (but no later than ten (10) Business Days after such final determination), Honeywell shall pay to the NARCO Asbestos Trust an amount equal to the sum of (i) the Excess Taxes and (ii) any HWI Transaction Fees incurred and paid or payable in connection with the determination of such Excess Taxes, except to the extent any of the foregoing is determined by a court of competent jurisdiction by final nonappealable order to have resulted from the gross negligence, fraud or willful and intentional misconduct by the NARCO Asbestos Trust.

(ix) Notwithstanding, anything to the contrary contained in this Agreement, in the event any NARCO HWI Taxes are determined by the Internal Revenue Service or other Governmental Authority by a final nonappealable judgment or determination to be less than the NARCO HWI Taxes determined pursuant to this Section 3(a), Section 5(a) or the Review and Dispute Procedures (such amount, the “**Residual Taxes**”), as promptly as practicable (but no later than ten (10) Business Days after such final determination), the NARCO Asbestos Trust shall pay to Honeywell an amount equal to the Residual Taxes.

(b) HWI Governance Documents and HWI Sale.

(i) From and after the Original Agreement Date, the NARCO Asbestos Trust shall promptly and without undue delay enforce all of its rights under the HWI Governance Documents as directed in writing by Honeywell and at Honeywell’s sole cost and expense, subject to the terms of the HWI Governance Documents and any applicable fiduciary duties of the NARCO Asbestos Trust. From and after the Original Agreement Date until the date on which the NARCO Asbestos Trust ceases to hold any HWI Interests, the NARCO Asbestos Trust shall not (A) terminate, amend or modify, reduce, or waive any of its or Honeywell’s rights under, the HWI Governance Documents (including Article IX of the HWI Charter), or take any other action to eliminate or diminish the rights of Honeywell or the NARCO Asbestos Trust thereunder or (B) sell, transfer, dispose of or encumber any portion of its HWI Interest, in each case, without the prior written consent of Honeywell (such consent not to be unreasonably withheld, conditioned or delayed). If, subject to the HWI Governance Documents and any applicable duties of the NARCO Asbestos Trust, the NARCO Asbestos Trust initiates a claim or legal action to enforce its rights under the HWI Governance Documents against a third-party (other than Honeywell), at Honeywell’s written request, the NARCO Asbestos Trust shall permit Honeywell to control the

prosecution of such claim or action at Honeywell's sole cost and expense; provided, that Honeywell shall not, and the NARCO Asbestos Trust shall not be obligated to, settle any such claim or action which settlement (x) obligates NARCO Asbestos Trust or Trustees to perform obligations (including to refrain from taking any actions) or imposes equitable remedies, (y) obligates NARCO Asbestos Trust or Trustees to admit wrongdoing or liability, or (z) does not cause the NARCO Asbestos Trust and Trustees to be fully and unconditionally released from all liability with respect to such claim; provided, further that Honeywell shall allow the NARCO Asbestos Trust an opportunity to participate in the prosecution of such claim or action with NARCO Asbestos Trust's own counsel and at its own expense.

(ii) The Parties acknowledge that the expected monetization of the HWI Interest on the terms and conditions set forth herein are material terms to this Agreement and are a material part of the consideration for the promises and undertakings contemplated herein, including the payment of the Buyout Amount. From and after the Closing until the NARCO Asbestos Trust no longer holds any HWI Interest, Honeywell may deliver written notice to HWI and the NARCO Asbestos Trust that Honeywell desires to cause either (x) an HWI Sale and/or (y) a sale of a material portion of the assets of HWI and its subsidiaries (any transaction described in clause (x) or (y), an "**HWI Transaction**") and such written notice shall set forth the proposed material terms and conditions of such HWI Transaction (such written notice, the "**Sale Notice**"). Upon receipt of a Sale Notice, subject to the terms of the HWI Governance Documents and any applicable fiduciary duties of the NARCO Asbestos Trust, the NARCO Asbestos Trust shall, at Honeywell's sole cost and expense, cooperate with Honeywell and HWI to facilitate, as promptly as practicable, such HWI Transaction in accordance with the Sale Notice and shall not take any action that would reasonably be expected to prevent, materially delay, impair or impede an HWI Transaction, unless such action is consented to in writing by Honeywell. Without limiting the foregoing or anything else contained herein, subject to the terms of the HWI Governance Documents and any applicable fiduciary duties of the NARCO Asbestos Trust, upon the written direction of Honeywell and at Honeywell's sole cost and expense, the NARCO Asbestos Trust shall, as promptly as practicable, (A) exercise the rights held by the Supermajority (as defined in the HWI Shareholders Agreement) set forth in Section 6 of the HWI Shareholders Agreement; (B) if such HWI Transaction requires shareholder approval, with respect to the HWI Interest, vote such equity (in person, by proxy or by action by written consent, as applicable) in favor of such transaction and vote in opposition to any and all other proposals that could reasonably be expected to delay or impair the ability of HWI to consummate such transaction; (C) not deposit any HWI Interest owned by the NARCO Asbestos Trust in a voting trust or subject any such HWI Interest to any arrangement or agreement with respect to the voting of such equity; (D) refrain from asserting any claim or commencing any suit (x) challenging such HWI Transaction, or (y) alleging a breach of any fiduciary duty of the board of directors of HWI (the "**HWI Board**") or any affiliate or associate thereof (including, without limitation, aiding and abetting breach of fiduciary duty) in connection with the evaluation, negotiation, or approval of, or entry into, such HWI Transaction; (E) execute and deliver all related documentation and taking such other action in support of the HWI Transaction as shall reasonably be requested in writing by Honeywell, including, without limitation, executing and delivering instruments of conveyance and transfer, and any purchase agreement, merger agreement, any associated indemnity agreement or escrow agreement, any associated voting, support, or joinder agreement,

consent, waiver, governmental filing, share certificates duly endorsed for transfer (free and clear of any liens, claims and encumbrances, other than those arising under applicable securities laws, this Agreement or the HWI Governance Documents), and any similar or related documents; (F) exercise its rights and defenses and complying with its obligations with respect to the HWI Transaction as a “seller”; and (G) delegate its authority to Honeywell to act as its agent with respect to matters customarily delegated to a “seller’s representative” pursuant to an HWI Transaction (for the avoidance of doubt, the NARCO Asbestos Trust does not control any other stockholder of HWI). The NARCO Asbestos Trust shall consult with Honeywell before taking any actions with respect to its equity stake in HWI. The NARCO Asbestos Trust may not enter into a definitive agreement with respect to, consent to, approve or consummate an HWI Transaction without the prior written consent of Honeywell. In connection with any HWI Transaction, the NARCO Asbestos Trust shall cooperate to provide that Honeywell, to the maximum extent permitted under the HWI Governing Documents, has the opportunity to participate in all material discussions with advisors and counterparties related thereto.

(iii) Notwithstanding anything to the contrary contained herein, the NARCO Asbestos Trust shall not be obligated or required: (1) to make any representations or warranties with respect to such HWI Transaction other than customary representations and warranties as to (x) its ownership of its HWI Interests, organization, authority, power and qualification, and brokers (collectively, the “**Fundamental Representations**”) and (y) no litigation, compliance with laws, absence of governmental orders, consents of governmental authorities and third parties, breach or violation of organizational documents, and authority and right to enter into and consummate (and no conflicts regarding) the HWI Transaction, in each case, solely with respect to the NARCO Asbestos Trust; (2) to be subject to any release (in a capacity other than as an equityholder of HWI), non-competition, non-solicitation or non-hire or similar covenants with respect to the sale; (3) to agree to any indemnification obligations unless (A) the sole and exclusive recovery therefor is to an escrow or holdback established under the terms of the definitive agreement with respect to such HWI Transaction (and such escrowed or holdback funds are excluded from HWI Sale Proceeds until released from such escrow or holdback to, and actually received by, the NARCO Asbestos Trust), (B) Honeywell agrees to backstop such NARCO Asbestos Trust’s indemnification obligations concurrently with the execution by the NARCO Asbestos Trust of the definitive agreement with respect to such HWI Transaction or (C) the indemnification obligations relate to breaches of Fundamental Representations of the NARCO Asbestos Trust; (4) to be responsible or have any liability for breaches of representations or covenants in connection with, arising out of or related to any such HWI Transaction by any other shareholder or HWI (other than such liability that is limited to indemnification obligations solely to the extent permitted under the foregoing clause (3)(A) or (3)(B)); and/or (5) with respect to an HWI Transaction in which HWI is a constituent to a merger and/or is party to the definitive agreement for such HWI Transaction, to enter into any definitive agreement or HWI Transaction unless such agreement and HWI Transaction has been approved and recommended by the HWI Board. In the event HWI and/or Honeywell engage a financial advisor in connection with an HWI Transaction and the Trustees are not permitted to rely on any advice or opinion of such financial advisor, then the Trustees shall only be permitted to retain Kroll, LLC or another financial advisor mutually

acceptable to the NARCO Asbestos Trust and Honeywell, at Honeywell's sole cost and expense.

(iv) Honeywell shall, at the NARCO Asbestos Trust's request, promptly reimburse the NARCO Asbestos Trust for documented out-of-pocket expenses incurred by the NARCO Asbestos Trust in connection with an HWI Transaction regardless of whether such HWI Transaction is consummated.

(v) From and after the closing of any HWI Transaction in which the NARCO Asbestos Trust receives as consideration any equity interest or other security in any legal entity, any references in the foregoing Section 3(b) to (1) HWI or the HWI Board shall be deemed to refer to such legal entity or the governing body of such legal entity, as applicable and (2) the HWI Charter, bylaws of HWI or HWI Shareholders Agreement, or any HWI Governance Document shall be deemed to refer to the applicable charter, bylaws or other governing documents of such legal entity, including any shareholders agreement or similar document; provided, that the rights and obligations of the NARCO Asbestos Trust under such applicable charter, bylaws or other governing documents shall be materially consistent with, and no more onerous in the aggregate than, this Agreement and the HWI Governance Documents in place as of the Original Agreement Date.

(c) Governance Matters.

(i) From and after the Closing, in the event the NARCO Asbestos Trust is entitled to nominate a director to the HWI Board, the trustees of the NARCO Asbestos Trust ("**Trustees**") agree to select the NARCO Asbestos Trust's nominee from a panel provided by Honeywell and will consult with Honeywell on the selection of such successor director. Honeywell will provide the Trustees with biographical information reasonably requested by the Trustees regarding the persons included in the panel provided by Honeywell or any person that Honeywell proposes for the NARCO Asbestos Trust to nominate as a successor director. Upon the written request of Honeywell, the Trustees shall, and shall cause the NARCO Asbestos Trust to, take all actions necessary to promptly remove any or all directors appointed by the NARCO Asbestos Trust designated in such request from the HWI Board and nominate one or more successors in accordance with the foregoing procedures.

(ii) From and after the Closing, whenever the consent, approval, waiver or vote of (A) the Trustees and/or the NARCO Asbestos Trust is requested by HWI or proposed by the Trustees and/or the NARCO Asbestos Trust or (B) the Trustees and/or the NARCO Asbestos Trust, on the one hand, and Honeywell, on the other hand, are requested by HWI pursuant to the HWI Charter, the HWI Shareholders Agreement or applicable Law, the procedures set forth below shall apply to the Trustees, the NARCO Asbestos Trust and Honeywell, as applicable:

(1) The NARCO Asbestos Trust shall, and shall cause the Trustees to, promptly provide Honeywell with: (i) written notice stating that either or both the Trustees' and the NARCO Asbestos Trust's consent, approval, waiver or vote is being sought by HWI or proposed by the Trustees and/or the NARCO Asbestos Trust and (ii) copies of all written documentation and other materials provided by or on behalf of HWI, the Trustees and/or the NARCO Asbestos

Trust in connection with such request or proposal for consent, approval, waiver or vote.

(2) The Trustees and representatives of Honeywell shall promptly enter into good faith discussions regarding the Trustees' and/or the NARCO Asbestos Trust's and, if applicable, Honeywell's response or proposal for consent, approval, waiver or vote and seek to reach agreement among the parties hereto on such response or proposal.

(3) If, after following the procedures specified in this Section 3(c)(ii), the Trustees and/or the NARCO Asbestos Trust and Honeywell are unable to reach agreement on such response or proposal, the Trustees, the NARCO Asbestos Trust and Honeywell agree to resolve the dispute pursuant to Section 8.14 of the Trust Agreement as such agreement is in effect as of the Agreement Date as if such provisions were set forth herein, *mutatis mutandis*, before providing HWI such response or proposal.

(iii) From and after the Closing, the Trustees shall, and shall cause the NARCO Asbestos Trust to, comply with the consent and other rights of Honeywell identified in Article IX of the HWI Charter as if those rights were set forth herein.

(iv) From and after the closing of any HWI Sale in which the NARCO Asbestos Trust receives as consideration any equity interest or other security in any legal entity, any references in the foregoing Section 3(c) to (1) HWI or the HWI Board shall be deemed to refer to such legal entity or the governing body of such legal entity, as applicable and (2) the HWI Charter, bylaws of HWI or HWI Shareholders Agreement, or any HWI Governance Document shall be deemed to refer to the applicable charter, bylaws or other governing documents of such legal entity, including any shareholders agreement or similar document; provided, that the rights and obligations of the NARCO Asbestos Trust under such applicable charter, bylaws or other governing documents shall be materially consistent with, and no more onerous in the aggregate than, this Agreement and the HWI Governance Documents in place as of the Original Agreement Date.

(d) Indemnity.

(i) From and after the Agreement Date, Honeywell shall indemnify and defend the Trustees and the NARCO Asbestos Trust against any and all liabilities, documented out-of-pocket expenses, claims, damages or losses incurred by the Trustees and/or the NARCO Asbestos Trust (1) in their performance of the terms of Section 3(b) (including, for the avoidance of doubt, in connection with actions contemplated in clause (D) of Section 3(b)(ii)), Section 3(c) and Section 9(c) of this Agreement (including any act or omission to act) and (2) arising out of, related to or in connection with an HWI Transaction, including the evaluation, negotiation or approval of, or entry into such HWI Transaction, in each case of clause (1) and (2), except to the extent any of the foregoing is determined by a court of competent jurisdiction by final nonappealable judgement to have resulted from the gross negligence, fraud, or willful and intentional misconduct or breach by the NARCO Asbestos Trust or the Trustees. For the avoidance of doubt, disputes with respect to actions requested by Honeywell to be taken under this Agreement, including Section 3(b), Section 3(c) or Section 9(c), do not constitute a breach by the Trustees for purposes of this Section 3(d).

(ii) The NARCO Asbestos Trust shall notify Honeywell in writing (a “**Claims Notice**”) of any pending or threatened claim or demand that the NARCO Asbestos Trust has determined, has given, or would reasonably be expected to give rise to, a right of indemnification under this Agreement (including any pending or threatened claim or demand asserted by a third party against the NARCO Asbestos Trust, such claim being a “**Third Party Claim**”), describing in reasonable detail the facts and circumstances giving rise to such claim or demand (to the extent then known) and thereafter shall keep Honeywell reasonably informed (on a prompt basis) with respect thereto. Such Claims Notice shall be delivered to Honeywell as promptly as practicable after the NARCO Asbestos Trust acquires actual knowledge of such claim or demand; provided, that the failure to provide such Claims Notice shall not release Honeywell from any of its obligations under this Section 3(d).

(iii) With respect to any Third Party Claim, Honeywell may, by notice to the NARCO Asbestos Trust delivered within twenty (20) Business Days of the receipt by Honeywell of a Claims Notice with respect to such Third Party Claim, assume the defense and control of (including, subject to this Section 3(d)(iii), control of the negotiation and settlement of) such Third Party Claim, with its own counsel and at its own expense, and the NARCO Asbestos Trust shall cooperate with Honeywell in connection therewith; provided, that Honeywell shall allow the NARCO Asbestos Trust an opportunity to participate in the defense of such Third Party Claim with its own counsel and at its own expense; provided, however, that Honeywell shall not be entitled to assume or continue control of such defense if (1) such Third Party Claim seeks injunctive, equitable or other non-monetary relief (other than a Third Party Claim that seeks injunctive, equitable or other non-monetary relief solely to prevent the consummation of an HWI Sale), (2) such Third Party Claim involves criminal or quasi-criminal allegations, or (3) NARCO Asbestos Trust has been advised by counsel that an actual conflict of interest between Honeywell and the NARCO Asbestos Trust or Trustees exists. To the extent Honeywell elects not to defend such Third Party Claim, or is not entitled to defend such Third Party Claim pursuant to this Section 3(d)(iii), and the NARCO Asbestos Trust defends against or otherwise deals therewith, the NARCO Asbestos Trust may retain counsel at the sole expense of Honeywell. The Party controlling the defense of a Third Party Claim shall keep the other Party reasonably advised of the status of such action, suit or proceeding and the defense thereof. The NARCO Asbestos Trust shall not pay or settle any such Third Party Claim without the prior written consent of Honeywell (such consent not to be unreasonably withheld, conditioned or delayed), and the NARCO Asbestos Trust shall, at the written request of Honeywell, pay or settle any such Third Party Claim if (A) the sole relief provided is monetary damages and Honeywell pays all amounts arising out of such settlement that are due at the effectiveness of such settlement, (B) there is no finding or admission adverse to the NARCO Asbestos Trust or the Trustees, and (C) the NARCO Asbestos Trust and Trustees are granted an unconditional release from all liability with respect to such Third Party Claim. For the avoidance of doubt, Honeywell shall not, and the NARCO Asbestos Trust shall not be obligated to, settle any Third Party Claim which settlement (x) obligates NARCO Asbestos Trust or Trustees to perform obligations (including to refrain from taking any actions) or imposes equitable remedies, (y) obligates NARCO Asbestos Trust or Trustees to admit wrongdoing or liability, or (z) does not cause the NARCO Asbestos Trust and Trustees to be fully and unconditionally released from all liability with respect to such claim.

(iv) The NARCO Asbestos Trust shall (A) cooperate with Honeywell in the defense or prosecution of any Third Party Claim in respect of which indemnity may be sought hereunder, (B) furnish to Honeywell such records, information, access to relevant personnel and testimony; provided, that nothing herein shall require the NARCO Asbestos Trust to make available any records or information that could jeopardize or result in the waiver of any applicable attorney-client or attorney work product privilege and (C) attend such conferences, discovery proceedings, hearings, trials and appeals, as may be reasonably requested by Honeywell in connection therewith, in each case of clauses (A), (B), and (C), at the sole cost and expense of Honeywell.

4. Amended and Existing Agreements.

(a) Upon the terms and subject to the conditions of this Agreement, each of the Parties hereto have delivered fully executed signature pages and agree that the following agreements shall be amended, restated and replaced effective as of the Closing:

(i) the Second Amended TDP (the “**Existing TDP**”) shall be amended, restated, and replaced by the “Third Amended and Restated TDP” attached hereto as **Exhibit A** (the “**Amended NARCO Asbestos TDP**”). A redline showing the changes the Parties made to the Existing TDP pursuant to this Agreement is attached hereto as **Exhibit AA**.

(ii) the First Amended Trust Agreement (the “**Existing Trust Agreement**”) shall be amended, restated and replaced by the Second Amended and Restated Trust Agreement attached hereto as **Exhibit B** (the “**Amended NARCO Asbestos Trust Agreement**”). A redline showing the changes the Parties made to the Existing Trust Agreement pursuant to this Agreement is attached hereto as **Exhibit BB**.

(iii) The North American Refractories Company Asbestos Personal Injury Settlement Trust Bylaws (the “**Existing Bylaws**”) shall be amended, restated and replaced by the “North American Refractories Company Asbestos Personal Injury Settlement Trust Amended and Restated Bylaws” attached hereto as **Exhibit C** (the “**Amended NARCO Asbestos Trust Bylaws**”).

(b) The Amended NARCO Asbestos TDP, the Amended NARCO Asbestos Trust Agreement, and the Amended NARCO Asbestos Trust Bylaws (collectively referred to hereinafter as the “**Amended Agreements**”), shall become automatically and immediately effective as of the Closing, without the need for further action or notice of any kind and thereupon, the Existing Agreements (as defined below) shall be terminated in all respects, without the need for further action or notice of any kind.

(c) The Existing TDP, the Existing Trust Agreement, and the Existing Bylaws (collectively referred to hereinafter as the “**Existing Agreements**”), shall continue in effect until the Amended Agreements become effective.

(d) The Parties acknowledge that the changes made to the Existing Agreements as reflected in the Amended Agreements are material terms to this Agreement, are a material part of the consideration for the promises and undertakings contemplated herein (including the payment of the Buyout Amount and the releases received herein), and are hereby incorporated into this Agreement by reference.

(e) Subject to the conditions to the Closing set forth in this Agreement, each Party acknowledges and agrees that its signature pages to each of the applicable Amended Agreements have been irrevocably delivered to the other Parties on the Agreement Date, and that each such signature page shall be deemed executed and delivered at the Closing, without the need for any further action or notice by such Party.

(f) As soon as practicable following the Closing, the NARCO Asbestos Trust shall post the Amended NARCO Asbestos TDP on the NARCO Asbestos Trust website.

(g) The Parties acknowledge that notwithstanding anything to the contrary in the NARCO Asbestos Trust Claims Audit Program, effective April 6, 2017 (as may be modified from time to time, the “**CAP**”) or the NARCO Asbestos Trust Alternative Dispute Resolution Procedures for NARCO Asbestos Trust Claims, effective August 1, 2017 (as may be modified from time to time, the “**ADR Procedures**”), or any other ancillary NARCO Asbestos Trust procedures, following the Closing, Honeywell shall not have any consent, consult, notice or other rights or obligations under the CAP, the ADR Procedures or any other ancillary NARCO Asbestos Trust procedures. For avoidance of doubt, this Section 4(g) shall not limit the Parties’ obligations under Section 9(c) of this Agreement.

5. Closing.

(a) Closing Statement. At least five (5) Business Days prior to the Closing, the NARCO Asbestos Trust shall deliver to Honeywell a statement (the “**Closing Statement**”) setting forth the Buyout Amount (with reasonable supporting detail showing the calculation of the Buyout Amount, HWI Net Sale Proceeds received by the NARCO Asbestos Trust prior to Closing (if any), HWI Transaction Fees (if any), NARCO HWI Taxes (if any), Unpaid Claims Amount and Post-Q1 Claims Amount, as applicable) and the applicable bank account details for the payment of the Buyout Amount. Honeywell shall be permitted to dispute the determination of the amount of the Buyout Amount, HWI Net Sale Proceeds received by the NARCO Asbestos Trust prior to the Closing, HWI Transaction Fees, NARCO HWI Taxes, Unpaid Claims Amount and Post-Q1 Claims Amount set forth in the Closing Statement, and, in the event of any such dispute, the Parties shall resolve such dispute in accordance with the Review and Dispute Procedures.

(b) Closing. The closing of the transactions contemplated by Sections 2 and 4 (the “**Closing**”) shall take place as promptly as practicable following January 1, 2023, and following the satisfaction or waiver (to the extent permitted by Law) of the conditions set forth in Section 6 (other than those conditions that by their nature are to be satisfied at the Closing, but subject to the satisfaction or waiver of such conditions at such time).

6. Conditions Precedent.

(a) General Conditions. The respective obligations of the Parties to effect the Closing are subject to the satisfaction (or waiver, if permissible under applicable Law) on or prior to the Closing of the following conditions:

(i) the Delaware Trustee has executed, and delivered its signature on the Amended NARCO Asbestos Trust Agreement (**Exhibit B**);

(ii) the NARCO Asbestos Trust shall have filed the Approval Motion with the Bankruptcy Court by no later than November 21, 2022 seeking approval of this

Agreement and the related Amended Agreements, together with supporting declarations from the Parties and experts attesting to the good faith negotiations leading to this Agreement and that the Buyout Amount is fair and reasonable in all respects and is reasonably likely to put the NARCO Asbestos Trust in a financial position to pay all claimants the full liquidated value of their claims and to continue to value and pay similar claims in substantially the same manner, in form and substance acceptable to all Parties;

(iii) the Bankruptcy Court shall have entered an order approving the Approval Motion and this Agreement, including without limitation, the Amended NARCO Asbestos Trust Agreement, and the Amended NARCO Asbestos TDP, all in forms consistent with the forms attached to the Approval Motion, with such modifications as may be acceptable to all Parties and without change or modification of the Channeling Injunction in any way, which shall be a Final Order (the “**Court Approval**”); and

(iv) no Law, injunction, judgment or ruling (whether preliminary, temporary or permanent) enacted, promulgated, issued, entered, amended or enforced by a court of competent jurisdiction shall be in effect enjoining, restraining, preventing or prohibiting the consummation of the transactions contemplated by this Agreement or making the consummation of the transactions contemplated by this Agreement illegal.

(b) Conditions to Obligations of Honeywell. The obligations of Honeywell to effect the transactions contemplated hereby are subject to the satisfaction (or waiver, if permissible under applicable Law) on or prior to the Closing of the following conditions:

(i) The representations and warranties of each Non-Honeywell Party contained in this Agreement shall be true and correct in all respects on and as of the Closing, in each case as though such warranties and representations were made at and as of such date.

(ii) Each Non-Honeywell Party shall have performed and complied in all material respects with all agreements and covenants contained in this Agreement which are required to be performed or complied with by such Non-Honeywell Party prior to or at the Closing.

(c) Conditions to Obligations of Non-Honeywell Parties. The obligations of the Non-Honeywell Parties to effect the transactions contemplated hereby are subject to the satisfaction (or waiver, if permissible under applicable Law) on or prior to the Closing of the following conditions:

(i) The representations and warranties of Honeywell contained in this Agreement shall be true and correct in all material respects on and as of the Closing, in each case as though such warranties and representations were made at and as of such date; and

(ii) Honeywell shall have performed and complied in all material respects with all agreements and covenants contained in this Agreement which are required to be performed or complied with by Honeywell prior to or at the Closing.

7. Representations.

(a) Each of the Parties hereto represents and warrants to the other Parties that (i) such Party has the requisite power, authority, and capacity to execute, deliver, and perform its obligations under this Agreement and the Amended Agreements and to consummate the transactions contemplated hereby and thereby, (ii) the execution, delivery, and performance of this Agreement and each of the Amended Agreements and the consummation of the transactions contemplated hereby and thereby by such Party have been duly and validly authorized by all necessary actions in respect thereof, (iii) this Agreement and the Amended Agreements have been duly executed and delivered by such Party and, assuming the due execution and delivery by the other parties hereto and thereto, this Agreement constitutes, and the Amended Amendments constitute, valid and binding obligations of such Party (to the extent applicable), enforceable against such Party in accordance with its and their terms, except as the enforceability hereof or thereof may be limited by any applicable bankruptcy, insolvency, reorganization, moratorium, or other similar laws affecting the enforcement of creditor's rights generally and as limited by the availability of specific performance and other equitable remedies or applicable equitable principles, and (iv) the execution, delivery, and performance of this Agreement and the Amended Agreements and the consummation of the transactions contemplated hereby and thereby by such Party do not violate any governing documents of such Party, or any covenants or other restrictions placed upon such Party.

(b) Each of the Parties represents and warrants to the other Parties that (i) such Party has conducted its own investigation and review of the transactions contemplated by this Agreement, including but not limited to the Buyout Amount and the payment of the Buyout Amount to the NARCO Asbestos Trust, (ii) such Party has come to its own determination, with the assistance of such Party's advisors, consultants and experts, that the transactions contemplated by this Agreement are fair and reasonable in all respects and, with respect to the non-Honeywell Parties, the Buyout Amount is reasonably likely to put the NARCO Asbestos Trust in a financial position to pay all claimants the full liquidated value of their claims and to continue to value and pay similar claims in substantially the same manner, and (iii) such Party is not relying on any other Party or any other Party's agents in connection with the determinations or matters referred to in Sections 7(b)(i) and 7(b)(ii) above.

(c) Honeywell represents and warrants to each non-Honeywell Party that (i) as of the Agreement Date, Honeywell has available to it or has the ability to obtain, and at the Closing, Honeywell will have available to it, on an unconditional basis, the financial capability and adequate unrestricted cash on hand necessary and sufficient to pay the Buyout Amount and (ii) it is not a condition to Closing, or to any of its other obligations under this Agreement, that Honeywell (A) obtain financing for the transactions contemplated by this Agreement, or (B) reach any other agreement with any third party, including but not limited to Honeywell's insurers.

(d) The NARCO Asbestos Trust represents and warrants to the other Parties that (i) the NARCO Asbestos Trusts is the record and beneficial owner of, and has good and valid title to, 790 shares of common stock, par value \$0.01, of HWI, free and clear of any liens, other than as set forth in the HWI Governance Documents, the Cooperation Agreement and restrictions on transfer arising under applicable securities laws, and (ii) none of the HWI Interest is subject to any voting trust or other agreement, arrangement or restriction with respect to the voting or the transfer of the HWI Interest, except as set forth in this Agreement, the Cooperation Agreement or in the HWI Governance Documents.

8. Releases. The following releases, which are provided in consideration for the promises and undertakings contemplated in this Agreement (including the payment of the Buyout Amount and the releases received herein), shall become effective as of the Closing:

(a) Release of Honeywell: The NARCO Asbestos Trust, the NARCO Asbestos TAC, each Trustee of the NARCO Asbestos Trust, each member of the NARCO Asbestos TAC, and the FCR, in each case solely in their official capacities relating to the NARCO Asbestos Trust, and on behalf of each of their respective current, former or future entities, subsidiaries, parent companies, divisions, organizations, members, firms, equity holders, shareholders, interest holders, directors, officers, managers, employees, trustees, estates, fiduciaries, partners, partnerships, joint ventures, limited liability companies, corporations, affiliates, attorneys, accountants, auditors, agents, advisors, consultants, investment bankers, insurers, experts, underwriters, brokers, dealers, lenders, commercial bankers, claim processors, other representatives, predecessors, successors and assigns, or affiliates, direct and indirect, or persons under common control with any of the foregoing, and all persons acting by, through, under, or in concert with them (but for the avoidance of doubt, not on behalf of any holders of NARCO Asbestos Trust Claims, whose treatment remains consistent with the Confirmation Order and Channeling Injunction) (collectively, the “**Non-Honeywell Releasors**”), hereby release, acquit, and forever discharge Honeywell, and each case in its official capacity relating to the NARCO Asbestos Trust, and each of its respective current, former or future entities, subsidiaries, parent companies, divisions, organizations, members, firms, equity holders, shareholders, interest holders, directors, officers, managers, employees, trustees, estates, fiduciaries, partners, partnerships, joint ventures, limited liability companies, corporations, affiliates, attorneys, accountants, auditors, agents, advisors, consultants, investment bankers, insurers, experts, underwriters, brokers, dealers, lenders, commercial bankers, claim processors, other representatives, predecessors, successors and assigns, or affiliates, direct and indirect, or persons under common control with any of the foregoing, and all persons acting by, through, under, or in concert with Honeywell, including without limitation, Honeywell’s past or present representatives on the HWI Board (collectively, the “**Honeywell Released Parties**”), from any and all known and unknown charges, complaints, claims, grievances, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts, penalties, fees, counterclaims, sums of money, accounts, contracts, contribution, indemnification, damages, assessments, judgments, executions, and punitive damages, of any nature whatsoever, at law, in equity or otherwise, which the Non-Honeywell Releasors, or any of them, now or hereafter can, shall, or may have in the future against the Honeywell Released Parties, or any of them, whether known or unknown, whether or not apparent yet or yet to be discovered, or which may hereafter develop, in any way relating to or arising out of the NARCO Asbestos Trust, the administration of the NARCO Asbestos Trust, any Trust Agreement that was operative prior to the Closing including without limitation the Existing Trust Agreement, any TDP that was operative prior to the Closing including without limitation the Existing TDP, the Honeywell Obligations, the Plan, the Cooperation Agreement, HWI (and its predecessors), any actual or attempted HWI Sale, the participation of Honeywell’s current, former or future representatives on the HWI Board, any obligations under any agreements (other than this Agreement) or judicial decrees or orders (other than any court orders related to this Agreement) imposing any obligations on Honeywell related to the NARCO Asbestos Trust, all from the beginning of time through the Closing; provided, however, that nothing herein (i) modifies, dissolves, terminates, or affects in any manner the NARCO Channeling Injunction, or (ii) releases or affects any obligations of the Honeywell Released Parties contained in this Agreement or in the Confidentiality Agreement that Honeywell, the NARCO Asbestos Trust, and McDermott Will

& Emery entered as of November 20, 2014, as amended (the “**Existing Confidentiality Agreement**”), subject to Section 9(c) of this Agreement. For the avoidance of doubt, at the Closing, the Cooperation Agreement and the Existing Agreements shall be terminated in all respects without further action of any kind, and the Honeywell Released Parties shall have no liabilities or further obligations in connection therewith to the Non-Honeywell Releasors, all such liabilities or obligations having been released and terminated under the above release. For the further avoidance of doubt, nothing herein shall release the Honeywell Released Parties from any claims arising from conduct or events occurring after the Closing.

(b) Release of the Trust: Honeywell, the NARCO Asbestos TAC, each member of the NARCO Asbestos TAC, and the FCR, on behalf of themselves and on behalf of each of their respective current, former or future entities, subsidiaries, parent companies, divisions, organizations, members, firms, equity holders, shareholders, interest holders, directors, officers, managers, employees, trustees, estates, fiduciaries, partners, partnerships, joint ventures, limited liability companies, corporations, affiliates, attorneys, accountants, auditors, agents, advisors, consultants, investment bankers, insurers, experts, underwriters, brokers, dealers, lenders, commercial bankers, claim processors, other representatives, predecessors, successors and assigns, or affiliates, direct and indirect, or persons under common control with any of the foregoing, and all persons acting by, through, under, or in concert with them (collectively, the “**Non-Trust Releasors**”), hereby release, acquit, and forever discharge the NARCO Asbestos Trust and each Trustee of the NARCO Asbestos Trust, in their official capacities relating to the NARCO Asbestos Trust, and each of their respective current, former or future entities, subsidiaries, parent companies, divisions, organizations, members, firms, equity holders, shareholders, interest holders, directors, officers, managers, employees, trustees, estates, fiduciaries, partners, partnerships, joint ventures, limited liability companies, corporations, affiliates, attorneys, accountants, auditors, agents, advisors, consultants, investment bankers, insurers, experts, underwriters, brokers, dealers, lenders, commercial bankers, claim processors, other representatives, predecessors, successors and assigns, or affiliates, direct and indirect, or persons under common control with any of the foregoing, and all persons acting by, through, under, or in concert with them (but for the avoidance of doubt, not on behalf of any holders of NARCO Asbestos Trust Claims) (collectively, the “**Trust Released Parties**”), from any and all known and unknown charges, complaints, claims, grievances, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts, penalties, fees, counterclaims, sums of money, accounts, contracts, contribution, indemnification, damages, assessments, judgments, executions, and punitive damages, of any nature whatsoever, at law, in equity or otherwise, which the Non-Trust Releasors, or any of them, now or hereafter can, shall, or may have in the future against the Trust Released Parties, or any of them, whether known or unknown, whether or not apparent yet or yet to be discovered, or which may hereafter develop, in any way relating to or arising out of the NARCO Asbestos Trust, the administration of the NARCO Asbestos Trust, any Trust Agreement that was operative prior to the Closing including without limitation the Existing Trust Agreement, any TDP that was operative prior to the Closing including without limitation the Existing TDP, the Honeywell Obligations, the Plan, the Cooperation Agreement, HWI (and its predecessors), any actual or attempted HWI Sale, the participation of Honeywell’s current, former or future representatives on the HWI Board, any obligations under any agreements (other than this Agreement) or judicial decrees or orders (other than any court orders related to this Agreement) imposing any obligations on the NARCO Asbestos Trust, all from the beginning of time through the Closing; provided, however, that nothing herein (i) modifies, dissolves, terminates, or affects in any manner the NARCO Channeling Injunction, or (ii) releases or affects any obligations of any of the Trust

Released Parties contained in this Agreement or in the Existing Confidentiality Agreement, subject to Section 9(c) of this Agreement. For the avoidance of doubt, at the Closing, the Cooperation Agreement and the Existing Agreements shall be terminated in all respects without further action of any kind, and the Trust Released Parties shall have no liabilities or further obligations in connection therewith to the Non-Trust Releasors, all such liabilities or obligations having been released and terminated under the above release. For the further avoidance of doubt, nothing herein shall release the Trust Released Parties from any claims arising from conduct or events occurring after the Closing. Nothing herein is intended to release the NARCO Asbestos Trust from the compensation and reimbursement obligations under sections 5.5, 5.6, 6.5 and 7.5 of the Existing Trust Agreement for amounts accrued and unpaid prior to Closing.

(c) Release of the NARCO Asbestos TAC: Honeywell, the NARCO Asbestos Trust, each Trustee of the NARCO Asbestos Trust, and the FCR, on behalf of themselves and on behalf of each of their respective current, former or future entities, subsidiaries, parent companies, divisions, organizations, members, firms, equity holders, shareholders, interest holders, directors, officers, managers, employees, trustees, estates, fiduciaries, partners, partnerships, joint ventures, limited liability companies, corporations, affiliates, attorneys, accountants, auditors, agents, advisors, consultants, investment bankers, insurers, experts, underwriters, brokers, dealers, lenders, commercial bankers, claim processors, other representatives, predecessors, successors and assigns, or affiliates, direct and indirect, or persons under common control with any of the foregoing, and all persons acting by, through, under, or in concert with them (collectively, the “**Non-TAC Releasors**”), hereby release, acquit, and forever discharge the NARCO Asbestos TAC and each member of the NARCO Asbestos TAC, in their official capacities relating to the NARCO Asbestos Trust, and each of their respective current, former or future entities, subsidiaries, parent companies, divisions, organizations, members, firms, equity holders, shareholders, interest holders, directors, officers, managers, employees, trustees, estates, fiduciaries, partners, partnerships, joint ventures, limited liability companies, corporations, affiliates, attorneys, accountants, auditors, agents, advisors, consultants, investment bankers, insurers, experts, underwriters, brokers, dealers, lenders, commercial bankers, claim processors, other representatives, predecessors, successors and assigns, or affiliates, direct and indirect, or persons under common control with any of the foregoing, and all persons acting by, through, under, or in concert with them (but for the avoidance of doubt, not on behalf of any holders of NARCO Asbestos Trust Claims) (collectively, the “**TAC Released Parties**”), from any and all known and unknown charges, complaints, claims, grievances, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts, penalties, fees, counterclaims, sums of money, accounts, contracts, contribution, indemnification, damages, assessments, judgments, executions, and punitive damages, of any nature whatsoever, at law, in equity or otherwise, which the Non-TAC Releasors, or any of them, now or hereafter can, shall, or may have in the future against the TAC Released Parties, or any of them, whether known or unknown, whether or not apparent yet or yet to be discovered, or which may hereafter develop, in any way relating to or arising out of the NARCO Asbestos Trust, the administration of the NARCO Asbestos Trust, any Trust Agreement that was operative prior to the Closing including without limitation the Existing Trust Agreement, any TDP that was operative prior to the Closing including without limitation the Existing TDP, the Honeywell Obligations, the Plan, the Cooperation Agreement, HWI (and its predecessors), any actual or attempted HWI Sale, the participation of Honeywell’s current, former or future representatives on the HWI Board, any obligations under any agreements (other than this Agreement) or judicial decrees or orders (other than any court orders related to this Agreement) imposing any obligations on

the NARCO Asbestos TAC, all from the beginning of time through the Closing; provided, however, that nothing herein (i) modifies, dissolves, terminates, or affects in any manner the NARCO Channeling Injunction, or (ii) releases or affects any obligations of any of the TAC Released Parties contained in this Agreement or in the Existing Confidentiality Agreement, subject to Section 9(c) of this Agreement. For the avoidance of doubt, at the Closing, the Existing Agreements shall be terminated in all respects without further action of any kind, and the TAC Released Parties shall have no liabilities or further obligations in connection therewith to the Non-TAC Releasors, all such liabilities or obligations having been released and terminated under the above release. For the further avoidance of doubt, nothing herein shall release the TAC Released Parties from any claims arising from conduct or events occurring after the Closing.

(d) Release of the FCR: Honeywell, the NARCO Asbestos Trust, each Trustee of the NARCO Asbestos Trust, the NARCO Asbestos TAC, and each member of the NARCO Asbestos TAC, on behalf of themselves and on behalf of each of their respective current, former or future entities, subsidiaries, parent companies, divisions, organizations, members, firms, equity holders, shareholders, interest holders, directors, officers, managers, employees, trustees, estates, fiduciaries, partners, partnerships, joint ventures, limited liability companies, corporations, affiliates, attorneys, accountants, auditors, agents, advisors, consultants, investment bankers, insurers, experts, underwriters, brokers, dealers, lenders, commercial bankers, claim processors, other representatives, predecessors, successors and assigns, or affiliates, direct and indirect, or persons under common control with any of the foregoing, and all persons acting by, through, under, or in concert with them (collectively, the “**Non-FCR Releasors**”), hereby release, acquit, and forever discharge the FCR, in his official capacity relating to the NARCO Asbestos Trust, and each of the FCR’s respective current, former or future entities, subsidiaries, parent companies, divisions, organizations, members, firms, equity holders, shareholders, interest holders, directors, officers, managers, employees, trustees, estates, fiduciaries, partners, partnerships, joint ventures, limited liability companies, corporations, affiliates, attorneys, accountants, auditors, agents, advisors, consultants, investment bankers, insurers, experts, underwriters, brokers, dealers, lenders, commercial bankers, claim processors, other representatives, predecessors, successors and assigns, or affiliates, direct and indirect, or persons under common control with any of the foregoing, and all persons acting by, through, under, or in concert with them (but for the avoidance of doubt, not on behalf of any holders of NARCO Asbestos Trust Claims) (collectively, the “**FCR Released Parties**”), from any and all known and unknown charges, complaints, claims, grievances, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts, penalties, fees, counterclaims, sums of money, accounts, contracts, contribution, indemnification, damages, assessments, judgments, executions, and punitive damages, of any nature whatsoever, at law, in equity or otherwise, which the Non-FCR Releasors, or any of them, now or hereafter can, shall, or may have in the future against the FCR Released Parties, or any of them, whether known or unknown, whether or not apparent yet or yet to be discovered, or which may hereafter develop, in any way relating to or arising out of the NARCO Asbestos Trust, the administration of the NARCO Asbestos Trust, any Trust Agreement that was operative prior to the Closing including without limitation the Existing Trust Agreement, any TDP that was operative prior to the Closing including without limitation the Existing TDP, the Honeywell Obligations, the Plan, the Cooperation Agreement, HWI (and its predecessors), any actual or attempted HWI Sale, the participation of Honeywell’s current, former or future representatives on the HWI Board, any obligations under any agreements (other than this Agreement) or judicial decrees or orders (other than any court orders related to this Agreement) imposing any obligations on the FCR,

all from the beginning of time through the Closing; provided, however, that nothing herein (i) modifies, dissolves, terminates, or affects in any manner the NARCO Channeling Injunction, or (ii) releases or affects any obligations of any of the FCR Released Parties contained in this Agreement or in the Existing Confidentiality Agreement, subject to Section 9(c) of this Agreement. For the avoidance of doubt, at the Closing, the Existing Agreements shall be terminated in all respects without further action of any kind, and the FCR Released Parties shall have no liabilities or further obligations in connection therewith to the Non-FCR Releasers, all such liabilities or obligations having been released and terminated under the above release. For the further avoidance of doubt, nothing herein shall release the FCR Released Parties from any claims arising from conduct or events occurring after the Closing.

9. Other Agreements.

(a) Further Support and Cooperation.

(i) Each Party shall use its reasonable best efforts and shall reasonably cooperate with each other Party (A) to obtain the Court Approval and/or any other court that must approve the payment of the Buyout Amount, (B) to oppose and defeat any objections to such approval or appeals thereof; (C) oppose and contest any present or future objections to this Agreement or the transactions contemplated hereby (including but not limited to the Amended Agreements), and (D) to defend any such objections or collateral attacks after the Closing to the approvals provided with respect to the payment of the Buyout Amount and/or any terms of this Agreement (including but not limited to the Amended Agreements).

(ii) From and after the Closing, Honeywell shall, and shall cause its representatives and Affiliates to, reasonably cooperate with the NARCO Asbestos Trust and its representatives and advisors in connection with the historical records and reporting obligations under MMSEA and with respect to Pre-Established Claims, as more fully described below, including by (A) making personnel reasonably available during normal business hours for consultations in a manner so as not to interfere unreasonably with the conduct of Honeywell, and (B) providing the NARCO Asbestos Trust and its advisors and representatives access to such information, documents and records in Honeywell's possession, custody, or control as requested in connection with processing Pre-Established Claims and reporting obligations under MMSEA. Honeywell shall, and shall cause its Affiliates and representatives to, retain any information, documents and records related to the payment, processing and/or reporting with respect to NARCO Asbestos Trust Claims prior to the Closing for a period of no less than six years after the Closing.

(b) Medicare Obligations.

(i) The Parties agree that, on and after the Closing: (A) the NARCO Asbestos Trust shall register as a Responsible Reporting Entity ("**RRE**"), in lieu of Honeywell, under the reporting provisions of Section 111 of the Medicare, Medicaid, and SCHIP Extension Act of 2007 (Pub. L. 110-173) ("**MMSEA**"); and (B) the NARCO Asbestos Trust will provide the Centers for Medicare and Medicaid Services ("**CMS**") with the information necessary for compliance with MMSEA Section 111. To be clear, Honeywell shall remain wholly responsible for errors and/or failure in reporting any claim required to be reported to CMS prior to the Closing.

(ii) From and after the Original Agreement Date, Honeywell shall take all reasonable and necessary steps to support the NARCO Asbestos Trust's compliance with Section 3.6 of the Amended NARCO Asbestos Trust Agreement, including, but not limited to (A) if requested by the NARCO Asbestos Trust, using commercially reasonable efforts to assign its rights and obligations (solely to the extent arising after the Closing) under any agreements with third party providers Honeywell has contracted with to comply with such reporting requirements and solely to the extent assignment is permitted under any such agreement(s), and (B) providing the NARCO Asbestos Trust with copies of all records of historical MMSEA reporting related to NARCO Asbestos Trust Claims in Honeywell's possession. For the avoidance of doubt, Honeywell shall continue reporting to CMS until the later of Closing or the NARCO Asbestos Trust's receipt of permission from CMS to report as the RRE with respect to NARCO Asbestos Trust Claims. If pursuant to this provision, Honeywell must continue reporting to CMS after the Closing, the NARCO Asbestos Trust shall provide Honeywell with information available to the NARCO Asbestos Trust necessary to comply with MMSEA Section 111 for so long as Honeywell must continue reporting to CMS. Honeywell shall keep any information and documents received from the NARCO Asbestos Trust pursuant to this Section 9(b)(ii) confidential and shall not use such information for any purpose other than meeting obligations under MSPA and/or MMSEA.

(iii) The NARCO Asbestos Trust shall provide Honeywell with information available to the NARCO Asbestos Trust necessary to comply with MMSEA Section 111 in the event subsequent law, final regulations or binding CMS requirements prohibit the NARCO Asbestos Trust from reporting as the RRE or acting as the reporting agent on behalf of the RRE with respect to NARCO Asbestos Trust Claims, with any and all expenses related thereto to be borne solely by the NARCO Asbestos Trust. Honeywell shall keep any information and documents received from the NARCO Asbestos Trust pursuant to this Section 9(b)(iii) confidential and shall not use such information for any purpose other than meeting obligations under MSPA and/or MMSEA.

(iv) The NARCO Asbestos Trust further agrees that, to the extent that some or all of the payment that Honeywell makes to the NARCO Asbestos Trust under this Agreement is used to fund settlements of NARCO Asbestos Trust Claims that potentially implicate 42 U.S.C. 1395y(b) of the Medicare Secondary Payor Act and the rules and regulations promulgated thereunder (collectively "**MSP**"), on or after the Closing, the NARCO Asbestos Trust shall obtain prior to remittance of funds to claimants' counsel or to the claimant, if pro se, in respect of any NARCO Asbestos Trust Claim a certification from the claimant to be paid that said claimant has or will provide for the payment and/or resolution of any obligations owing or potentially owing under 42 U.S.C. § 1395y(b), or any related rules, regulations, or guidance, in connection with, or relating to, such NARCO Asbestos Trust Claim. This certification may be contained in the claimant's release of the NARCO Asbestos Trust executed in connection with payment of the claim.

(c) Insurance Information.

(i) *Insurance Purposes.* On and after the Closing, a third-party insurance administrator retained by Honeywell ("**Honeywell's TPA**"), currently anticipated to be The Claro Group LLC, shall have access to (A) on a quarterly basis, for all NARCO

Asbestos Trust Claims, aggregate information on the total number of filed, pending, and settled claims by disease type, and (B) solely with respect to any NARCO Asbestos Trust Claims that are paid by the NARCO Asbestos Trust (“**Paid Claims**”) on a monthly basis, the NARCO Asbestos Trust’s paid claims database in SQL or a substantially similar database format (hereinafter, “**Paid Claims Database**”), and (C) no more frequently than monthly, Paid Claims files containing the documentation substantiating exposure and date of first exposure to a NARCO asbestos containing product, asbestos disease, the release, and any other documentation relating to the Paid Claims that the NARCO Asbestos Trust gathered or received for the purpose of making payments to such claimants (collectively (A), (B) and (C), “**Trust Claims Data**”), such access in a manner to be reasonably agreed between the NARCO Asbestos Trust and Honeywell’s TPA and subject to the Existing Confidentiality Agreement other than sections 4(b), 4(c) and 7 thereof, and any exceptions for “Medicare Obligations” contained therein which sections and exceptions shall have no further force and effect on and after the Closing. On and after the Closing, Trust Claims Data accessed pursuant to this Section 9(c) may only be used to report and recover under Honeywell’s insurance policies applicable to NARCO and under settlement agreements that Honeywell has entered or enters with its insurers for NARCO Asbestos Claims (such purposes hereinafter, the “**NARCO Insurance Purposes**”). Specifically, Honeywell’s TPA shall, at Honeywell’s sole expense, be entitled to request, receive, review and utilize Trust Claims Data solely for NARCO Insurance Purposes.

(ii) *Confidentiality.* On and after the Closing, Honeywell’s TPA and Honeywell’s insurance coverage counsel (with which Honeywell’s TPA may share Trust Claims Data and information provided pursuant to subsection (iii) below) shall maintain the confidentiality of such Trust Claims Data under the Existing Confidentiality Agreement, subject to the modifications set forth above, and as may be subsequently amended including subsequent to this Agreement. The scope of Honeywell’s TPA’s permitted use of Trust Claims Data for NARCO Insurance Purposes shall include Honeywell’s TPA providing Trust Claims Data to Honeywell’s insurers that have entered an insurer confidentiality agreement with the NARCO Asbestos Trust or that is acceptable to the NARCO Asbestos Trust (hereinafter, “**Trust Insurer Confidentiality Agreement**”).

(iii) *Scope of Honeywell’s TPA’s Access To Cost Data.* On a quarterly basis, the NARCO Asbestos Trust will provide Honeywell’s TPA unaudited and summary level paid cost information by cost category. In addition, only upon receiving a request from a Honeywell insurer that has entered into a Trust Insurer Confidentiality Agreement, Honeywell’s TPA may request and shall receive from the NARCO Asbestos Trust (A) claims-related service provider invoices submitted to the NARCO Asbestos Trust and (B) summary level paid cost information by vendor. The NARCO Asbestos Trust may redact such invoices to avoid disclosure of any claimant data, attorney-client privileged communications and attorney opinion work product.

(iv) *Reasonable Cooperation.* On and after the Closing, the NARCO Asbestos Trust shall reasonably cooperate (at Honeywell’s sole cost and expense) with Honeywell’s TPA in connection with any reasonable inquiry that Honeywell’s TPA makes for NARCO Insurance Purposes, including requests for additional Trust Claims Data and/or clarification of Trust Claims Data that the NARCO Asbestos Trust has previously provided to Honeywell’s TPA regarding Paid Claims.

(v) *Costs.* The cost of the Trust's performance under this Section 9(c) shall be at the sole expense of Honeywell. Honeywell shall, at the NARCO Asbestos Trust's request, promptly advance funds to the NARCO Asbestos Trust for documented out-of-pocket expenses incurred by the NARCO Asbestos Trust in connection with this Section 9(c).

(vi) *Termination of Insurance Reporting.* If Honeywell no longer has reporting obligations to any insurer, then Honeywell shall promptly notify the NARCO Asbestos Trust in writing and all obligations of the NARCO Asbestos Trust under this Section 9(c) shall cease.

(d) Pre-Established Claims. Prior to the Closing, Honeywell shall provide the NARCO Asbestos Trust with all of the information, historical records, documents and databases reasonably necessary to process Pre-Established Claims as set forth in the Amended Agreements, including, but not limited to, Section 4.2 of the Amended NARCO Asbestos TDP.

(e) Auditor Access. Notwithstanding anything contrary in this Section 9, on and after the Closing, the NARCO Asbestos Trust shall reasonably cooperate (at Honeywell's sole cost and expense) with Honeywell's auditor in connection with any reasonable inquiry that Honeywell's auditor makes for purposes of conducting an integrated audit of (A) Honeywell's NARCO-related insurance receivables or (B) for a period of seven years from the Closing, Honeywell's NARCO-related liabilities. Such reasonable inquiry may include requests for Trust Claims Data, Paid Claims Database, summary level paid cost information by vendor and/or by cost category, and NARCO Asbestos Trust claims-related service provider invoices submitted to the NARCO Asbestos Trust. The NARCO Asbestos Trust may redact such invoices to avoid disclosure of any claimant data, attorney-client privileged communications and attorney opinion work product. When neither Honeywell nor its auditor has continuing reporting obligations with respect to the NARCO Asbestos Trust, then Honeywell shall promptly notify the NARCO Asbestos Trust in writing and all obligations of the NARCO Asbestos Trust under this Section 9(e) shall cease.

10. Termination.

(a) This Agreement may be terminated at any time prior to the Closing:

(i) By the mutual written consent of the Parties;

(ii) By Honeywell or the NARCO Asbestos Trust if Court Approval is not capable of being obtained;

(iii) By Honeywell, if Honeywell is not in material breach of its obligations under this Agreement and the Non-Honeywell Parties fail to comply in any material respect with their covenants or agreements contained herein, or breach their representations and warranties contained herein in any material respect and such failure or breach, is not cured within thirty (30) days of the receipt of written notice of such failure or breach from Honeywell; and

(iv) By the NARCO Asbestos Trust if the Non-Honeywell Parties are not in material breach of their obligations under this Agreement and Honeywell fails to comply in any material respect with its covenants or agreements contained herein, or breaches its representations and warranties contained herein in any material respect and

such failure or breach, is not cured within thirty (30) days of the receipt of written notice of such failure or breach from NARCO Asbestos Trust.

(b) In the event of the termination of this Agreement as provided in Section 10(a), written notice thereof shall be given to the other Parties to this Agreement specifying the provision of this Agreement pursuant to which such termination is made, and this Agreement shall forthwith become null and void (other than the provisions of this Section 10(c) and Section 11), and there shall be no liability on the part of any Party or its directors, officers, trustees or Affiliates; provided, however, that nothing in this Agreement will relieve any Party from liability for any intentional breach of this Agreement prior to such termination or for fraud.

11. Miscellaneous.

(a) Specific Performance.

(i) Each Party agrees that irreparable damage would occur and that the Parties would not have any adequate remedy at law in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. Accordingly, in addition to any other remedies available under this Agreement, the Parties agree that, prior to a valid termination of this Agreement in accordance with the terms of this Agreement, each Party shall be entitled to an injunction or injunctions, specific performance and other equitable relief, without proof of actual damages, to prevent each other Party's breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement (including a Party's obligation to consummate the transactions contemplated by this Agreement if required to do so hereunder).

(ii) Each Party agrees that it will not oppose the granting of an injunction, specific performance and other equitable relief when expressly available pursuant to the terms of this Agreement, and hereby waives (A) any defenses in any action for an injunction, specific performance or other equitable relief, including the defense that the other parties have an adequate remedy at law or an award of specific performance is not an appropriate remedy for any reason at law or equity, and (B) any requirement under Law to post a bond, undertaking or other security as a prerequisite to obtaining equitable relief.

(b) Governing Law; Submission to Jurisdiction.

(i) This Agreement, its performance, enforcement, and any disputes relating thereto shall be governed by and construed in accordance with the internal laws of the State of Delaware without giving effect to any choice or conflict of law provision or rule that would cause the application of laws of any jurisdiction other than those of the State of Delaware.

(ii) Any claim or dispute arising out of or relating to this Agreement, its performance, enforcement or otherwise shall be instituted exclusively in the Bankruptcy Court, and each Party agrees not to assert, by way of motion, as a defense or otherwise, in any such claim or dispute, that it is not subject personally to the jurisdiction of such Bankruptcy Court, that the claim is brought in an inconvenient forum, that the venue of the claim is improper or that this Agreement or the subject

matter hereof may not be enforced in or by such Bankruptcy Court. Each Party further irrevocably submits to the continuing jurisdiction of such Bankruptcy Court in any such claim or dispute. If such Bankruptcy Court does not accept jurisdiction for any reason, then the exclusive forum and venue and other provisions in this Section will apply to the federal court sitting in the Western District of Pennsylvania.

(c) Counterparts. This Agreement and its Exhibits may be executed via electronic signature, in multiple counterparts, each of which shall be deemed an original, and all of which shall constitute one and the same agreement. A signed copy of this Agreement and its Exhibits delivered by e-mail or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement and its Exhibits.

(d) Agreement is Legally Binding; Beneficiaries; Assignment. This Agreement (including, for the avoidance of doubt, Section 3 above) shall be legally binding upon Honeywell and the NARCO Asbestos Trust upon execution by Honeywell and the NARCO Asbestos Trust and shall inure to the benefit of each of them and their respective successors and assigns. Once executed by all Parties, the Parties intend this Agreement to be legally binding upon and shall inure to the benefit of each of them and their respective successors and assigns. Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon or give to any person or entity, other than the Parties and their respective permitted successors and assigns, any rights or remedies under or by reason of this Agreement. Neither this Agreement nor any rights, benefits, or obligations set forth herein may be assigned by any of the Parties without the prior written consent of each of the other Parties.

(e) Severability. Except as set forth otherwise in connection with the requirements relating to Court Approval and any appeals thereof, (i) the provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof, (ii) if any provision of this Agreement, or the application thereof to any person or any circumstance, is invalid or unenforceable, (x) a suitable and equitable provision shall be substituted therefor in order to carry out, so far as may be valid and enforceable, the intent and purpose of such invalid or unenforceable provision, and (y) the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected by such invalidity or unenforceability, nor shall such invalidity or unenforceability affect the validity or enforceability of such provision, or the application thereof, in any other jurisdiction.

(f) No Admissions. Nothing in this Agreement may be construed as evidence of any admission by any of the Parties of the validity of any of the claims, liabilities, losses, demands, or damages of any nature or kind asserted or that could be asserted against any other Party, its liability therefor, or of any wrongdoing on its part.

(g) Amendment. This Agreement or any portion thereof may be waived, amended, or modified only by a written agreement signed by an authorized signatory of all Parties.

(h) Entire Agreement. This Agreement (together with each of the Exhibits thereto) constitutes the complete and final understanding among the Parties with regard to the subject matter hereof and supersedes and cancels all prior or contemporaneous agreements regarding the subject matter hereof. In the event of any inconsistency between the statements in the body of this Agreement and the Exhibits hereto, the statements in the body of this Agreement shall control. This Agreement is entered into by the Parties with full knowledge of any and all rights that the Parties may have. All Parties have received independent legal advice, have conducted

such investigation as each of them and their counsel determined is appropriate, and have consulted with such other independent advisors as each of them and their counsel deemed appropriate regarding this Agreement and the rights and asserted rights in connection with this Agreement. In the event of any inconsistency, conflict or discrepancy between the terms of this Agreement and the terms of the Amended Agreements, the terms of this Agreement shall control.

(i) Notices. All notices and other communications required by this Agreement shall be in writing and shall be deemed to have been given (a) when delivered by hand, (b) when received by the addressee if sent by a nationally recognized overnight courier (return receipt requested), (c) on the date sent by e-mail or facsimile (without receipt of a "bounceback" or other notice of non-delivery) if sent during normal business hours of the recipient or on the next Business Day if sent after normal business hours of the recipient, or (d) on the third day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent to the applicable Party, at the following address or e-mail address (or at such other address or e-mail address as shall be specified for such purpose in a notice given in accordance with this Section):

To Honeywell:

Honeywell International Inc.
855 South Mint Street
Charlotte, NC 28202
Attn: Lynn A. Dummett
Email: lynn.dummett@honeywell.com

with a copy (which will not constitute notice) to:

Kirkland & Ellis LLP
601 Lexington Avenue
New York, NY 10022
Attn: Nicole L. Greenblatt
Email: nicole.greenblatt@kirkland.com

To the NARCO Asbestos Trust:

Hon. Ken M. Kawaichi (Ret.)
14 Mesa Avenue
Piedmont, California 94611
Facsimile: (510) 601-9254
Email: k.m.kawaichi@gmail.com

Richard B. Schiro
3710 Rawlins Street, Suite 1350
Dallas, Texas 75219
Facsimile: (214) 521-3838
Email: rbshiro@schirrolaw.com

Mark M. Gleason & Associates
One Gateway Center, Suite 525
420 Fort Duquesne Blvd.

Pittsburgh, PA 15222-1402
Facsimile: (412) 391-1790
Email: mgleason@gleasonexperts.com

with a copy (which will not constitute notice) to:

Sander L. Esserman
Steven A. Felsenthal
Stutzman, Bromberg, Esserman & Plifka
2323 Bryan Street, Suite 2200
Dallas, Texas 75201
Facsimile: (214) 969-4999
Email: Esserman@sbep-law.com
Email: Felsenthal@sbep-law.com

Willkie Farr & Gallagher LLP
787 Seventh Avenue
New York, NY 10019
Attn: Rachel C. Strickland
Daniel Forman
Email: rstrickland@willkie.com
dforman@willkie.com

To the NARCO Asbestos TAC:

John A. Baden IV
Motley Rice LLC
28 Bridgeside Blvd.
Mt. Pleasant, South Carolina 29464
Facsimile: (843) 216-9290
Email: jbaden@motleyrice.com

Perry Weitz
Lisa Nathanson Busch
Weitz & Luxenberg, PC
700 Broadway
New York, New York 10003
Facsimile: (212) 344-5461
Email: pweitz@weitzlux.com
Email: lbusch@weitzlux.com

Steven Kazan
Kazan, McClain, Satterley & Greenwood, A Professional Law Corporation
Jack London Market
55 Harrison Street, Suite 400
Oakland, California 94607
Facsimile: (510) 835-4913
Email: skazan@lcazanlaw.com

Steven T. Baron
Baron & Budd, P.C.
3102 Oak Lawn, Suite 1100
Dallas, Texas 75219
Facsimile: (214) 824-8100
Email: sbaron@baronbudd.com

Bruce Mattock
Goldberg, Persky & White, P.C.
11 Stanwix Street, Suite 1800
Pittsburgh, Pennsylvania 15222
Facsimile: (412) 471-8308
Email: bmattock@gpwlaw.com

John D. Cooney
Cooney & Conway, LLP
120 N. LaSalle Street, Suite 3000
Chicago, Illinois 60602
Email: jcooney@cooneyconway.com

with a copy (which will not constitute notice) to:

Ann C. McMillan
James P. Wehner
Caplin & Drysdale, Chartered
One Thomas Circle, N.W.
Washington, DC 20005
Facsimile: (202) 429-3301
Email: amcmillan@capdale.com
Email: jwehner@capdale.com

To the FCR:

Lawrence Fitzpatrick
200 American Metro Blvd.
Suite 129
Hamilton, New Jersey 08619
Facsimile: (609) 620-1466
Email: Larry.Fitzpatrick@pace-claims.com

with a copy (which will not constitute notice) to:

James L. Patton, Jr.
Edwin J. Harron
Sharon M. Zieg
Young Conaway Stargatt & Taylor, LLP
Rodney Square
1000 North King Street
Wilmington, Delaware 19801

Facsimile: (302) 571-1253

Email: jpatton@ycst.com

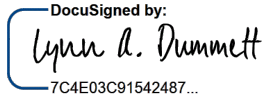
Email: eharron@ycst.com

Email: Szieg@ycst.com

[Signature Pages Follow]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed
as of the date first written above.

HONEYWELL INTERNATIONAL INC.

By:  7C4E03C91542487 ...
Name: Lynn A. Dummett
Title: Vice President and General Counsel,
Litigation

Executed this 20 day of November, 2022.

NORTH AMERICAN REFRACTORIES
COMPANY ASBESTOS PERSONAL
INJURY SETTLEMENT TRUST

TRUSTEES:

DocuSigned by:
Richard Schiro
By: 2DD8E01AB1E04B0..
Name: Richard Schiro
Title: Trustee

By: _____
Name: Ken Kawaichi
Title: Trustee

By: _____
Name: Mark Gleason
Title: Trustee

Executed this 20 day of November, 2022.

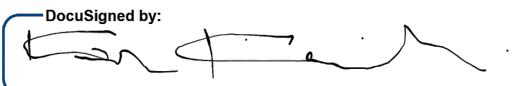
NORTH AMERICAN REFRACTORIES
COMPANY ASBESTOS PERSONAL
INJURY SETTLEMENT TRUST

TRUSTEES:

By: _____

Name: Richard Schiro

Title: Trustee

DocuSigned by:

By: _____
94A3A3E06B1A4A7...

Name: Ken Kawaichi

Title: Trustee

By: _____

Name: Mark Gleason

Title: Trustee

Executed this 20 day of November, 2022.

NORTH AMERICAN REFRACTORIES
COMPANY ASBESTOS PERSONAL
INJURY SETTLEMENT TRUST

TRUSTEES:

By: _____
Name: Richard Schiro
Title: Trustee

By: _____
Name: Ken Kawaichi
Title: Trustee

DocuSigned by:
By: Mark M. Gleason
Name: Mark Gleason
Title: Trustee

Executed this 20 day of November, 2022.

TRUST ADVISORY COMMITTEE:



John A. Baden IV

Perry Weitz



Steven Kazan



Steven T. Baron

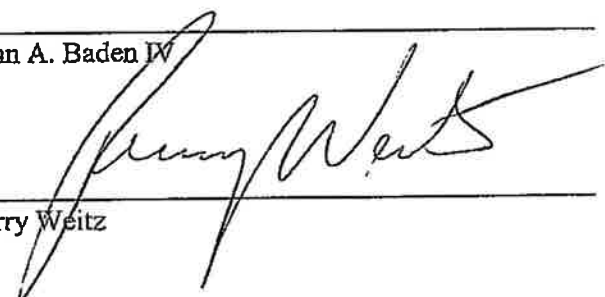
Bruce E. Mattock

John D. Cooney

Executed this 20 day of November, 2022.

TRUST ADVISORY COMMITTEE:

John A. Baden IV



Perry Weitz

Steven Kazan

Steven T. Baron

Bruce E. Mattock

John D. Cooney

[Buyout Agreement]

Executed this 20 day of November, 2022.


TRUST ADVISORY COMMITTEE:

John A. Baden IV

Perry Weitz

Steven Kazan

Steven T. Baron



Bruce E. Matlock

John D. Cooney

[Buyout Agreement]

Executed this 20 day of November, 2022.

TRUST ADVISORY COMMITTEE:

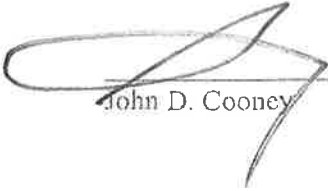
John A. Baden IV

Perry Weitz

Steven Kazan

Steven T. Baron

Bruce E. Mattock




John D. Cooney

[Buyout Agreement]

Executed this 20th day of November, 2022.

FUTURE CLAIMANTS REPRESENTATIVE:



Lawrence Fitzpatrick

Exhibit A

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

| | | |
|-----------------------------|---|-------------------------|
| In re |) | Jointly Administered at |
| |) | Case No. 02-20198 |
| NORTH AMERICAN REFRACTORIES |) | |
| COMPANY, <i>et al.</i> , |) | Chapter 11 |
| |) | |
| Debtors. |) | |
| |) | |

**THIRD AMENDED NORTH AMERICAN REFRACTORIES COMPANY
ASBESTOS PERSONAL INJURY SETTLEMENT
TRUST DISTRIBUTION PROCEDURES**

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**THIRD AMENDED NORTH AMERICAN REFRACTORIES COMPANY
ASBESTOS PERSONAL INJURY SETTLEMENT
TRUST DISTRIBUTION PROCEDURES**

The Third Amended North American Refractories Company Asbestos Personal Injury Settlement Trust Distribution Procedures (for ease of reference hereinafter the “**NARCO Asbestos TDP**”) contained herein provide for resolving all NARCO Asbestos Trust Claims and NARCO Asbestos Demands caused, in whole or in part, by exposure to asbestos-containing products manufactured, sold or distributed by North American Refractories Company (“**NARCO**”) or its predecessors, for which NARCO and/or Honeywell International Inc. (“**Honeywell**”) and their predecessors, successors, and assigns have legal liability (hereinafter for all purposes of this NARCO Asbestos TDP defined as “**NARCO Asbestos Trust Claims**”), as provided in and required by the North American Refractories Company Third Amended Plan of Reorganization (“**Plan**”), dated December 28 , 2005, as supplemented, and North American Refractories Company Asbestos Personal Injury Settlement Trust Agreement (for ease of reference hereinafter, as amended, the “**NARCO Asbestos Trust Agreement**”). The Plan and NARCO Asbestos Trust Agreement establish the North American Refractories Company Asbestos Personal Injury Settlement Trust (“**NARCO Asbestos Trust**”). The Trustees of the NARCO Asbestos Trust (“**Trustees**”) shall implement and administer this NARCO Asbestos TDP in accordance with the NARCO Asbestos Trust Agreement. Capitalized terms used herein and not otherwise defined shall have the meanings assigned to them in the Plan and the NARCO Asbestos Trust Agreement.

SECTION I

Introduction

1.1 Purpose. This NARCO Asbestos TDP has been adopted pursuant to the NARCO Asbestos Trust Agreement. It is designed to provide fair and equitable treatment in

substantially the same manner for all NARCO Asbestos Trust Claims that presently exist or may arise in the future.

1.2 Effective Date. This NARCO Asbestos TDP shall become effective as of the effective date of the NARCO Asbestos Trust Agreement, pursuant to Section 8.16 of the NARCO Asbestos Trust Agreement (the “**Effective Date**”). Once effective, the terms of this NARCO Asbestos TDP shall apply and govern all claims filed or submitted to the NARCO Asbestos Trust, including claims filed or submitted prior to the Effective Date.

SECTION II

Overview

2.1 NARCO Asbestos Trust Goals. The goal of the NARCO Asbestos Trust is to treat all claimants equitably and in accordance with the requirements of Section 524(g) of the Bankruptcy Code. This NARCO Asbestos TDP furthers that goal by setting forth procedures for processing and paying claims generally on an impartial, first-in-first-out basis, with the intention of paying all claimants over time based on historical values for substantially similar claims in the tort system. To this end, this NARCO Asbestos TDP establishes a schedule of seven asbestos-related diseases (“**Disease Levels**”), six of which have presumptive medical and exposure requirements (“**Medical/Exposure Criteria**”). NARCO Asbestos Trust Claims involving Disease Levels I – IV and VI – VII have specific liquidated values (“**Scheduled Values**”), and those involving Disease Levels III - VII, have anticipated average values (“**Overall Average Values**”) and caps on their liquidated values (“**Maximum Values**”). The Disease Levels, Medical/Exposure Criteria, Scheduled Values, Overall Average Values, and Maximum Values, which are set forth in Section 4.3 below, have all been selected and derived with the intention of achieving a fair allocation of the NARCO Asbestos Trust funds as among

claimants suffering from different diseases that is congruent with the settlement history of claims against NARCO.

2.2 NARCO Asbestos Trust Claim Liquidation Procedures. All claimants holding a NARCO Asbestos Trust Claim must file the claim with the NARCO Asbestos Trust in accordance with the proof of claim provisions of Section 5.1 as provided below. NARCO Asbestos Trust Claims that are not Pre-Established Claims shall be placed in the Annual Contribution Claims Fund Processing Queue established pursuant to Section 4.1(a) below. Pre-Established Claims shall be placed in the Pre-Established Claims Fund Processing Queue established pursuant to Section 4.2(a) below.

The NARCO Asbestos Trust shall liquidate all NARCO Asbestos Trust Claims involving Disease Levels I – IV, VI and VII at the applicable Scheduled Value for those claimants who opt for the Expedited Review Process described in Section 4.3(a) below and who can meet the presumptive Medical/Exposure Criteria set forth in that provision.

Alternatively, a claimant may opt to establish a liquidated value for his or her claim involving Disease Level III – VII that is greater than the applicable Scheduled Value by electing the NARCO Asbestos Trust's Individual Review Process described in Section 4.3(b) below. The NARCO Asbestos Trust may determine that the liquidated value of a claim that undergoes the Individual Review Process is less than or greater than its Scheduled Value, based on the individual claimant's ability to satisfy the presumptive Medical/Exposure Criteria. The liquidated value of a claim that undergoes the Individual Review Process shall not exceed the Maximum Value for the relevant Disease Level set forth in Section 4.3(b)(3) below; provided, however, if the claim qualifies as an Extraordinary Claim as defined in Section 4.4(a) below, its liquidated value cannot exceed the maximum extraordinary value specified in that provision for

such claims. Disease Level V (Lung Cancer 2) Claims and all Foreign Claims as defined in Section 4.3(b)(1) below may be liquidated only pursuant to the NARCO Asbestos Trust's Individual Review Process.

All unresolved disputes over a claimant's medical condition, exposure history, the liquidated value of the claim, or whether the claim is a Pre-Established Claim, shall be subject to binding or non-binding arbitration, at the election of the claimant, under procedures that are provided in Section 4.10 below and Attachment A hereto. Disputes that are not resolved after non-binding arbitration may enter the tort system as provided in Sections 4.11 and 6.6 below.

However, if and when a claimant obtains a judgment in the tort system, the judgment will be payable (subject to the Maximum Annual Payment, Claims Payment Ratio and the Payment Percentage, if applicable, provisions set forth below) only as provided in Section 6.7 below.

2.3 The Maximum Annual Payment. The NARCO Asbestos Trust, in consultation with the NARCO Asbestos TAC, as defined in Section 3.1 below, and the NARCO Asbestos Future Claimants Representative, as defined in Section 3.1 below, shall estimate or model the amount of cash flow anticipated to be necessary over its entire life to ensure that funds will be available to treat all present and future NARCO Asbestos Trust Claims as similarly as possible (the "**Trust Cash Flow Model**"). In each year, the NARCO Asbestos Trust will be empowered to pay out all of the interest and other investment income earned during the year (net of taxes payable with respect thereto), together with a portion of its principal, calculated so that the application of the assets of the NARCO Asbestos Trust over its life shall correspond with the needs created by the anticipated flow of claims (the "**Maximum Annual Payment**").¹

¹ For the avoidance of doubt, the HWI Interest and any HWI Net Dividends or HWI Net Sale Proceeds shall be treated in accordance with the Buyout Agreement (all as defined in the NARCO Asbestos Trust Agreement) and

2.4 NARCO Asbestos Trust Claims Payment Ratio. Based upon the claims settlement history of NARCO and Honeywell and the analysis of present and future claims, a Claims Payment Ratio has been determined which, as of April 30, 2013, has been set at 60% for Category A claims, which consist of NARCO Asbestos Trust Claims involving severe asbestosis and malignancies (Disease Levels III – VII) that were unliquidated as of the Petition Date, and at 40% for Category B claims, which are NARCO Asbestos Trust Claims involving other asbestos-related nonmalignant disease (Disease Levels I and II) that were similarly unliquidated as of the Petition Date. The Claims Payment Ratio shall not apply to any Pre-Established Claims. In each year, based upon the Maximum Annual Payment, 60% of that amount will be available to pay liquidated Category A claims and 40% will be available to pay liquidated Category B claims that have been liquidated since April 30, 2013.

In the event there are insufficient funds in any year to pay the liquidated claims within either or both of the Categories, the available funds within the particular Category shall be paid to the maximum extent to claimants in the particular Category based on their place in the Claims Fund Payment Queue described in Section 4.1(a) below based upon the date of claim liquidation. Claims for which there are insufficient funds will be carried to the next year where they will be placed at the head of the Claims Fund Payment Queue.

The 60%/40% Claims Payment Ratio and its rollover provision shall apply to all NARCO Asbestos Voting Claims (as defined in the Plan) and shall not be amended until April 30, 2018. Thereafter, both the Claims Payment Ratio and its rollover provision shall be continued absent circumstances, such as a significant change in law or medicine, necessitating

shall not be considered NARCO Asbestos Trust Assets for purposes of the NARCO Asbestos TDP or used in calculating the Maximum Annual Payment.

amendment to avoid a manifest injustice. The accumulation, rollover, and subsequent delay of claims resulting from the application of the Claims Payment Ratio, shall not, in and of itself, constitute such circumstances. Nor may an increase in the number of Category B claims beyond those predicted or expected be considered as a factor in deciding whether to reduce the percentage allocated to Category A claims.

In considering whether to make any amendments to the Claims Payment Ratio and/or its rollover provisions, the Trustees should also consider the reasons for which the Claims Payment Ratio and its rollover provisions were adopted, the settlement history that gave rise to its calculation, and the foreseeability or lack of the foreseeability of the reasons why there would be any need to make an amendment. No amendment to the Claims Payment Ratio may be made without the consent of the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative pursuant to the consent process set forth in Section 8.1(b) of the NARCO Asbestos Trust Agreement.

2.5 Payment Percentage.

2.5(a) Implementation and Determination of a Payment Percentage.

In consideration of the Trust Cash Flow Model, to the extent necessary to reasonably assure that the NARCO Asbestos Trust will be in a financial position to pay holders of present and future NARCO Asbestos Trust Claims in substantially the same manner, the Trustees, with the consent of the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative, may develop and institute a process for reducing the payment of the liquidated value of NARCO Asbestos Trust Claims, whereby a claimant will receive a pro-rata share of the liquidated value of its NARCO Asbestos Trust Claim (the "Payment Percentage") after such liquidated value of his or her claim is determined pursuant to the NARCO Asbestos

Trust's Expedited Review process or the NARCO Asbestos Trust's Individual Review Process, arbitration, or litigation in the tort system. In no event shall the Payment Percentage apply to Pre-Established Claims.

To the extent a Payment Percentage is applied by the NARCO Asbestos Trust to NARCO Asbestos Trust Claims, no less frequently than once every three years, commencing with the first day of January occurring after the Plan is consummated, the Trustees 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 NARCO Asbestos TAC, and the NARCO Asbestos Future Claimants Representative.

The Trustees 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 NARCO Asbestos TAC or the NARCO Asbestos Future Claimants Representative. The Trustees must base their determination of the Payment Percentage on current estimates of the number, types, and values of present and future NARCO Asbestos Trust Claims, the value of the assets available to the NARCO Asbestos Trust for their payment, all anticipated administrative and legal expenses, and any other material matters that are reasonably likely to affect the sufficiency of funds to pay a comparable percentage of full value to all holders of NARCO Asbestos Trust Claims. When making these determinations the Trustees shall exercise common sense and flexibly evaluate all relevant factors. The Payment Percentage applicable to Category A or Category B claims may not be reduced to alleviate delays in payments of claims in the other Category; both Categories of NARCO Asbestos Trust Claims shall receive the same Payment Percentage, but the payment may be deferred as needed.

2.5(b) Applicability of the Payment Percentage. To the extent the NARCO Asbestos Trust implements a Payment Percentage, no holder of a NARCO Asbestos Trust Claim other than a Pre-Established Claim shall receive a payment for a NARCO Asbestos Trust Claim that exceeds the Payment Percentage times the liquidated value of the claim in effect at the time of payment, except as otherwise provided in Section 4.1(c) below for all NARCO Asbestos Trust Claims involving deceased or incompetent claimants for which approval of the NARCO Asbestos Trust's offer by a court or probate process is required.

If a redetermination of the Payment Percentage for the NARCO Asbestos Trust has been proposed in writing by the Trustees to the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative, 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 was the lower amount but was 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 was the higher amount and was subsequently adopted, the claimant shall thereafter receive the difference between the lower current amount and the higher adopted amount.

2.6 Indirect Asbestos Trust Claims. As set forth in Section 4.6 below, any NARCO Asbestos Trust Claim that is an Indirect Asbestos Trust Claim that is payable from the NARCO Asbestos Trust shall be subject to the same processing, liquidation and payment provisions under this NARCO Asbestos TDP that the claim would have been subject to if it had been brought by the original claimant against the NARCO Asbestos Trust.

2.7 Payment of NARCO Asbestos Trust Claims. Upon final liquidation, all NARCO Asbestos Trust Claims including Pre-Established Claims shall be placed in the Claims

Fund Payment Queue to be established by the NARCO Asbestos Trust pursuant to Section 4.1(c) below. NARCO Asbestos Trust Claims in the Claims Fund Payment Queue shall then be paid solely from the NARCO Asbestos Trust Assets as provided in Section 2.3 of the NARCO Asbestos Trust Agreement.

SECTION III

NARCO Asbestos TDP Administration

3.1 Trustees' Advisory Committee and NARCO Asbestos Future

Claimants Representative. Pursuant to the Plan and the NARCO Asbestos Trust Agreement, this NARCO Asbestos TDP will be administered by the Trustees in consultation with the Trustees Advisory Committee (“**NARCO Asbestos TAC**”) that represents the interests of holders of present NARCO Asbestos Trust Claims, and (2) a NARCO Asbestos Future Claimants Representative (“**NARCO Asbestos Future Claimants Representative**”) who represents the interests of holders of NARCO Asbestos Trust Claims that will be asserted in the future. The Trustees shall obtain the consent of the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative as provided in the NARCO Asbestos Trust Agreement and before seeking to amend these Procedures pursuant to Section 7.1 below. The Trustees shall also consult with the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative on such matters as are provided below and in the NARCO Asbestos Trust Agreement. The current members of the NARCO Asbestos TAC and the initial NARCO Asbestos Future Claimants Representative are identified in the NARCO Asbestos Trust Agreement.

3.2 Consent and Consultation Procedures. In those circumstances in which consultation or consent is required, the Trustees will provide written notice to the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative of the specific

amendment or other action that is proposed. The Trustees will not implement such amendment nor take such action unless and until the parties have engaged in the Consultation Process described in Section 8.1(a), or the Consent Process described in Section 8.1(b) of the NARCO Asbestos Trust Agreement, respectively.

SECTION IV

Resolution of NARCO Asbestos Trust Claims

4.1 Ordering, Processing, and Payment of Claims.

4.1(a) Ordering of Claims.

4.1(a)(1) Establishment of the Processing Queues. The NARCO Asbestos Trust will order all unliquidated NARCO Asbestos Trust Claims that are not Pre-Established Claims for processing purposes on a first-in, first out basis except as otherwise provided herein (the “**Annual Contribution Claims Fund Processing Queue**”). The NARCO Asbestos Trust also established a separate processing queue for Pre-Established Claims (the “**Pre-Established Claims Fund Processing Queue**”) and shall place all such Pre-Established Claims in such queue pursuant to the provisions of Section 4.2(a) below. For each claim submitted, the NARCO Asbestos Trust shall determine whether the claim is or is not a Pre-Established Claim by reviewing the claims data which was supplied by Honeywell and/or NARCO pursuant to Section 4.2(a) below, as well as any information required to be supplied by the holder of the claim hereunder.

For all NARCO Asbestos Trust Claims other than Pre-Established Claims filed on or before the date six (6) months after the NARCO Asbestos Trust first makes available the proof of claim form and other claims materials required for purposes of filing NARCO Asbestos Trust Claims (such six-month date being referred to herein as the “**Initial Claims Filing Date**”), a claimant’s position in the Annual Contribution Claims Fund Processing Queue shall be

determined as of the earlier of (i) the date after the Petition Date, but before the date the NARCO Asbestos Trust first made available its claims filing materials, that the claim was filed in the tort system against another defendant; (ii) the date the claimant filed a proof of claim in the Chapter 11 Cases; and (iii) the date the claimant or his or her authorized agent filed a ballot in the Chapter 11 Cases for the purpose of voting on the Plan in accordance with the voting procedures adopted by the Court. Following the Initial Claims Filing Date, the claimant's position in the Annual Contribution Claims Fund Processing Queue shall be determined by the date the claim was filed with the NARCO Asbestos Trust. If any claims are filed on the same date, the claimant's position in the Annual Contribution Claims Fund Processing Queue shall be determined by the date of the diagnosis of the claimant's asbestos-related disease. If any unliquidated NARCO Asbestos Trust Claims are both diagnosed and filed on the same dates, the position of those claims in the Annual Contribution Claims Fund Processing Queue shall be determined by the dates of the claimants' birth, with older claimants given priority over younger claimants. Eligibility of NARCO Asbestos Trust Claims to be placed in the Pre-Established Claims Fund Processing Queue shall be determined pursuant to Section 4.2(a) below.

4.1(a)(2) Effect of Statutes of Limitations and Repose. All unliquidated NARCO Asbestos Trust Claims, including Pre-Established Claims subject to settlement agreements entered into between Honeywell and claimants after the Petition Date but prior to April 30, 2013 that permit the claimant to liquidate the claim pursuant to all relevant provisions of this NARCO Asbestos TDP, must meet either: (i) for claims first filed in the tort system against NARCO or Honeywell prior to the Petition Date, the applicable federal, state, and foreign statute of limitations and repose that was in effect at the time of the filing of the claim in the tort system; or, (ii) for claims not filed against NARCO or Honeywell in the tort system prior

to the Petition Date, the applicable federal, state and foreign statute of limitations and repose that is in effect at the time of the filing with the NARCO Asbestos Trust. However, the running of the applicable statute of limitations shall be tolled for purposes of these statutes as of the earliest of (A) the actual filing of the claim against NARCO or Honeywell prior to the Petition Date, whether in the tort system or by submission of the claim to NARCO or Honeywell pursuant to an administrative settlement agreement; (B) the filing of the claim after the Petition Date but prior to the Initial Claims Filing Date against another defendant in the tort system; (C) the filing of the requisite proof of claim in the Chapter 11 Cases; (D) the filing of a ballot in the Chapter 11 Cases for voting purposes; or (E) the filing of a proof of claim with the requisite supporting documentation with the NARCO Asbestos Trust after the Initial Claims Filing Date. If a NARCO Asbestos Trust Claim meets any of the tolling provisions described in the preceding sentence and was not barred by the applicable statute of limitations as of the date of the tolling, the NARCO Asbestos Trust Claim will be treated as timely filed regardless of the date that it is actually filed with the NARCO Asbestos Trust. In addition, the following claims will be considered timely filed with the NARCO Asbestos Trust if filed within three (3) years after the date of diagnosis or by December 31, 2017, whichever occurs later, irrespective of any relevant statute of limitations: (i) any claims that were first diagnosed after the Petition Date, or (ii) any claims that were first diagnosed prior to the Petition Date, not already time barred as of the Petition Date, thereafter filed with the NARCO Asbestos Trust by May 1, 2014 and by such time the filing included the injured party's first and last name, date of birth, Social Security number and law firm (if applicable). Notwithstanding anything to the contrary herein, in order for the relevant statute of limitations for a NARCO Asbestos Trust Claim to be tolled based on a filing

of the claim with the NARCO Asbestos Trust, it must meet the requirements set forth in the attached Supplemental Notice, dated November 7, 2016 (Attachment B).

4.1(b) Processing of Claims. As a general practice, the NARCO Asbestos Trust will review its claims files on a regular basis and notify all claimants whose claims are likely to come up in the Annual Contribution Claims Fund Processing Queue or the Pre-Established Claims Fund Processing Queue in the near future. To the extent that a delay of more than six (6) months exists between the date a claimant's proof of claim and supporting documentation are initially submitted to the NARCO Asbestos Trust and the date the NARCO Asbestos Trust anticipates reaching the claim in the Annual Contribution Claims Fund Processing Queue or Pre-Established Claims Fund Processing Queue, the NARCO Asbestos Trust shall provide the claimant with an opportunity to supplement or update his or her proof of claim form and supporting documentation to include information that was not previously available to the claimant at the time the proof of claim was originally filed.

Claims that were not filed against NARCO or Honeywell in the tort system or actually submitted to NARCO or Honeywell pursuant to an administrative settlement agreement prior to the Petition Date, or against another defendant in the tort system prior to the Plan Filing Date, shall not be processed until after the Initial Claims Filing Date.

4.1(c) Payment of Claims. NARCO Asbestos Trust Claims other than Pre-Established Claims that have been liquidated by the Expedited Review Process as provided in Section 4.3(a) below, by the Individual Review Process as provided in Section 4.3(b) below, by arbitration as provided in Section 4.10 below, or in the tort system provided in Section 4.11 below, shall be placed in a payment queue (the "**Claims Fund Payment Queue**") created by the NARCO Asbestos Trust based on the date their liquidation became final, and shall be paid from

the NARCO Asbestos Trust Assets as set forth in Section 2.3(a) of the NARCO Asbestos Trust Agreement. All such payments shall also be subject to the Maximum Annual Payment, the Claims Payment Ratio and any applicable Payment Percentage, except as otherwise provided herein. Pre-Established Claims shall be liquidated pursuant to Section 4.2(a) below and also placed in the Claims Fund Payment Queue.

In a case in which 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 offer by the claimant's representative, any offer made by the NARCO Asbestos Trust on the claim shall remain open so long as proceedings before that court or in the probate process remain pending, provided that the NARCO Asbestos Trust has been furnished with evidence that the settlement offer has been submitted to such court or in the probate process for approval. If the offer is approved by the court or through the probate process and accepted by the claimant's representative, the NARCO Asbestos Trust shall pay the claim in the amount so offered multiplied by the Payment Percentage, if applicable, in effect at the time the offer was first made. For purposes of placement in the Claims Fund Payment Queue, the date of final liquidation shall be the date the claimant's representative accepts the offer approved by the court or probate process.

If any claims are liquidated on the same date, the claimant's position in the Claims Fund Payment Queue shall be determined by the date of the diagnosis of the claimant's asbestos-related disease. If any claims are liquidated on the same date and the respective claimant's diseases were diagnosed on the same date, the position of those claims in the Claims Fund Payment Queue shall be determined by the dates of the claimants' birth, with older claimants given priority over younger claimants.

4.2 Resolution of Pre-Established Claims.

4.2(a) Processing and Payment. After April 30, 2013, the NARCO Asbestos Trust paid or shall pay all NARCO Asbestos Trust Claims that are subject to (i) a binding settlement agreement, entered into with NARCO prior to the Petition Date for the particular claim, that was judicially enforceable by the claimant, (ii) a binding settlement agreement entered into with Honeywell after the Petition Date but prior to April 30, 2013 if the settlement agreement in question provides that the NARCO Asbestos Trust shall be responsible for satisfying any/or all of the unpaid portion thereof,² or (iii) by a judgment that became final and non-appealable prior to the Petition Date (collectively “**Pre-Established Claims**”).

Pre-Established Claims shall also include all NARCO Asbestos Trust Claims that were filed and served on NARCO or Honeywell as a defendant in the tort system prior to the Petition Date of January 4, 2002, based upon allegations that the claimant’s alleged asbestos-related injury arose, in whole or in part, from exposure to a NARCO asbestos-containing product.

Pre-Established Claims shall be processed in accordance with their order in the Pre-Established Claims Fund Processing Queue based on the date the NARCO Asbestos Trust receives either: (i) in the case of claims liquidated pursuant to a settlement agreement between the claimant and Honeywell after the Petition Date but before April 30, 2013, such documentation, if any, as may be required under the terms of the Agreement; or, (ii) in the case

² To avoid confusion, “Pre-Established Claims” include all claims subject to such settlement agreements with Honeywell, regardless of whether (i) the settlement agreement itself fixes or liquidates a specific amount the claimant is to receive from the NARCO Asbestos Trust, or (ii) the settlement agreement entitles the claimant to file a NARCO Asbestos Trust Claim to be liquidated by the NARCO Asbestos Trust in accordance with all relevant provisions of this TDP. So long as a claim is subject to a binding settlement agreement, entered into with Honeywell after the Petition Date but prior to April 30, 2013, that claim is a Pre-Established Claim.

of all other Pre-Established Claims, a completed proof of claim form with all required documentation for the particular claim; provided, however, the amounts payable with respect to any Pre-Established Claim shall not be subject to nor taken into account in consideration of the Maximum Annual Payment, the Claims Payment Ratio, or the Payment Percentage, if any.

In the case of claims liquidated pursuant to settlement agreements between claimants and Honeywell after the Petition Date but before April 30, 2013 that provide that the NARCO Asbestos Trust shall be responsible for satisfying the unpaid portion thereof, Honeywell has provided the NARCO Asbestos Trust with the name of each claimant covered by each such agreement, his or her Social Security number, the name and address of the claimant's law firm, and the nature of the claimant's alleged asbestos-related disease. Honeywell has also advised the NARCO Asbestos Trust as to whether the settlement agreement fixes a specific amount that the NARCO Asbestos Trust is obligated to pay the claimant or whether the claim must be liquidated by the NARCO Asbestos Trust pursuant to all relevant provisions of this NARCO Asbestos TDP. NARCO and/or Honeywell has also provided the NARCO Asbestos Trust with comparable information concerning any binding settlement agreements it entered into with claimants holding NARCO Asbestos Trust Claims prior to the Petition Date, as well as any NARCO Asbestos Trust Claims that were filed and served on it, or tried to final judgment, prior to the Petition Date. The NARCO Asbestos Trust shall screen each Pre Established Claim and determine whether the claim qualifies for payment in an amount fixed in a settlement agreement with Honeywell or NARCO, or in a final judgment against NARCO, and thus should be placed immediately in the Claims Fund Payment Queue, or whether the claim is unliquidated, and thus should be processed and liquidated in accordance with all relevant provisions of this NARCO Asbestos TDP, including Section 4.3 below, and if qualified for payment, placed in the Claims

Fund Payment Queue; provided, however, that if the information provided to the NARCO Asbestos Trust by Honeywell pursuant to the provisions of the prior paragraph establishes that a claim should be immediately placed in the Claims Fund Payment Queue, such claim shall not require any further review and shall be placed immediately in the Claims Fund Payment Queue. In any event, all NARCO Asbestos Trust Claims in the Claims Fund Payment Queue shall be paid solely from the Claims Fund.

Any dispute between a claimant and the NARCO Asbestos Trust as to whether a claim is a Pre-Established Claim and/or the amount of its liquidated value shall be resolved by binding or non-binding arbitration pursuant to Section 4.10 below. Any such dispute not resolved by non-binding arbitration may be resolved in the tort system as provided in Sections 4.11 and 6.6 below.

If any Pre-Established Claims are filed with the NARCO Asbestos Trust on the same date, the claimant's position in the Pre-Established Claims Fund Processing Queue shall be determined by the date the claim was established by a final judgment, or by a settlement agreement with NARCO or Honeywell, or by its filing and service on Honeywell or NARCO in the tort system prior to the Petition Date. If any such claims were filed or established on the same date, the position of those claims in the Pre-Established Claims Fund Processing Queue shall be determined by the date of claimant's first diagnosis of an asbestos-related disease, with priority given to the earlier diagnosis. If any such claims were diagnosed and filed or established on the same date, the position of those claims in the Pre-Established Claims Fund Processing Queue shall be determined by the claimants' date of birth, with priority given to older claimants over younger claimants.

4.2(b) Marshalling of Security. Holders of Pre-Established Claims that are secured by letters of credit, appeal bonds, or other security or sureties shall first exhaust their rights against any applicable security or surety before making a claim against the NARCO Asbestos Trust. Only in the event that such security or surety is insufficient to pay the Pre-Established Claim in full shall the deficiency be processed and paid as a Pre-Established Claim.

4.3 Resolution of Unliquidated NARCO Asbestos Trust Claims.

Claimants seeking resolution of unliquidated NARCO Asbestos Trust Claims, including any Pre-Established Claim that is required by the terms of the relevant settlement agreement between the claimant and Honeywell to be liquidated by the NARCO Asbestos Trust in accordance with the provisions of this NARCO Asbestos TDP, must first file a proof of claim form, together with the required supporting documentation, in accordance with the provisions of Sections 5.1 and 5.2 below. The NARCO Asbestos Trust internal operating procedures contemplate that the NARCO Asbestos Trust will provide each claimant with a response within six (6) to nine (9) months of receiving a complete proof of claim submission.

The proof of claim form requires the claimant to assert his or her NARCO Asbestos Trust Claim for the highest Disease Level for which the claim qualifies at the time of filing. Irrespective of the Disease Level alleged on the proof of claim form, all claims filed with the NARCO Asbestos Trust shall be deemed to be a claim for the highest Disease Level for which the claim qualifies at the time of filing, with all lower Disease Levels for which the claim then qualifies or may qualify in the future subsumed into the higher Disease Level for both processing and payment purposes.

Upon filing of a valid proof of claim form with the required supporting documentation, the claim shall be placed in the relevant processing queue in accordance with the

ordering criteria described in Sections 4.1(a) and 4.2(a) above, and shall be liquidated under the NARCO Asbestos Trust's Expedited Review Process described in Section 4.3(a) below, the NARCO Asbestos Trust's Individual Review Process described in Section 4.3(b) below, arbitration described in Section 4.10 below, or litigation as described in Section 6.6 below.

4.3(a) Expedited Review Process.

4.3(a)(1) In General. The NARCO Asbestos Trust's Expedited Review Process is designed primarily to provide an expeditious, efficient and inexpensive method for liquidating all claims that can easily be verified by the NARCO Asbestos Trust as meeting the presumptive Medical/Exposure Criteria for the relevant Disease Level. Expedited Review thus provides claimants with a substantially less burdensome process for pursuing NARCO Asbestos Trust Claims than does the Individual Review Process described in Section 4.3(b) below. Expedited Review is also intended to provide qualifying claimants a fixed and certain claims payment. Thus, claims that undergo Expedited Review and meet the presumptive Medical/Exposure Criteria for the relevant Disease Level shall be paid the applicable Scheduled Value for such Disease Level set forth in Section 4.3(a)(3) below. However, all claims liquidated by Expedited Review shall be subject to the Maximum Annual Payment, the Claims Payment Ratio and the Payment Percentage, if any. Notwithstanding anything contained herein, Lung Cancer 2 (Disease Level V), Secondary Exposure, Exigent, Extraordinary and Foreign Claims, as defined below, may only be liquidated pursuant to the Individual Review Process described in Section 4.3(b) below.

4.3(a)(2) Claims Processing Under Expedited Review. All claimants seeking liquidation of their claims pursuant to Expedited Review shall file the proof of claim form adopted by the NARCO Asbestos Trust. As an eligible proof of claim form is

reached in the relevant processing queue, the NARCO Asbestos Trust shall: (1) determine whether the claim described therein meets the Medical/Exposure Criteria for one of the six Disease Levels eligible for Expedited Review, and, if it does, determine its Scheduled Value; and (2) advise the claimant of its determination. If the NARCO Asbestos Trust determines that a claimant should be offered the Scheduled Value, the NARCO Asbestos Trust shall tender to the claimant an offer of payment of the determined Scheduled Value, together with a form of release approved by the NARCO Asbestos Trust. If the claimant accepts the offer of payment and returns the release properly executed, the claim shall be placed in the Claims Fund Payment Queue, following which the Trust shall disburse payment subject to the limitations of the Maximum Annual Payment, Claims Payment Ratio and the Payment Percentage, if applicable.

4.3(a)(3) Disease Levels, Scheduled Values, and

Medical/Exposure Criteria. The seven Disease Levels covered by this NARCO Asbestos TDP, together with the Medical/Exposure Criteria for each and the Scheduled Values for the six Disease Levels eligible for Expedited Review are set forth below. Because claimants seeking recovery from the NARCO Asbestos Trust who fall within Disease Level V may not undergo Expedited Review and must undergo Individual Review, no Scheduled Value is provided.

| <u>Disease Level</u> | <u>Scheduled Value</u> | <u>Medical/Exposure Criteria</u> |
|--------------------------|------------------------|--|
| Mesothelioma (Level VII) | \$75,000 ³ | (1) Diagnosis of mesothelioma; and (2) the requisite ⁴ evidence of exposure to a specific asbestos- containing product manufactured or distributed by NARCO or its predecessors. |
| Lung Cancer 1 (Level VI) | \$18,000 | (1) Diagnosis of a primary lung cancer plus evidence of an underlying Bilateral Asbestos Related Nonmalignant Disease ⁵ , (2) the requisite evidence of occupational exposure to a specific asbestos-containing product manufactured or distributed by NARCO or its predecessors, (3) Significant Occupational Exposure to asbestos, ⁶ and (4) supporting medical documentation establishing asbestos exposure as a contributing |

³ The requirements for a diagnosis of an asbestos-related disease that may be compensated under the provisions of this NARCO Asbestos TDP are set forth in Section 4.7 below.

⁴ “**Requisite evidence of exposure**” means evidence which satisfies all of the criteria of Section 4.7(b) below.

⁵ Evidence of “**Bilateral Asbestos-Related Nonmalignant Disease**” for purposes of meeting the criteria for establishing Disease Levels I, II, IV and VI, means either (i) a chest X-ray read by a NIOSH certified B reader of 1/0 or higher on the ILO scale or (ii) (x) a chest X-ray read by a NIOSH certified B reader, (y) a CT scan read by a qualified physician, or (z) pathology, in each case showing either bilateral interstitial fibrosis, bilateral pleural plaques, bilateral pleural thickening, or bilateral pleural calcification. Solely for claims filed against NARCO, Honeywell, or another asbestos defendant in the tort system prior to the Petition Date, if an ILO reading is not available, either (i) a chest X-ray or a CT scan read by a qualified physician, or (ii) pathology, in each case showing either bilateral interstitial fibrosis, bilateral pleural plaques, bilateral pleural thickening, or bilateral pleural calcification consistent with or compatible with a diagnosis of asbestos-related disease, shall be evidence of a Bilateral Asbestos-Related Nonmalignant Disease for purposes of meeting the presumptive medical requirements of Disease Levels I, II, IV, and VI. Pathological evidence of asbestosis may be based on the pathological grading system for asbestosis described in the Special Issue of the Archives of Pathology and Laboratory Medicine, “Asbestos-associated Diseases,” Vol. 106, No. 11, App. 3 (October 8, 1982).

⁶ **Significant Occupational Exposure**” is defined in Section 4.7(b)(2) below.

factor in causing the lung cancer in question.

Lung Cancer 2 (Level V) None

(1) Diagnosis of a primary lung cancer; (2) the requisite evidence of occupational exposure to a specific asbestos-containing product manufactured or distributed by NARCO or its predecessors, and (3) supporting medical documentation establishing asbestos exposure as a contributing factor in causing the lung cancer in question.

Lung Cancer 2 (Level V) claims are claims that do not meet the more stringent medical and/or exposure requirements of Lung Cancer (Level VI) claims. All claims in this Disease Level will be individually evaluated. The estimated likely average of the individual evaluation awards for this category is \$18,650, with such awards capped at \$62,165, unless the claim qualifies for Extraordinary Claim treatment (discussed in Section 4.4(a) below).

Level V claims that show no evidence of either an underlying Bilateral Asbestos-Related Non-malignant Disease or Significant Occupational Exposure may be individually evaluated, although it is not expected that such claims will be treated as having any significant value, especially if the claimant is also a

Smoker.⁷ In any event, no presumption of validity will be available for any claims in this category.

Other Cancer (Level IV) \$9,000

(1) Diagnosis of a primary colorectal, laryngeal, esophageal, pharyngeal, or stomach cancer, plus evidence of an underlying Bilateral Asbestos-Related Nonmalignant Disease, (2) the requisite evidence of occupational exposure to a specific asbestos-containing product manufactured or distributed by NARCO or its predecessors, (3) Significant Occupational Exposure, and (4) supporting medical documentation establishing asbestos exposure as a contributing factor in causing the other cancer in question.

Severe Asbestosis (Level III) \$18,000

(1) Diagnosis of asbestosis with ILO of 2/1 or greater, or asbestos is determined by pathological evidence of asbestos, plus (a) TLC less than 65%, or (b) FVC less than 65% plus FEV1/FVC ratio greater than 65%, (2) the requisite evidence of occupational exposure to a specific asbestos-containing product manufactured or distributed by NARCO or its predecessors, (3) Significant

⁷ There is no distinction between Non-Smokers and Smokers for either Lung Cancer 1 (Level VI) or Lung Cancer 2 (Level V), although a claimant who meets the more stringent requirements of Lung Cancer 1 (Level VI) (evidence of an underlying Bilateral Asbestos-Related Nonmalignant Disease plus Significant Occupational Exposure), and who is also a Non-Smoker, may wish to have his or her claim individually evaluated by the NARCO Asbestos Trust. In such a case, it is anticipated that the liquidated value of the claim might well exceed the Scheduled Values for Lung Cancer 1 (Level VI) shown above. “**Non-Smoker**” means a claimant who either (a) never smoked or (b) has not smoked during any portion of the twelve (12) years immediately prior to the diagnosis of the lung cancer.

| | | |
|---------------------------------------|---------|--|
| | | Occupational Exposure to asbestos, and (4) supporting medical documentation establishing asbestos exposure as a contributing factor in causing the pulmonary disease in question. |
| Asbestosis/Pleural Disease (Level II) | \$7,500 | (1)(a) Diagnosis of a Bilateral Asbestos-Related Nonmalignant Disease, and (b) TLC less than 80%, or FVC less than 80% plus FEV1/FVC ratio greater than or equal to 65%, and (2) the requisite evidence of occupational exposure to a specific asbestos-containing product manufactured or distributed by NARCO or its predecessors, (3) Significant Occupational Exposure to asbestos, and (4) supporting medical documentation establishing asbestos exposure as a contributing factor in causing the pulmonary disease in question. |
| Other Asbestos Disease (Level I) | \$1,200 | (1) Diagnosis of a Bilateral Asbestos-Related Nonmalignant Disease, (2) the requisite evidence of occupational exposure to a specific asbestos-containing product manufactured or distributed by NARCO or its predecessors, and (3) five years cumulative occupational exposure to asbestos. |

4.3(b) Individual Review Process.

4.3(b)(1) Individual Review Process Application. The

NARCO Asbestos Trust's Individual Review Process provides a claimant with an opportunity for individual consideration and evaluation of a NARCO Asbestos Trust Claim, which meets the presumptive Medical/Exposure Criteria for Disease Levels III –VII where the claimant has extenuating circumstances that he or she believes warrant a liquidated value above the applicable Scheduled Value.

Claims that do not meet the presumptive Medical Criteria for a Disease Level set forth above, but that do involve a significant asbestos-related medical condition, may also undergo Individual Review upon submission by the claimant of a physician's report describing the claimant's medical condition in detail, together with such other supporting evidence, such as findings of experts, that establishes the existence of the medical condition. For example, a significant medical condition would include any asbestos-related medical condition which caused or contributed to the death of the claimant and/or for which surgery has been or will be required, as well as an asbestos-related medical condition such as significant pleural encasement or Cor Pulmonale. Such claimants must still submit requisite evidence of exposure.

Any dispute between a claimant and the NARCO Asbestos Trust as to the existence and/or significance of the claimant's asbestos-related medical condition shall be subject to arbitration pursuant to Section 4.10 below, which process may include further review of the claim by an independent panel of medical experts, and litigation in the tort system pursuant to Section 4.11 below. In the event that the claimant establishes a significant asbestos-related medical condition pursuant to this provision, the claimant shall be paid the Scheduled Value for the most comparable Disease Level set forth above. The NARCO Asbestos Trust may

offer up to the Maximum Value for the most comparable Disease Level under Section 4.4(a) to such claimants who qualify under Section 4.4(a) for treatment as Extraordinary Claims.

The Individual Review Process is intended to result in payments equal to the full liquidated value for each qualifying claim; however, the liquidated value of any NARCO Asbestos Trust Claim that undergoes Individual Review may be determined to be less than the Scheduled Value the claimant would have received under Expedited Review. Moreover, the liquidated value for a claim involving Disease Levels III – VII shall not exceed the applicable Maximum Value for the relevant Disease Level set forth in Section 4.3(b)(3) below, unless the claim meets the requirements of an Extraordinary Claim described in Section 4.4(a) below, in which case its liquidated value cannot exceed the applicable maximum extraordinary value set forth in that provision for such claims. Because the detailed examination and valuation process pursuant to Individual Review requires substantial time and effort, claimants who undergo the Individual Review Process will necessarily be paid the liquidated value of their NARCO Asbestos Trust Claims later than would have been the case had the claimant elected or been eligible for the Expedited Review Process.

In reviewing Foreign Claims, the NARCO Asbestos Trust shall take into account all relevant procedural and substantive legal rules to which the claims would be subject in the Claimant's Jurisdiction as defined in Section 4.3(b)(2) below. The NARCO Asbestos Trust shall determine the liquidated value of Foreign Claims based on historical settlements and verdicts in the Claimant's Jurisdiction as well as the other valuation factors set forth in Section 4.3(b)(2) below. Because NARCO Asbestos Trust Claims of individuals exposed in Canada who were resident in Canada when such claims were filed were routinely litigated and resolved in the courts of the United States, and because the resolution history of these claims has been included

in developing the Expedited Review Process, such claims will not be considered Foreign Claims hereunder and will be eligible for liquidation under the Expedited Review Process.

A “**Foreign Claim**,” therefore, is a NARCO Asbestos Trust Claim with respect to which the claimant’s exposure to an asbestos-containing product for which NARCO has legal responsibility occurred outside of the United States and its Territories and Possessions, and outside of the Provinces and Territories of Canada. Foreign claims may only be considered through the Individual Review Process.

For purposes of the Individual Review Process for Foreign Claims, the Trustees, with the consent of the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative, may develop separate Medical/Exposure Criteria and standards, as well as separate requirements for physician and other professional qualifications, which shall be applicable to all Foreign Claims channeled to the NARCO Asbestos Trust; provided however, that such criteria, standards or requirements shall not effectuate substantive changes to the claims eligibility requirements under this NARCO Asbestos TDP, but rather shall be made only for the purpose of adapting those requirements to the particular licensing provisions and/or medical customs or practices of the foreign country in question.

At such time as the NARCO Asbestos Trust has sufficient historical settlement, verdict and other valuation data for claims from a particular foreign jurisdiction, the Trustees, with the consent of the NARCO Asbestos TAC, and the NARCO Asbestos Future Claimants Representative, may also establish a separate valuation matrix for any such claims based on that data.

The medical/exposure evidence relating to Foreign Claims shall be processed and reviewed, and the liquidated value of such claims shall be determined, only pursuant to the

Individual Review Process. Foreign Claims liquidated through Individual Review shall not be considered by the Trustees in determining the Trust's adherence to Overall Average Values.

4.3(b)(2) Valuation Factors to be Considered in Individual

Review. The NARCO Asbestos Trust shall liquidate the value of each Individual Review claim based on factors that affect the severity of damages and values within the tort system including, but not limited to (i) the degree to which the characteristics of a claim differ from the presumptive Medical/Exposure Criteria for the Disease Level in question; provided, however, that all claimants, including those that choose the Individual Review Process, must provide requisite evidence of occupational exposure to a specific asbestos-containing product manufactured, sold or distributed by NARCO or its predecessors; (ii) factors such as the claimant's age, disability, employment status, disruption of household, family or recreational activities, dependencies, special damages, and pain and suffering; (iii) evidence that the claimant's damages were (or were not) caused by asbestos exposure, including exposure to asbestos-containing products manufactured or distributed by NARCO or its predecessors (for example, alternative causes, type of medical evidence, and type of documentation of injuries); (iv) the industry of exposure and other factors discussed in Section 4.7(b) below, including whether NARCO's business records demonstrate the presence of a specific NARCO asbestos-containing product at the claimant's jobsite; and (v) settlements and verdicts and the claimant's and other law firms' experience in the Claimant's Jurisdiction (as defined below) for similarly situated claims only.

For these purposes, the "**Claimant's Jurisdiction**" is the jurisdiction in which the claimant's complaint specifically naming NARCO and/or Honeywell was pending (if at all) against NARCO or Honeywell in the tort system prior to the Petition Date. If the claim was not

pending against NARCO and/or Honeywell as a named party in the tort system prior to the Petition Date, the Claimant's Jurisdiction is either (i) the jurisdiction in which the claimant was allegedly exposed to a NARCO asbestos-containing product, or (ii) the jurisdiction in which the claimant resides at the time the claim is filed with the NARCO Asbestos Trust. The NARCO Asbestos Trust shall also take the quality and persuasiveness of the claimant's exposure evidence into account in reaching any liquidated value for each claim liquidated through the Individual Review Process.

With respect to the Claimant's Jurisdiction, in the event a personal representative or authorized agent makes a claim under the NARCO Asbestos TDP for wrongful death arising under the Alabama Wrongful Death Statute with respect to which the Claimant's Jurisdiction as defined above could only be the State of Alabama, the Claimant's Jurisdiction for such claim shall be the Commonwealth of Pennsylvania, and such claimant's damages shall be evaluated by the NARCO Asbestos Trust pursuant to the statutory and common laws of the Commonwealth of Pennsylvania without regard to its choice of law principles. The choice of law provision in Section 7.4 herein applicable to any claim with respect to which, but for this choice of law provision, the applicable law of the Claimant's Jurisdiction pursuant to this Section 4.3(b)(2) is determined to be the Alabama Wrongful Death Statute, shall only govern the rights between the NARCO Asbestos Trust and the claimant.

4.3(b)(3) Scheduled, Overall Average and Maximum Values. The Scheduled Value, Overall Average Value and Maximum Value for all claims involving Disease Levels III-VII that are not Foreign Claims or Extraordinary Claims as defined in Section 4.4(a) below are the following:

| <u>Scheduled Disease</u> | <u>Scheduled Value</u> | <u>Overall Average Value⁸</u> | <u>Maximum Value</u> |
|---------------------------------------|------------------------|--|----------------------|
| Mesothelioma (Level VII) | \$75,000 | \$115,000 | \$1,243,314 |
| Lung Cancer 1 (Level VI) | \$18,000 | \$31,100 | \$248,663 |
| Lung Cancer 2 (Level V) | None | \$18,650 | \$62,165 |
| Other Cancer (Level IV) | \$9,000 | \$13,300 | \$124,331 |
| Severe Asbestosis (Level III) | \$18,000 | \$26,300 | \$124,331 |
| Asbestosis/Pleural Disease (Level II) | \$ 7,500 | None | None |
| Other Asbestosis Disease (Level I) | \$ 1,200 | None | None |

4.3(b)(4) Claims Processing Under Individual Review. At

the conclusion of the Individual Review Process, the NARCO Asbestos Trust shall: (1) determine the liquidated value, if any, of the claim; and (2) advise the claimant of its determination. If the NARCO Asbestos Trust establishes a liquidated value, it shall tender to the claimant an offer of payment of the aforementioned determined value, together with a form of release approved by the NARCO Asbestos Trust. If the claimant accepts the offer of payment and returns the release properly executed, the claim shall be placed in the Claims Fund Payment Queue, following which the NARCO Asbestos Trust shall disburse payment subject to the limitations of the Maximum Annual Payment, Claims Payment Ratio and applicable Payment Percentage, if any.

4.4 Categorizing Claims as Extraordinary and/or Exigent.

⁸ The Trustees shall use their reasonable best efforts to ensure that the NARCO Asbestos Trust processes claims such that (i) over time the average of settlements at the Scheduled Values and those resulting from the Individual Review Process for those Disease Levels that are eligible for Individual Review of their liquidated values (other than Foreign Claims and Extraordinary Claims) approximate the Overall Average Values set forth in Section 4.3(b)(3) for each such Disease Level, or (ii) aggregate payments in a given year approximate or fall below the Trust Cash Flow Model. In making the determination of whether the average of settlements approximate the Overall Average Values, the NARCO Asbestos Trust shall include all amounts awarded to claimants pursuant to the arbitration procedures described in Section 4.10 below.

4.4(a) Extraordinary Claims. “Extraordinary Claim” means a NARCO Asbestos Trust Claim that otherwise satisfies the Medical/Exposure Criteria for Disease Levels III- VII, and that is held by a claimant whose exposure to asbestos (i) occurred primarily as a result of working in a manufacturing facility of NARCO or its predecessors during a period in which NARCO was manufacturing asbestos containing products at that facility, provided that the claim is a tort claim that is not otherwise barred pursuant to a statutory workers’ compensation program, or (ii) was at least 75% the result of exposure to a specific asbestos- containing product manufactured or distributed by NARCO or its predecessors and there is little likelihood of a substantial recovery elsewhere. All such Extraordinary Claims shall be presented for Individual Review and, if valid, shall be entitled to an award of up to a maximum extraordinary value of three (3) times the applicable Maximum Value for claims qualifying for Disease Levels III – VII. An Extraordinary Claim, following its liquidation, shall be placed in the Claims Fund Payment Queue ahead of all other liquidated claims payable except Exigent Claims, as defined in Section 4.4 below, subject to the Maximum Annual Payment, Claims Payment Ratio, and Payment Percentage, if any described above.

4.4(b) Exigent Claims. At any time the NARCO Asbestos Trust may liquidate and pay certain NARCO Asbestos Trust Claims that qualify as Exigent Health and Hardship Claims, as defined below (collectively, “**Exigent Claims**”). Such claims shall be considered separately under the Individual Review Process no matter what the order of processing otherwise would have been under this NARCO Asbestos TDP, subject to the application of the Claims Payment Ratio set forth in Section 2.4. An Exigent Claim, following its liquidation, shall be placed at the head of the Claims Fund Payment Queue for purposes of

payment, subject to the Maximum Annual Payment, the Claims Payment Ratio and the applicable Payment Percentage, if any, described above.

4.4(b)(1) Exigent Health Claims. A claim qualifies as an Exigent Health Claim if the claim meets the Medical/Exposure Criteria for Severe Asbestosis (Disease Level III) or an asbestos-related malignancy (Disease Levels IV-VII), and the claimant provides a declaration or affidavit made under penalty of perjury by a physician who has examined the claimant within one hundred twenty (120) days of the date of declaration or affidavit in which the physician states (a) that there is substantial medical doubt that the claimant will survive beyond six months from the date of the declaration or affidavit, and (b) that the claimant's terminal condition is caused by the relevant asbestos-related disease.

4.4(b)(2) Exigent Hardship Claims. A NARCO Asbestos Trust Claim qualifies for payment as an Exigent Hardship Claim if the claim meets the Medical/Exposure Criteria for Severe Asbestosis (Disease Level III) or an asbestos-related malignancy (Disease Levels IV-VII), and the NARCO Asbestos Trust, in its sole discretion, determines (a) that the claimant needs financial assistance on an immediate basis based on the claimant's expenses and all sources of available income, and (b) that there is a causal connection between the claimant's dire financial condition and the claimant's asbestos-related disease.

4.5 Secondary Exposure Claims. If a claimant alleges an asbestos-related disease resulting solely from exposure to an occupationally exposed person, such as a family member, the claimant shall seek Individual Review of his or her claim pursuant to Section 4.3(b) above. In such a case, the claimant must establish that the occupationally exposed person would have met the exposure requirements under this NARCO Asbestos TDP that would have been applicable had that person filed a direct claim against the NARCO Asbestos Trust. In addition,

the claimant with secondary exposure must establish that he or she is suffering from one of the seven Disease Levels described in Section 4.3(a)(3) above, that his or her asbestos-related disease was caused by exposure through the occupationally exposed person to asbestos containing product produced by NARCO or its predecessors, and that his or her exposure to the occupationally exposed person occurred within the same time frame as the occupationally exposed person was exposed to NARCO product. The proof of claim form adopted by the NARCO Asbestos Trust contains an additional section for such Secondary Exposure Claims. All other liquidation and payment rights and limitations under this NARCO Asbestos TDP shall be applicable to such claims.

4.6 Indirect NARCO Asbestos Trust Claims. Indirect NARCO Asbestos Trust Claims, (i.e., Indirect Asbestos Trust Claims asserted against the NARCO Asbestos Trust) shall be treated as presumptively valid and paid by the NARCO Asbestos Trust, subject to the Maximum Annual Payment, Claims Payment Ratio, and the applicable Payment Percentage, if any, if (a) such claim satisfied the requirements of the Bar Date established by the Bankruptcy Court for NARCO claims, if applicable, and is not otherwise disallowed by Section 502(e) or subordinated by Section 509(c) of the Code, and (b) the holder of such claim (the “**Indirect Asbestos Trust Claimant**”) establishes to the satisfaction of the Trustees that (i) the Indirect Asbestos Trust Claimant has paid in full the liability and obligations of the NARCO Asbestos Trust to the individual to whom the NARCO Asbestos Trust would otherwise have had a liability or obligation under this NARCO Asbestos TDP (the “**Direct Claimant**”), (ii) the Direct Claimant and the Indirect Claimant have forever and fully released the NARCO Asbestos Trust from all liability to the Direct Claimant, and (iii) the claim is not otherwise barred by a statute of limitation or repose or by other applicable law. In no event shall any Indirect Asbestos Trust

Claimant have any rights against the NARCO Asbestos Trust superior to the rights of the related Direct Claimant against the NARCO Asbestos Trust, including any rights with respect to the timing, amount or manner of payment. In addition, no Indirect NARCO Asbestos Trust Claim may be liquidated or paid in an amount that exceeds what the Indirect Asbestos Trust Claimant has actually paid the Direct Claimant.

To establish a presumptively valid Indirect NARCO Asbestos Trust Claim, the Indirect Asbestos Trust Claimant's aggregate liability for the Direct Claimant's claim must also have been fixed, liquidated and paid fully by the Indirect Asbestos Trust Claimant by settlement (with an appropriate full release in favor of the NARCO Asbestos Trust) or a Final Order (as defined in the Plan) provided that such claim is valid under the applicable state law. In any case where the Indirect Asbestos Trust Claimant has paid the claim of a Direct Claimant against the NARCO Asbestos Trust under applicable law by way of a settlement, the Indirect Asbestos Trust Claimant shall obtain for the benefit of the NARCO Asbestos Trust a release in form and substance satisfactory to the Trustees.

If an Indirect Asbestos Trust Claimant cannot meet the presumptive requirements set forth above, including the requirement that the Indirect Asbestos Trust Claimant provide the NARCO Asbestos Trust with a full release of the Direct Claimant's claim, the Indirect Asbestos Trust Claimant may request that the NARCO Asbestos Trust review the Indirect NARCO Asbestos Trust Claim under its Individual Review Process to determine whether the Indirect Asbestos Trust Claimant can establish under applicable state law that the Indirect Asbestos Trust Claimant has paid a liability or obligation that the NARCO Asbestos Trust would otherwise have to the Direct Claimant under this NARCO Asbestos TDP. If the Indirect Asbestos Trust Claimant can show that it has paid such a liability or obligation, the NARCO Asbestos Trust

shall reimburse the Indirect Asbestos Trust Claimant the amount of the liability or obligation so satisfied, times the then applicable Payment Percentage, if any. However, in no event shall such reimbursement to the Indirect Asbestos Trust Claimant be greater than the amount to which the Direct Claimant would have otherwise been entitled under this NARCO Asbestos TDP. Further, the liquidated value of any Indirect NARCO Asbestos Trust Claim paid by the NARCO Asbestos Trust to an Indirect Claimant shall be treated as an offset to or reduction of the full liquidated value of any NARCO Asbestos Trust Claim that might be subsequently asserted by the Direct Claimant against the NARCO Asbestos Trust.

The NARCO Asbestos Trust shall also process, liquidate and pay Indirect NARCO Asbestos Trust Claims that have been specifically channeled to the NARCO Asbestos Trust pursuant to express provisions of the Plan. In such a case, the NARCO Asbestos Trust shall consider the particular contract or other legal basis upon which the claim has been asserted, as well as whether the claim has been channeled to the NARCO Asbestos Trust under the terms of the Plan. If the NARCO Asbestos Trust determines that the claim is valid, the NARCO Asbestos Trust shall pay the Indirect Asbestos Trust Claimant the full liquidated value of the claim, multiplied by the applicable Payment Percentage, if any. All payments of Indirect NARCO Asbestos Trust Claims shall be subject to the Maximum Annual Payment and the Claims Payment Ratio.

Any dispute between the NARCO Asbestos Trust and an Indirect Asbestos Trust Claimant over whether the Indirect Asbestos Trust Claimant has a right to reimbursement for any amount paid to a Direct Claimant shall be subject to the ADR procedures provided in Section 4.10 below. If such dispute is not resolved by said ADR procedures, the Indirect Asbestos Trust Claimant may litigate the dispute in the tort system pursuant to Sections 4.11 and 6.6 below. A

separate proof of claim form exists for Indirect NARCO Asbestos Trust Claims. Indirect NARCO Asbestos Trust Claims that have not been disallowed, discharged, or otherwise resolved by prior order of the Bankruptcy Court shall be processed in accordance with procedures that have been implemented by the Trustees consistent with the provisions of this Section 4.6, which procedures (a) determine the validity, allowability and enforceability of such claims; and (b) otherwise provide the same liquidation and payment procedures and rights to the holders of such claims as the NARCO Asbestos Trust would have afforded the holders of the underlying valid NARCO Asbestos Trust Claims.

Nothing in this NARCO Asbestos TDP is intended to preclude a trust to which asbestos- related liabilities are channeled from asserting an Indirect NARCO Asbestos Trust Claim against the NARCO Asbestos Trust subject to the requirements set forth herein.

4.7 Evidentiary Requirements.

4.7(a) Medical Evidence.

4.7(a)(1) In General. All diagnoses of a Disease Level shall be accompanied by either (i) a statement by the physician providing the diagnosis that at least 10 years have elapsed between the date of first exposure to asbestos or asbestos-containing products and the diagnosis, or (ii) a history of the claimant's exposure sufficient to establish a 10-year latency period. A finding by a physician that a claimant's disease is "consistent with" or "compatible with" asbestosis will not alone be treated by the NARCO Asbestos Trust as a diagnosis.

4.7(a)(1)(A) Disease Levels I-III. Except for claims filed against NARCO or Honeywell and claims filed against other defendants in the tort system prior to the Petition Date, all diagnoses of a non-malignant asbestos-related disease (Disease

Levels I-III) shall be based in the case of a claimant who was living at the time the claim was filed, upon a physical examination of the claimant by the physician providing the diagnosis of the asbestos-related disease. In addition, all living claimants must provide (i) for Disease Levels I-II, evidence of Bilateral Asbestos-Related Nonmalignant Disease (as defined in Footnote 4 above); (ii) for Disease Level III, an ILO reading of 2/1 or greater or pathological evidence of asbestosis; and (iii) for Disease Levels II and III, pulmonary function testing.

In the case of a claimant who was deceased at the time the claim was filed, all diagnoses of a non-malignant asbestos-related disease (Disease Levels I-III) shall be based on (i) either (a) a physical examination of the claimant by the physician providing the diagnosis of the asbestos-related disease; (b) pathological evidence of the non-malignant asbestos-related disease; or (c) in the case of Disease Levels I-II, evidence of Bilateral Asbestos-Related Nonmalignant Disease (as defined in Footnote 4 above) and for Disease Level III, either an ILO reading of 2/1 or greater or pathological evidence of asbestosis; and (ii) for either Disease Level II or III, pulmonary function testing.⁹

4.7(a)(1)(B) Disease Levels IV-VII. All diagnoses of an asbestos-related malignancy (Disease Levels IV – VII) shall be based upon either (i) a physical examination of the claimant by the physician providing the diagnosis, or (ii) on a diagnosis of such a malignant Disease Level by a board-certified pathologist.

4.7(a)(1)(C) Exception to the Exception for Certain Pre-Petition Claims. If the holder of a NARCO Asbestos Trust Claim that was filed against

⁹ All diagnoses of Asbestos/Pleural Disease (Disease Level I) not based on pathology shall be presumed to be based on findings of bilateral asbestosis or pleural disease, and all diagnoses of Mesothelioma (Disease Level VII) shall be presumed to be based on findings that the disease involves a malignancy. However, the NARCO Asbestos Trust may rebut such presumptions.

NARCO or Honeywell, or any other defendant in the tort system prior to the Petition Date, has not provided the NARCO Asbestos Trust with a diagnosis of the asbestos-related disease by a physician who conducted a physical examination of the holder as described in Sections 4.7(a)(1)(A) and 4.7(a)(1)(B) above, but the holder has available such a diagnosis by an examining physician engaged by the holder, or if the holder has filed such a diagnosis with another asbestos-related personal injury settlement trust that requires such evidence, the holder shall provide such diagnosis to the NARCO Asbestos Trust notwithstanding the exceptions in Sections 4.7(a)(1)(A) and 4.7(a)(1)(B).

4.7(a)(2) Credibility of Medical Evidence. Before making any payment to a claimant, the NARCO Asbestos Trust must have reasonable confidence that the medical evidence provided in support of the claim is competent medical evidence of an asbestos-related injury that is credible and consistent with recognized medical standards. The NARCO Asbestos Trust may require the submission of x-rays, and may require the submission of detailed results of pulmonary function tests, laboratory tests, tissue samples, results of medical examination or reviews of other medical evidence. The NARCO Asbestos Trust may also require that medical evidence submitted comply with recognized medical standards regarding equipment, testing methods and procedure 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 NARCO or Honeywell to settle similar disease cases prior to the Petition Date; or (iii) that is a diagnosis by a physician shown to have been previously qualified as a medical expert with respect to the asbestos-related disease in question before a state or federal judge using the same methodology and standard is presumptively reliable, although the NARCO Asbestos Trust may seek to rebut

the presumption. Claimants who otherwise meet the requirements of this NARCO Asbestos TDP for payment of a NARCO Asbestos Trust Claim shall be evaluated without regard to the results of any litigation between the claimants and any other defendant in the tort system. Any relevant evidence submitted in a proceeding in the tort system (exclusive of findings of fact, a verdict or judgment), may be introduced by the claimant or the NARCO Asbestos Trust in any Individual Review Process conducted pursuant to Section 4.3(b) or any Extraordinary Claim proceeding conducted pursuant to Section 4.4(a).

4.7(b) Exposure Evidence.

4.7(b)(1) In General. As set forth in Section 4.3(a)(3) above, to qualify for any Disease Level, the claimant must submit requisite evidence of exposure to a specific asbestos-containing product manufactured, sold or distributed by NARCO or its predecessors, which includes demonstrating both the presence of such products at a particular site at a particular time and the claimant's occupational exposure to that product. (If the claim is for secondary exposure, the claimant must demonstrate the occupational exposure of the person, such as a family member, through whom the claimant was exposed.)

Claims based on conspiracy theories that involve no exposure to an asbestos-containing product produced by NARCO or its predecessors are not compensable under this NARCO Asbestos TDP. In order to demonstrate that a specific asbestos-containing product manufactured or distributed by NARCO or its predecessors was present at a site, a claimant must either: a) submit competent evidence that he or she worked at a site on the Worksite List, attached as Attachment C, during the identified period of time¹⁰; or, b) submit credible evidence

¹⁰ The "**Worksite List**" attached to this TDP is composed of sites that were either (1) included on the draft of the Worksite List acceptable to Honeywell as of February 23, 2005; or (2) locations at which both plaintiffs alleged, before the Petition Date in the tort system, that NARCO asbestos-containing product was present, and as to which NARCO, prior to the Petition Date, settled claims based upon the allegations of exposure at that location. The

(the foundation of which is established), that a specific asbestos-containing product manufactured or distributed by NARCO or its predecessors was present at a worksite at which the claimant was employed. In order to demonstrate exposure to the NARCO asbestos-containing product at the relevant site, a claimant must submit competent evidence that he or she worked on a regular basis with the NARCO asbestos containing product or worked on a regular basis in close proximity to workers engaged in the activities set forth in Section 4.7(b)(2)(a) through (c).

4.7(b)(2) Significant Occupational Exposure. “**Significant Occupational Exposure**” means employment for a cumulative period of at least five years prior to December 1986 in an industry and an occupation in which the claimant (a) handled raw asbestos fibers on a regular basis; (b) fabricated asbestos-containing products so that the claimant in the fabrication process was exposed on a regular basis to raw asbestos fibers; (c) installed, altered, repaired, removed, or otherwise worked with an asbestos-containing product such that the claimant was exposed on a regular basis to asbestos fibers; or (d) was employed in an industry and occupation such that the claimant worked on a regular basis in close proximity to workers engaged in the activities described in (a), (b) or (c). There is presumptive Significant Occupational Exposure, provided the durational requirements set forth in the preceding sentence are met, for furnace construction and repair-related occupations in the iron, steel, aluminum, and glass manufacturing and electric power production industries.

Worksite List acceptable to Honeywell as of February 23, 2005 sets forth the applicable date range for each site. The date range associated with each other site on the Worksite List is the earliest date of alleged NARCO exposure at a given site which NARCO settled pre-petition. The last date associated with each site is either the latest date of alleged NARCO exposure at that site which NARCO settled pre-petition plus ninety (90) days, or October 31, 1980. The “Worksite List” may be modified by the agreement of the NARCO Asbestos Trust Trustees, the NARCO Asbestos TAC, and the NARCO Asbestos Future Claimants Representative, consistent with the consent provisions of the NARCO Asbestos Trust Agreement, including Section 3.2(e).

4.7(b)(3) Exposure Evidence. The NARCO Asbestos Trust may consider as evidence an affidavit of the claimant, an affidavit of one or more Co-workers¹¹ or the affidavit of a family member in the case of a deceased claimant, depositions, sworn interrogatory answers, invoices, construction or similar records, or other competent evidence. The NARCO Asbestos Trust can also require submission of other or additional evidence of exposure when it deems such to be necessary. In evaluating exposure evidence, the NARCO Asbestos Trust shall take into account any precedent set as a result of arbitration under Section 4.10 below; provided, however, that no precedent shall be set by any arbitration in which a party presents testimony at the arbitration hearing in favor of the claimant. The NARCO Asbestos Trust shall also take into account the following factors:

4.7(b)(3)(A) Industry/Occupation. NARCO had a specialized product line, manufacturing and distributing refractory products, for use in high heat applications. Because of the specialized nature and use of NARCO asbestos-containing product, the NARCO Asbestos Trust shall consider that there is a limited universe of occupations in a similarly limited range of industries in which claimants are likely to have been either directly or indirectly exposed to NARCO or its predecessors' asbestos-containing refractory products.

4.7(b)(3)(B) Type of Industrial Exposure. The NARCO Asbestos Trust shall consider the lesser exposure to a NARCO asbestos-containing product of claimants with mixed industrial exposures. A claimant will have a "mixed industrial exposure" where he or she worked for some period of time in an industry where refractory

¹¹ As used herein, "Co-worker" shall mean one or more individuals who provide competent sworn testimony (i) that the claimant worked with or around refractory products and (ii) that asbestos-containing products manufactured or distributed by NARCO were present at the worksite during the relevant period. A Co-worker's affidavit must provide evidence sufficient to show that the Co-worker meets this definition.

products were typically used and in an occupation where direct or indirect exposure to such products was likely, and also worked for some period of time in an industry where exposure to non-refractory asbestos-containing products was likely.

4.8 Claims Audit Program.

4.8(a) The NARCO Asbestos Trust Claims Audit Program. The NARCO Asbestos Trust, with the consent of the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative developed methods for auditing the reliability of medical evidence, including additional reading of X-rays and verification of pulmonary function tests, as well as the reliability of evidence of exposure to asbestos, including exposure to asbestos-containing products manufactured, sold or distributed by NARCO or its predecessors. The NARCO Asbestos Trust may also conduct random or other audits to verify medical and exposure information submitted in connection with this NARCO Asbestos TDP. In the event that NARCO Asbestos Trust concludes that an individual or entity has engaged in a pattern or practice of providing unreliable medical evidence to the NARCO Asbestos Trust, the NARCO Asbestos Trust may decline to accept additional evidence from such provider. Further, in the event an audit reveals any instance of fraud or submission of fraudulent information, the NARCO Asbestos Trust may penalize any claimant or claimant's attorney by disallowing the NARCO Asbestos Trust 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' NARCO Asbestos Trust Claims, raising the level of scrutiny of additional information submitted from the same source or sources, refusing to accept additional evidence 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.

4.9 Second Disease Claims. The holder of a claim involving a non-malignant asbestos-related disease (Disease Levels I – III) may file a new claim for a malignant disease (Disease Levels IV – VII) that is diagnosed subsequent to resolution of the claimant's initial claim. Any additional payments to which such claimant may be entitled with respect to such malignant asbestos-related disease shall not be reduced by the amount paid for the non-malignant asbestos-related disease. The holder of a claim involving a non-malignant asbestos-related disease that qualified and was paid as Disease Level I may file a new claim for compensation as Disease Level II or III, if the claimant's medical circumstances have changed since payment of the first claim such that he or she qualifies under Disease Level II or III. Any additional payments to which these claimants may be entitled shall be reduced by the amount already paid to the claimant by the NARCO Asbestos Trust.

4.10 Arbitration.

4.10(a) Establishment of Arbitration Procedures. The NARCO Asbestos Trust, with the consent of the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative instituted binding and non-binding arbitration procedures for resolving disputes concerning whether the NARCO Asbestos Trust's denial of a claim was proper, and/or whether the claimant's medical condition or exposure history for any claim involving Disease Levels I – VII meet the requirements of this NARCO Asbestos TDP. Binding and non-binding arbitration shall also be available for resolving disputes over (i) the liquidated value of a claim involving Disease Levels III – VII, and (ii) whether a claim is a Pre- Established Claim pursuant to Section 4.2 above, and, if so, the amount of its liquidated value. Unless

otherwise specified by this NARCO Asbestos TDP, preponderance of the evidence shall be the applicable evidentiary standard for all arbitrations under this NARCO Asbestos TDP.

In all claims arbitrations, the arbitrator shall consider the same medical and exposure evidentiary requirements that are set forth in Sections 4.3(a)(3) and 4.7 above. In the case of an arbitration involving the liquidated value of a claim involving Disease Levels III – VII, the arbitrator shall consider the same valuation factors that are set forth in Sections 4.3(b)(2) and 4.7 above. With respect to all claims eligible for arbitration, the claimant, but not the NARCO Asbestos Trust, may elect either non-binding or binding arbitration; however, the procedures to be followed for either type of arbitration are those adopted as set forth in Attachment A hereto. These procedures may be modified by the NARCO Asbestos Trust with the consent of the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative.

4.10(b) Claims Eligible for Arbitration. In order to be eligible for arbitration, the claimant must (1) if an Individual Review claim, first complete the Individual Review Process with respect to the disputed issue or (2) if an Expedited Review claim, have been found deficient in Expedited Review. Individual Review will be treated as completed for these purposes when the claim has been reviewed by the NARCO Asbestos Trust, the NARCO Asbestos Trust has made an offer on the claim, the claimant has rejected the liquidated value resulting from the Individual Review, and the claimant has notified the NARCO Asbestos Trust of the rejection in writing. Individual Review shall also be treated as completed if the claim has gone through Individual Review and the NARCO Asbestos Trust has rejected the claim.

4.10(c) Claims Arbitration. The claims of one or more claimants may not be aggregated for purposes of arbitration and each individual claimant's arbitration shall be

treated for all purposes as a separate action. Moreover, to the extent the arbitrator's award is equal to or less than the amount initially offered to the claimant by the NARCO Asbestos Trust, the amount to be paid to the claimant by the NARCO Asbestos Trust shall be reduced by the costs incurred by the NARCO Asbestos Trust in connection with the arbitration.

4.10(d) Limitations on and Payment of Arbitration Awards. In the case of a non-Extraordinary Claim involving Disease Level I or II, the arbitrator shall not return an award in excess of the Scheduled Value for that Disease Level as set forth in Section 4.3(b)(3). In the case of a non-Extraordinary Claim involving Disease Levels III -VII, the arbitrator shall not return an award in excess of the Maximum Value for the appropriate Disease Level as provided for by Section 4.3(b)(3) above, and for an Extraordinary Claim involving one of those Disease Levels, the arbitrator shall not return an award greater than the maximum extraordinary value for such a claim as provided for by Section 4.4(a) above. A claimant who submits to arbitration and who accepts the arbitral award will receive payments in the same manner as one who accepts the NARCO Asbestos Trust's original valuation of the claim.

4.10(e) Arbitration of ER Claims. If a deficiency is issued to a claim in Expedited Review, the claimant may elect to proceed directly to arbitration, and the award in arbitration shall be zero or Scheduled Value. If an Expedited Review claimant proceeds directly from Expedited Review to arbitration, the claimant may not thereafter elect Individual Review of that claim (even if the claimant withdraws and refiles the claim).

4.11 Litigation. Claimants who elect non-binding arbitration and then reject their arbitral awards retain the right to enter the tort system pursuant to Section 6.6 below. However, a claimant shall be eligible for payment of a judgment for monetary damages obtained

in the tort system from the NARCO Asbestos Trust's available cash only as provided in Section 6.7 below.

SECTION V

Claims Materials

5.1 Claims Materials. The NARCO Asbestos Trust has prepared suitable and efficient claims materials ("**Claims Materials**") for all NARCO Asbestos Trust Claims, including Pre-Established Claims that are required to submit a proof of claim form pursuant to Section 4.2(a) hereof, and such Claims Materials shall be provided upon a written request for such materials to the NARCO Asbestos Trust. The proof of claim form to be submitted to the NARCO Asbestos Trust requires the claimant to assert the highest Disease Level for which the claim qualifies at the time of filing. The proof of claim forms also include a certification by the claimant or his or her attorney sufficient to meet the requirements of Rule 11(b) of the Federal Rules of Civil Procedure. In amending its claim filing procedures, the NARCO Asbestos Trust shall evaluate whether it can provide claimants with the opportunity to utilize currently available technology, including filing claims and supporting documentation through web-based systems, the internet and/or electronic media. The proof of claim forms may be changed and the foregoing alternative procedures for electronic claims submission may be adopted by the NARCO Asbestos Trust with the consent of the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative.

5.2 Content of Claims Materials. The Claims Materials shall include a copy of this NARCO Asbestos TDP, such instructions as the Trustees shall approve, and a proof of claim form. If feasible, the forms used by the NARCO Asbestos Trust to obtain claims information shall be the same or substantially similar to those used by other asbestos claims resolution organizations. The NARCO Asbestos Trust may also obtain information concerning a

claimant or his or her claims from any other asbestos claims resolution organization, including from electronic databases maintained by said organizations. However, the NARCO Asbestos Trust shall advise the claimant of its intention to gather information concerning the claimant from such other organization and may do so in the absence of a timely written objection from the claimant. The claimant may elect, but will not be required, to provide the NARCO Asbestos Trust with evidence of recovery from other asbestos claims resolution organizations. If requested by the claimant, if capable of doing so efficiently and if procedures to this effect have been adopted by the NARCO Asbestos Trust pursuant to Section 5.1, above, the NARCO Asbestos Trust shall accept information provided electronically.

5.3 Withdrawal or Deferral of Claims. A claimant can withdraw a NARCO Asbestos Trust Claim at any time upon written notice to the NARCO Asbestos Trust and file another claim subsequently without affecting the status of the claim for statute of limitations and repose purposes, but any such claim filed after withdrawal shall be given a place in the appropriate processing queue based upon the date of such subsequent filing. Except for claims held by representatives of deceased or incompetent claimants as set forth in Section 4.1(c) above, a claim will be deemed to have been withdrawn if the claimant neither accepts, rejects, nor initiates arbitration within six (6) months of the NARCO Asbestos Trust's offer of payment or rejection of the claim. Upon written request and good cause, the NARCO Asbestos Trust may, in its sole discretion, extend this period for an additional six (6) months.

A claimant may also request that the processing of his or her NARCO Asbestos Trust Claim 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 also retain his or her original place in the appropriate processing queue, if feasible. During the period of such

deferral, interest on such claimant's NARCO Asbestos Trust Claim, as provided in Section 6.5 hereunder, shall not accrue and payment thereof shall be deemed waived by the claimant.

5.4 Filing Requirements and Fees. The Trustees shall have the discretion to determine, with the consent of the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative, (a) whether a claimant must have previously filed the claim in the tort system to be eligible to file the claim with the NARCO Asbestos Trust and (b) whether a filing fee should be required for any NARCO Asbestos Trust claims.

SECTION VI

General Guidelines for Liquidating and Paying Claims

6.1 Showing Required. To establish a valid NARCO Asbestos Trust Claim, a claimant must meet the requirements set forth in this NARCO Asbestos TDP. The NARCO Asbestos Trust may require the submission of X-rays, CT scans, laboratory tests, medical examinations or reviews, other medical evidence, or any other evidence to support or verify the NARCO Asbestos Trust Claim, and may further require that medical evidence submitted comply with recognized medical standards regarding equipment, testing methods, and procedures to assure that such evidence is reliable. All deadlines established herein shall be extended by a period commensurate with the time which elapses between the NARCO Asbestos Trust's request for additional information and the date the information or evidence is submitted by the claimant.

6.2 Costs Considered. Notwithstanding any provisions of this NARCO Asbestos TDP to the contrary, the Trustees shall always give appropriate consideration to the cost of investigating and uncovering invalid NARCO Asbestos Trust Claims so that the payment of valid NARCO Asbestos Trust Claims is not further impaired by such processes with respect to issues related to the validity of the medical or exposure evidence supporting a NARCO Asbestos Trust Claim. The Trustees shall also have the latitude to make judgments regarding the amount

of transaction costs to be expended by the NARCO Asbestos Trust so that valid NARCO Asbestos Trust Claims are not unduly further impaired by the costs of additional investigation. Nothing herein shall prevent the Trustees, in appropriate circumstances, from contesting the validity of any claim against the NARCO Asbestos Trust whatever the costs, or to decline to accept medical or exposure evidence from sources that the Trustees have determined to be unreliable pursuant to the Claims Audit Program described in Section 4.8 above or otherwise.

6.3 Discretion to Vary the Order and Amounts of Payments in Event of Limited Liquidity. Consistent with the provisions hereof and subject to the Annual Contribution Claims Fund Processing Queue, the Pre-Established Claims Fund Processing Queue, and the Claims Fund Payment Queue discussed above, as well as the Maximum Annual Payment, Payment Percentage, and Claims Payment Ratio requirements set forth above, the Trustees shall proceed as quickly as possible to liquidate valid NARCO Asbestos Trust Claims, and shall make payments to holders of such claims in accordance with this NARCO Asbestos 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 NARCO Asbestos Trust's decisions about payments must be based on estimates that cannot be done precisely, payments 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 Trustees shall use their best efforts to treat similar claims in substantially the same manner, consistent with their duties as Trustees, the purposes of the NARCO Asbestos Trust, the established allocation of funds to NARCO Asbestos Trust Claims in Categories A and B, and the practical limitations imposed by the inability to predict the future with precision. In the event that the NARCO Asbestos Trust faces temporary periods of limited

liquidity, the Trustees may, with the consent of the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative, suspend the normal order of payment and may temporarily limit or suspend payments altogether.

6.4 Punitive Damages. Except as provided below for claims asserted under the Alabama Wrongful Death Statute, in determining the value of any liquidated or unliquidated NARCO Asbestos Trust Claim, punitive or exemplary damages, i.e., damages other than compensatory damages, shall not be considered or allowed, notwithstanding their availability in the tort system. Similarly, no punitive or exemplary damages will be payable with respect to any claim litigated against the NARCO Asbestos Trust in the tort system pursuant to Sections 4.11 above and 6.6 below. The only damages that may be awarded pursuant to this NARCO Asbestos TDP to Alabama Claimants who are deceased and whose personal representatives pursue their claims only under the Alabama Wrongful Death Statute shall be compensatory damages determined pursuant to the statutory and common law of the Commonwealth of Pennsylvania, without regard to Pennsylvania's choice of law principles. The choice of law provision in Section 7.4 herein applicable to any Claim with respect to which, but for this choice of law provision, the applicable law of the Claimant's Jurisdiction pursuant to Section 4.3(b)(2) is determined to be the Alabama Wrongful Death Statute, shall only govern the rights between the NARCO Asbestos Trust and the claimant including, but not limited to, suits in the tort system pursuant to Section 6.6.

6.5 Interest. The NARCO Asbestos Trust shall pay interest on all NARCO Asbestos Trust Claims where a determination of a claim's liquidated value has been delayed for reasons unrelated to the adequacy of the claimant's claim submission or a deferral by the claimant under Section 5.3 above, as follows: (i) for claims qualifying for Disease Level VII,

interest shall begin to accrue on the date two (2) years following the claimant's filing of the claim with the NARCO Asbestos Trust; and (ii) for claims qualifying for all other Disease Levels, interest shall begin to accrue on the date five (5) years following the claimant's filing of the claim with the NARCO Asbestos Trust. Interest shall be simple and shall accrue at the one-year U.S. Treasury Bill rate in effect on January 1 of the year in which the interest begins to accrue on the claim, said rate to be adjusted each January 1 to correspond to the one-year U.S. Treasury Bill rate.

6.6 Suits in the Tort System. If the holder of a disputed claim disagrees with the NARCO Asbestos Trust's determination regarding the Disease Level of the claim, the claimant's exposure history or the liquidated value of the claim, or if there is a dispute between the holder and the NARCO Asbestos Trust over whether a claim is a Pre-Established Claim, and if the holder has completed non-binding arbitration of the claim as provided in Section 4.10 above, the holder may file a lawsuit in the Claimant's Jurisdiction as defined in Section 4.3(b)(2) above. 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 NARCO Asbestos Trust, all defenses which could have been asserted by NARCO, Honeywell or their respective predecessors), shall be available to both sides at trial; however, the NARCO 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 Proof of Claim was filed, the case will 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.

6.7 Payment of Judgments for Money Damages. If and when a claimant obtains a judgment in the tort system, the claim shall be placed in the Claims Fund Payment Queue based on the date on which the judgment became a final, non-appealable judgment. Thereafter, the claimant shall receive from the NARCO Asbestos Trust (subject to the Payment Percentage, the Maximum Annual Payment and the Claims Payment Ratio provisions set forth above for all NARCO Asbestos Trust Claims other than Pre-Established Claims) a payment of the judgment that does not exceed the lesser of the judgment amount or double the amount of an affirmative award by the arbitrator in the proceedings pursuant to Section 4.10 relating to that claim. If the claimant's judgment exceeds the amount of the arbitral award, then the NARCO Asbestos Trust shall be additionally obligated to pay the claimant his or her statutory costs incurred in obtaining the judgment. Under no circumstances shall interest be paid pursuant to Section 6.5 or interest be paid under otherwise applicable state law on any judgments obtained in the tort system.

6.8 Releases. The Trustees determined the form and substance of the releases to be provided to the NARCO Asbestos Trust in order to maximize recovery for claimants against other tortfeasors without increasing the risk or amount of claims for indemnification or contribution from the NARCO Asbestos Trust. As a condition to making any payment to a claimant, the NARCO Asbestos Trust shall obtain a general, partial, or limited release as appropriate in accordance with the applicable state or other law. If allowed by state law, the endorsing of a check or draft for payment by or on behalf of a claimant shall constitute such a release. The consent of the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative shall be required prior to the Trustees (i) adopting a form of release and (ii) modifying any form of release that has previously been approved by the NARCO Asbestos TAC,

Honeywell and the NARCO Asbestos Future Claimants Representative. The Trustees may not modify any form of release in a manner that in any way limits or narrows the claimant's release of claims against Honeywell.

6.9 Third-Party Services. Nothing in this NARCO Asbestos TDP shall preclude the NARCO Asbestos Trust from contracting with another asbestos claims resolution organization to provide services to the NARCO Asbestos Trust so long as decisions about the categorization and liquidated value of NARCO Asbestos Trust Claims are based on the relevant provisions of this NARCO Asbestos TDP, including the Diseases Levels, Scheduled Values, Overall Average Values, Maximum Values, and Medical/Exposure Criteria set forth above.

6.10 NARCO Asbestos Trust Disclosure of Information. Periodically, but not less often than once a year, the NARCO Asbestos Trust shall make available to claimants and other interested parties, the number of claims by Disease Levels that have been resolved by Expedited or Individual Review and by arbitration as well as by trial indicating the amounts of the awards and the averages of the awards by jurisdiction.

SECTION VII

Miscellaneous


7.1 Amendments. Except as otherwise provided herein, the Trustees may amend, modify, delete, or add to any provisions of this NARCO Asbestos TDP (including, without limitation, amendments to conform this NARCO Asbestos TDP to advances in scientific or medical knowledge or other changes in circumstances), provided they first obtain the consent of the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative pursuant to the Consent Process set forth in Section 8.1(b) of the NARCO Asbestos Trust Agreement. For the avoidance of doubt, the last sentence of Section 6.8 may not be amended.

7.2 Adjustment to Overall Average and Maximum Values. The Overall Average and Maximum Values set forth in Section 4.3(b)(3) for NARCO Asbestos Trust Claims involving Disease Levels III - VII, above shall remain unchanged until April 30, 2025. At that time and at three year intervals thereafter, the NARCO Asbestos Trust, in consultation with the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative shall adjust any or each of the Overall Average and Maximum Values, and to account for inflation or deflation, as reflected by the Consumer Price Index.

7.3 Severability. Should any provision contained in this NARCO Asbestos TDP be determined to be unenforceable, such determination shall in no way limit or affect the enforceability and operative effect of any and all other provisions of this NARCO Asbestos TDP.

7.4 Governing Law. Except for purposes of determining the liquidated value of any NARCO Asbestos Trust Claim, administration of this NARCO Asbestos TDP shall be governed by, and construed in accordance with, the laws of the State of Delaware. The law governing the liquidation of NARCO Asbestos Trust Claims shall be the law of the Claimant's Jurisdiction as described in Section 4.3(b)(2) above in effect at the time the claim is filed.

TRUSTEES:

DocuSigned by:

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Ken M. Kawaichi

Current Term Expiration Date: 12/31/24

Richard B. Schiro

Current Term Expiration Date: 12/31/25

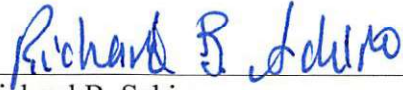
Mark M. Gleason

Current Term Expiration Date: 12/31/25

TRUSTEES:

Ken M. Kawaichi

Current Term Expiration Date: 12/31/24



Richard B. Schiro

Current Term Expiration Date: 12/31/25

Mark M. Gleason

Current Term Expiration Date: 12/31/25

TRUSTEES:

Ken M. Kawaichi

Current Term Expiration Date: 12/31/24

Richard B. Schiro

Current Term Expiration Date: 12/31/25

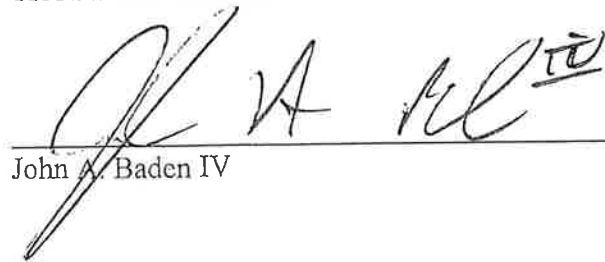
DocuSigned by:

Mark M. Gleason

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Mark M. Gleason

Current Term Expiration Date: 12/31/25

TRUST ADVISORY COMMITTEE:



John A. Baden IV

Perry Weitz

Steven Kazan

Steven T. Baron

Bruce E. Mattock

John D. Cooney

[Trust Distribution Procedures]

TRUST ADVISORY COMMITTEE:

John A. Baden IV



Perry Weitz

Steven Kazan

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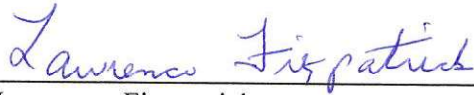
Bruce E. Mattock



John D. Cooney

[Trust Distribution Procedures]

FUTURE CLAIMANTS REPRESENTATIVE:



Lawrence Fitzpatrick

Exhibit AA

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

| | | |
|-----------------------------|---|-------------------------|
| In re |) | Jointly Administered at |
| |) | Case No. 02-20198 |
| NORTH AMERICAN REFRACTORIES |) | |
| COMPANY, <i>et al.</i> , |) | Chapter 11 |
| |) | |
| Debtors. |) | |
| |) | |

**~~SECOND~~THIRD AMENDED NORTH AMERICAN REFRACTORIES COMPANY
ASBESTOS PERSONAL INJURY SETTLEMENT
TRUST DISTRIBUTION PROCEDURES**

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**~~SECOND~~THIRD AMENDED NORTH AMERICAN REFRACTORIES COMPANY
ASBESTOS PERSONAL INJURY SETTLEMENT
TRUST DISTRIBUTION PROCEDURES**

The Third Amended North American Refractories Company Asbestos Personal Injury Settlement Trust Distribution Procedures (for ease of reference hereinafter the “**NARCO Asbestos TDP**”) contained herein provide for resolving all NARCO Asbestos Trust Claims and NARCO Asbestos Demands caused, in whole or in part, by exposure to asbestos-containing products manufactured, sold or distributed by North American Refractories Company (“**NARCO**”) or its predecessors, for which NARCO and/or Honeywell International Inc. (“**Honeywell**”) and their predecessors, successors, and assigns have legal liability (hereinafter for all purposes of this NARCO Asbestos TDP defined as “**NARCO Asbestos Trust Claims**”), as provided in and required by the North American Refractories Company Third Amended Plan of Reorganization (“**Plan**”), dated December 28 , 2005, as supplemented, and North American Refractories Company Asbestos Personal Injury Settlement Trust Agreement (for ease of reference hereinafter, as amended, the “**NARCO Asbestos Trust Agreement**”). The Plan and NARCO Asbestos Trust Agreement establish the North American Refractories Company Asbestos Personal Injury Settlement Trust (“**NARCO Asbestos Trust**”). The Trustees of the NARCO Asbestos Trust (“**Trustees**”) shall implement and administer this NARCO Asbestos TDP in accordance with the NARCO Asbestos Trust Agreement. Capitalized terms used herein and not otherwise defined shall have the meanings assigned to them in the Plan and the NARCO Asbestos Trust Agreement.

SECTION I

Introduction

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

1.2 Effective Date. This NARCO Asbestos TDP shall ~~not be~~become effective ~~until~~as of the effective date of the NARCO Asbestos Trust Agreement ~~becomes effective~~, pursuant to Section 8.16 of the NARCO Asbestos Trust Agreement ~~and~~(the “Effective Date,” for purposes). Once effective, the terms of this NARCO Asbestos TDP, ~~shall be the date shall apply and govern all claims filed or submitted to~~ the NARCO Asbestos Trust ~~Agreement becomes effective~~, including claims filed or submitted prior to the Effective Date.

SECTION II

Overview

2.1 NARCO Asbestos Trust Goals. The goal of the NARCO Asbestos Trust is to treat all claimants equitably and in accordance with the requirements of Section 524(g) of the Bankruptcy Code. This NARCO Asbestos TDP furthers that goal by setting forth procedures for processing and paying claims generally on an impartial, first-in-first-out basis, with the intention of paying all claimants over time based on historical values for substantially similar claims in the tort system. To this end, this NARCO Asbestos TDP establishes a schedule of seven asbestos-related diseases (“**Disease Levels**”), six of which have presumptive medical and exposure requirements (“**Medical/Exposure Criteria**”). NARCO Asbestos Trust Claims

involving Disease Levels I – IV and VI – VII have specific liquidated values (“**Scheduled Values**”), and those involving Disease Levels III - VII, have anticipated average values (“**Overall Average Values**”) and caps on their liquidated values (“**Maximum Values**”). The Disease Levels, Medical/Exposure Criteria, Scheduled Values, Overall Average Values, and Maximum Values, which are set forth in Section 4.3 below, have all been selected and derived with the intention of achieving a fair allocation of the NARCO Asbestos Trust funds as among claimants suffering from different diseases that is congruent with the settlement history of claims against NARCO.

2.2 NARCO Asbestos Trust Claim Liquidation Procedures. All claimants holding a NARCO Asbestos Trust Claim must file the claim with the NARCO Asbestos Trust in accordance with the proof of claim provisions of Section 5.1 as provided below. NARCO Asbestos Trust Claims that are not Pre-Established Claims shall be placed in the Annual Contribution Claims Fund Processing Queue ~~to be~~ established pursuant to Section 4.1(a) below. Pre-Established Claims shall be placed in the Pre-Established Claims Fund Processing Queue ~~to be~~ established pursuant to Section 4.2(a) below.

The NARCO Asbestos Trust shall liquidate all NARCO Asbestos Trust Claims involving Disease Levels I – IV, VI and VII at the applicable Scheduled Value for those claimants who opt for the Expedited Review Process described in Section 4.3(a) below and who can meet the presumptive Medical/Exposure Criteria set forth in that provision.

Alternatively, a claimant may opt to establish a liquidated value for his or her claim involving Disease Level III – VII that is greater than the applicable Scheduled Value by electing the NARCO Asbestos Trust’s Individual Review Process described in Section 4.3(b) below. The NARCO Asbestos Trust may determine that the liquidated value of a claim that

undergoes the Individual Review Process is less than or greater than its Scheduled Value, based on the individual claimant's ability to satisfy the presumptive Medical/Exposure Criteria. The liquidated value of a claim that undergoes the Individual Review Process shall not exceed the Maximum Value for the relevant Disease Level set forth in Section 4.3(b)(3) below; provided, however, if the claim qualifies as an Extraordinary Claim as defined in Section 4.4(a) below, its liquidated value cannot exceed the maximum extraordinary value specified in that provision for such claims. Disease Level V (Lung Cancer 2) Claims and all Foreign Claims as defined in Section 4.3(b)(1) below may be liquidated only pursuant to the NARCO Asbestos Trust's Individual Review Process.

All unresolved disputes over a claimant's medical condition, exposure history, the liquidated value of the claim, or whether the claim is a Pre-Established Claim, shall be subject to binding or non-binding arbitration, at the election of the claimant, under procedures that are provided in Section 4.10 below and Attachment A hereto. Disputes that are not resolved after non-binding arbitration may enter the tort system as provided in Sections 4.11 and 6.6 below.

However, if and when a claimant obtains a judgment in the tort system, the judgment will be payable (subject to the Maximum Annual Payment, Claims Payment Ratio and the Payment Percentage, if applicable, provisions set forth below) only as provided in Section 6.7 below.

2.3 The Maximum Annual Payment. The NARCO Asbestos Trust, in consultation with the NARCO Asbestos TAC, as defined in Section 3.1 below, and the NARCO Asbestos Future Claimants Representative, as defined in Section 3.1 below, shall estimate or model the amount of cash flow anticipated to be necessary over its entire life to ensure that funds will be available to treat all present and future NARCO Asbestos Trust Claims

as similarly as possible (the “Trust Cash Flow Model”). In each year, the NARCO Asbestos Trust ~~shall determine and pay out a total of no more than an amount equal to or less than the sum of (i) the proceeds from any sale of any asset held by the NARCO Asbestos Trust and (ii) the contribution owed by Honeywell to~~ will be empowered to pay out all of the interest and other investment income earned during the year (net of taxes payable with respect thereto), together with a portion of its principal, calculated so that the application of the assets of the NARCO Asbestos Trust ~~for this purpose in that year as established by the Plan and Section 2.3(c)(i) of the NARCO Asbestos Trust Agreement, (over its life shall correspond with the needs created by the anticipated flow of claims (the “Maximum Annual Payment”)) to resolve NARCO Asbestos Trust Claims. As provided for in Section 4.2(a) below, Pre-Established Claims shall not be subject to the Maximum Annual Payment, which claims shall be paid from funds separately provided for by the Plan and the NARCO Asbestos Trust Agreement.~~¹

2.4 NARCO Asbestos Trust Claims Payment Ratio. Based upon the claims settlement history of NARCO and Honeywell and the analysis of present and future claims, a Claims Payment Ratio has been determined which, as of ~~the Effective Date (as defined in Section 1.2 above)~~ April 30, 2013, has been set at 60% for Category A claims, which consist of NARCO Asbestos Trust Claims involving severe asbestosis and malignancies (Disease Levels III – VII) that were unliquidated as of the Petition Date, and at 40% for Category B claims, which are NARCO Asbestos Trust Claims involving other asbestos-related nonmalignant disease

¹ For the avoidance of doubt, the HWI Interest and any HWI Net Dividends or HWI Net Sale Proceeds shall be treated in accordance with the Buyout Agreement (all as defined in the NARCO Asbestos Trust Agreement) and shall not be considered NARCO Asbestos Trust Assets for purposes of the NARCO Asbestos TDP or used in calculating the Maximum Annual Payment.

(Disease Levels I and II) that were similarly unliquidated as of the Petition Date. The Claims Payment Ratio shall not apply to any Pre-Established Claims. In each year, based upon the Maximum Annual Payment, 60% of that amount will be available to pay liquidated Category A claims and 40% will be available to pay liquidated Category B claims that have been liquidated since ~~the Effective Date~~ April 30, 2013.

In the event there are insufficient funds in any year to pay the liquidated claims within either or both of the Categories, the available funds within the particular Category shall be paid to the maximum extent to claimants in the particular Category based on their place in the ~~Annual Contribution~~ Claims Fund Payment Queue described in Section 4.1(a) below based upon the date of claim liquidation. Claims for which there are insufficient funds will be carried to the next year where they will be placed at the head of ~~that payment queue~~ the Claims Fund Payment Queue.

The 60%/40% Claims Payment Ratio and its rollover provision shall apply to all NARCO Asbestos Voting Claims (as defined in the Plan) and shall not be amended until ~~the fifth anniversary of the Effective Date~~ April 30, 2018. Thereafter, both the Claims Payment Ratio and its rollover provision shall be continued absent circumstances, such as a significant change in law or medicine, necessitating amendment to avoid a manifest injustice. The accumulation, rollover, and subsequent delay of claims resulting from the application of the Claims Payment Ratio, shall not, in and of itself, constitute such circumstances. Nor may an increase in the number of Category B claims beyond those predicted or expected be considered as a factor in deciding whether to reduce the percentage allocated to Category A claims.

In considering whether to make any amendments to the Claims Payment Ratio and/or its rollover provisions, the Trustees should also consider the reasons for which the Claims

Payment Ratio and its rollover provisions were adopted, the settlement history that gave rise to its calculation, and the foreseeability or lack of the foreseeability of the reasons why there would be any need to make an amendment. No amendment to the Claims Payment Ratio may be made without the consent of the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative pursuant to the consent process set forth in Section 8.1(b) of the NARCO Asbestos Trust Agreement.

2.5 Payment Percentage.

2.5(a) Implementation and Determination of a Payment Percentage.

~~The NARCO Asbestos Trust shall periodically estimate or model the amount of cash flow anticipated to be necessary over its entire life to ensure that funds will be available to treat all present and future NARCO Asbestos Trust Claims in a substantially similar manner.~~ To In consideration of the Trust Cash Flow Model, to the extent necessary to reasonably assure that the NARCO Asbestos Trust will be in a financial position to pay holders of present and future NARCO Asbestos Trust Claims in substantially the same manner, the Trustees, with the consent of the NARCO Asbestos TAC; and the NARCO Asbestos Future Claimants Representative ~~and Honeywell~~, may develop and institute a process for reducing the payment of the liquidated value of NARCO Asbestos Trust Claims, whereby a claimant will receive a pro-rata share of the liquidated value of its NARCO Asbestos Trust Claim (the “Payment Percentage”) after such liquidated value of his or her claim is determined pursuant to the NARCO Asbestos Trust’s Expedited Review process or the NARCO Asbestos Trust’s Individual Review Process, arbitration, or litigation in the tort system. In no event shall the Payment Percentage apply to Pre-Established Claims.

To the extent a Payment Percentage is applied by the NARCO Asbestos Trust to NARCO Asbestos Trust Claims, no less frequently than once every three years, commencing with the first day of January occurring after the Plan is consummated, the Trustees 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 NARCO Asbestos TAC, and the NARCO Asbestos Future Claimants Representative ~~and Honeywell~~.

The Trustees 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 NARCO Asbestos TAC; or the NARCO Asbestos Future Claimants Representative, ~~or Honeywell~~. The Trustees must base their determination of the Payment Percentage on current estimates of the number, types, and values of present and future NARCO Asbestos Trust Claims, the value of the assets available to the NARCO Asbestos Trust for their payment, all anticipated administrative and legal expenses, and any other material matters that are reasonably likely to affect the sufficiency of funds to pay a comparable percentage of full value to all holders of NARCO Asbestos Trust Claims. When making these determinations the Trustees shall exercise common sense and flexibly evaluate all relevant factors. The Payment Percentage applicable to Category A or Category B claims may not be reduced to alleviate delays in payments of claims in the other Category; both Categories of NARCO Asbestos Trust Claims shall receive the same Payment Percentage, but the payment may be deferred as needed.

2.5(b) Applicability of the Payment Percentage. To the extent the NARCO Asbestos Trust implements a Payment Percentage, no holder of a NARCO Asbestos Trust Claim other than a Pre-Established Claim shall receive a payment for a NARCO Asbestos

Trust Claim that exceeds the Payment Percentage times the liquidated value of the claim;
~~Except in effect at the time of payment, except~~ as otherwise provided in Section 4.1(c) below;
for all NARCO Asbestos Trust Claims involving deceased or incompetent claimants for which
approval of the NARCO Asbestos Trust's offer by a court or probate process is required;~~no~~
~~holder of any other NARCO Asbestos Trust Claim other than a Pre-Established Claim~~
~~shall receive a payment that exceeds the liquidated value of the claim times the Payment~~
~~Percentage in effect at the time of payment.~~

If a redetermination of the Payment Percentage for the NARCO Asbestos Trust
has been proposed in writing by the Trustees to the NARCO Asbestos TAC; ~~and~~ the NARCO
Asbestos Future Claimants Representative ~~and Honeywell~~, 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 was the lower amount but was 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 was the higher amount and was subsequently adopted, the claimant shall thereafter
receive the difference between the lower current amount and the higher adopted amount.

2.6 Indirect Asbestos Trust Claims. As set forth in Section 4.6 below, any
NARCO Asbestos Trust Claim that is an Indirect Asbestos Trust Claim that is payable from the
NARCO Asbestos Trust shall be subject to the same processing, liquidation and payment
provisions under this NARCO Asbestos TDP that the claim would have been subject to if it had
been brought by the original claimant against the NARCO Asbestos Trust.

2.7 Payment of NARCO Asbestos Trust Claims. Upon final liquidation, all
NARCO Asbestos Trust Claims ~~except~~ including Pre-Established Claims shall be placed in the

~~Annual Contribution~~ Claims Fund Payment Queue to be established by the NARCO Asbestos Trust pursuant to Section 4.1(c) below ~~and Section 2.3(e)(i)(A) of the~~ NARCO Asbestos Trust Agreement, and all Pre-Established Claims shall be placed in a separate Pre-Established Claims in the Claims Fund Payment Queue ~~to be established by~~ shall then be paid solely from the NARCO Asbestos Trust ~~pursuant to Section 4.2(a) below and~~ Assets as provided in Section 2.3 ~~(e)(i)(B) of the NARCO Asbestos Trust Agreement. NARCO Asbestos Trust Claims in each such payment queue shall then be paid solely from either the Annual Contribution Claims Fund or the Pre-Established Claims Fund as provided in Section 2.3(e)(i) of the NARCO Asbestos Trust Agreement.~~

SECTION III

NARCO Asbestos TDP Administration

3.1 Trustees' Advisory Committee and NARCO Asbestos Future

Claimants Representative. Pursuant to the Plan and the NARCO Asbestos Trust Agreement, this NARCO Asbestos TDP will be administered by the Trustees in consultation with ~~(1) a five-member~~ the Trustees Advisory Committee ("NARCO Asbestos TAC") that represents the interests of holders of present NARCO Asbestos Trust Claims, and (2) a NARCO Asbestos Future Claimants Representative ("NARCO Asbestos Future Claimants Representative") who represents the interests of holders of NARCO Asbestos Trust Claims that will be asserted in the future, ~~and (3) the trust's principal funder, Honeywell.~~ The Trustees shall obtain the consent of the NARCO Asbestos TAC, and the NARCO Asbestos Future Claimants Representative, ~~and Honeywell~~ as provided in the NARCO Asbestos Trust Agreement and before seeking to amend these Procedures pursuant to Section 7.1 below. The Trustees shall also consult with the NARCO Asbestos TAC, and the NARCO Asbestos Future Claimants

Representative, ~~and Honeywell~~ on such matters as are provided below and in the NARCO Asbestos Trust Agreement. The ~~initial~~current members of the NARCO Asbestos TAC and the initial NARCO Asbestos Future Claimants Representative are identified in the NARCO Asbestos Trust Agreement.

3.2 Consent and Consultation Procedures. In those circumstances in which consultation or consent is required, the Trustees will provide written notice to the NARCO Asbestos TAC, and the NARCO Asbestos Future Claimants Representative, ~~and Honeywell~~ of the specific amendment or other action that is proposed. The Trustees will not implement such amendment nor take such action unless and until the parties have engaged in the Consultation Process described in Section 8.1(a), or the Consent Process described in Section 8.1(b) of the NARCO Asbestos Trust Agreement, respectively.

SECTION IV

Resolution of NARCO Asbestos Trust Claims

4.1 Ordering, Processing, and Payment of Claims.

4.1(a) Ordering of Claims.

4.1(a)(1) Establishment of the Processing Queues. The NARCO Asbestos Trust will order all unliquidated NARCO Asbestos Trust Claims that are not Pre-Established Claims for processing purposes on a first-in, first out basis except as otherwise provided herein (the “**Annual Contribution Claims Fund Processing Queue**”). The NARCO Asbestos Trust ~~shall~~ also ~~establish~~established a separate processing queue for Pre-Established Claims (the “**Pre-Established Claims Fund Processing Queue**”) and shall place all such Pre-Established Claims in such queue pursuant to the provisions of Section 4.2(a) below. For each claim submitted, the NARCO Asbestos Trust shall determine whether the claim is or is not a

Pre- Established Claim by reviewing the claims data ~~required to be~~which was supplied by Honeywell and/or NARCO pursuant to Section 4.2(a) below, as well as any information required to be supplied by the holder of the claim hereunder.

For all NARCO Asbestos Trust Claims other than Pre-Established Claims filed on or before the date six (6) months after the NARCO Asbestos Trust first makes available the proof of claim form and other claims materials required for purposes of filing NARCO Asbestos Trust Claims (such six-month date being referred to herein as the “**Initial Claims Filing Date**”), a claimant’s position in the Annual Contribution Claims Fund Processing Queue shall be determined as of the earlier of (i) the date after the Petition Date, but before the date the NARCO Asbestos Trust first ~~makes~~made available its claims filing materials, that the claim was filed in the tort system against another defendant; (ii) the date the claimant filed a proof of claim in the Chapter 11 Cases; and (iii) the date the claimant or his or her authorized agent filed a ballot in the Chapter 11 Cases for the purpose of voting on the Plan in accordance with the voting procedures adopted by the Court. Following the Initial Claims Filing Date, the claimant’s position in the Annual Contribution Claims Fund Processing Queue shall be determined by the date the claim was filed with the NARCO Asbestos Trust. If any claims are filed on the same date, the claimant’s position in the Annual Contribution Claims Fund Processing Queue shall be determined by the date of the diagnosis of the claimant’s asbestos-related disease. If any unliquidated NARCO Asbestos Trust Claims are both diagnosed and filed on the same dates, the position of those claims in the Annual Contribution Claims Fund Processing Queue shall be determined by the dates of the claimants’ birth, with older claimants given priority over younger claimants. Eligibility of NARCO Asbestos Trust Claims to be placed in the Pre-Established Claims Fund Processing Queue shall be determined pursuant to Section 4.2(a) below.

4.1(a)(2) Effect of Statutes of Limitations and Repose. All

unliquidated NARCO Asbestos Trust Claims, including Pre-Established Claims subject to settlement agreements entered into between Honeywell and claimants after the Petition Date but prior to ~~the Effective Date~~ April 30, 2013 that permit the claimant to liquidate the claim pursuant to all relevant provisions of this NARCO Asbestos TDP, must meet either: (i) for claims first filed in the tort system against NARCO or Honeywell prior to the Petition Date, the applicable federal, state, and foreign statute of limitations and repose that was in effect at the time of the filing of the claim in the tort system; or, (ii) for claims not filed against NARCO or Honeywell in the tort system prior to the Petition Date, the applicable federal, state and foreign statute of limitations and repose that is in effect at the time of the filing with the NARCO Asbestos Trust. However, the running of the applicable statute of limitations shall be tolled for purposes of these statutes as of the earliest of (A) the actual filing of the claim against NARCO or Honeywell prior to the Petition Date, whether in the tort system or by submission of the claim to NARCO or Honeywell pursuant to an administrative settlement agreement; (B) the filing of the claim after the Petition Date but prior to the Initial Claims Filing Date against another defendant in the tort system; (C) the filing of the requisite proof of claim in the Chapter 11 Cases; (D) the filing of a ballot in the Chapter 11 Cases for voting purposes; or (E) the filing of a proof of claim with the requisite supporting documentation with the NARCO Asbestos Trust after the Initial Claims Filing Date. If a NARCO Asbestos Trust Claim meets any of the tolling provisions described in the preceding sentence and was not barred by the applicable statute of limitations as of the date of the tolling, the NARCO Asbestos Trust Claim will be treated as timely filed regardless of the date that it is actually filed with the NARCO Asbestos Trust. In addition, the following claims will be considered timely filed with the NARCO Asbestos Trust if

filed within three (3) years after the date of diagnosis or by December 31, 2017, whichever occurs later, irrespective of any relevant statute of limitations: (i) any claims that were first diagnosed after the Petition Date, or (ii) any claims that were first diagnosed prior to the Petition Date, not already time barred as of the Petition Date, thereafter filed with the NARCO Asbestos Trust by May 1, 2014 and by such time the filing included the injured party's first and last name, date of birth, Social Security number and law firm (if applicable). Notwithstanding anything to the contrary herein, in order for the relevant statute of limitations for a NARCO Asbestos Trust Claim to be tolled based on a filing of the claim with the NARCO Asbestos Trust, it must meet the requirements set forth in the attached Supplemental Notice, dated November 7, 2016 (Attachment B).

4.1(b) Processing of Claims. As a general practice, the NARCO Asbestos Trust will review its claims files on a regular basis and notify all claimants whose claims are likely to come up in the Annual Contribution Claims Fund Processing Queue or the Pre-Established Claims Fund Processing Queue in the near future. To the extent that a delay of more than six (6) months exists between the date a claimant's proof of claim and supporting documentation are initially submitted to the NARCO Asbestos Trust and the date the NARCO Asbestos Trust anticipates reaching the claim in the Annual Contribution Claims Fund Processing Queue or Pre-Established Claims Fund Processing Queue, the NARCO Asbestos Trust shall provide the claimant with an opportunity to supplement or update his or her proof of claim form and supporting documentation to include information that was not previously available to the claimant at the time the proof of claim was originally filed.

Claims that were not filed against NARCO or Honeywell in the tort system or actually submitted to NARCO or Honeywell pursuant to an administrative settlement agreement

prior to the Petition Date, or against another defendant in the tort system prior to the Plan Filing Date, shall not be processed until after the Initial Claims Filing Date.

4.1(c) Payment of Claims. NARCO Asbestos Trust Claims other than Pre-Established Claims that have been liquidated by the Expedited Review Process as provided in Section 4.3(a) below, by the Individual Review Process as provided in Section 4.3(b) below, by arbitration as provided in Section 4.10 below, or in the tort system provided in Section 4.11 below, shall be placed in a payment queue (the ~~“Annual-Contribution-Claims Fund Payment Queue”~~) ~~to be~~ created by the NARCO Asbestos Trust based on the date their liquidation became final, and shall be paid from the ~~Annual-Contribution-Claims Fund described~~ NARCO Asbestos Trust Assets as set forth in Section 2.3(e)(i)(Aa) of the NARCO Asbestos Trust Agreement. All such payments shall also be subject to the Maximum Annual Payment, the Claims Payment Ratio and any applicable Payment Percentage, except as otherwise provided herein. Pre-Established Claims shall be liquidated pursuant to Section 4.2(a) below; and also placed in ~~a separate payment queue (the “Pre-Established~~ the ~~Claims Fund Payment Queue”)~~ ~~to be established pursuant to Section 4.2(a), and paid from the Pre-Established Claims Fund as provided in Section 2.3(e)(i)(B) of the NARCO Asbestos Trust Agreement.~~

In a case in which 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 offer by the claimant’s representative, any offer made by the NARCO Asbestos Trust on the claim shall remain open so long as proceedings before that court or in the probate process remain pending, provided that the NARCO Asbestos Trust has been furnished with evidence that the settlement offer has been submitted to such court or in the probate process for approval. If the offer is approved by the court or through the probate process

and accepted by the claimant's representative, the NARCO Asbestos Trust shall pay the claim in the amount so offered multiplied by the Payment Percentage, if applicable, in effect at the time the offer was first made. For purposes of placement in the ~~Annual Contribution Claims Fund Payment Queue or the Pre-Established~~ Claims Fund Payment Queue, the date of final liquidation shall be the date the claimant's representative accepts the offer approved by the court or probate process.

If any claims are liquidated on the same date, the claimant's position in the ~~appropriate payment queue~~ Claims Fund Payment Queue shall be determined by the date of the diagnosis of the claimant's asbestos-related disease. If any claims are liquidated on the same date and the respective claimant's diseases were diagnosed on the same date, the position of those claims in the ~~appropriate payment queue~~ Claims Fund Payment Queue shall be determined by the dates of the claimants' birth, with older claimants given priority over younger claimants.

4.2 Resolution of Pre-Established Claims.

4.2(a) Processing and Payment. ~~As soon as practicable after the Effective Date~~ After April 30, 2013, the NARCO Asbestos Trust paid or shall pay all NARCO Asbestos Trust Claims that are subject to (i) a binding settlement agreement, entered into with NARCO prior to the Petition Date for the particular claim, that was judicially enforceable by the claimant, (ii) a binding settlement agreement entered into with Honeywell after the Petition Date but prior to ~~the Effective Date of the NARCO Asbestos Trust~~ April 30, 2013 if the settlement agreement in question provides that the NARCO Asbestos Trust shall be responsible for

satisfying any/or all of the unpaid portion thereof,⁴² or (iii) by a judgment that became final and non-appealable prior to the Petition Date (collectively “**Pre-Established Claims**”).

Pre-Established Claims shall also include all NARCO Asbestos Trust Claims that were filed and served on NARCO or Honeywell as a defendant in the tort system prior to the Petition Date of January 4, 2002, based upon allegations that the claimant’s alleged asbestos-related injury arose, in whole or in part, from exposure to a NARCO asbestos-containing product.

Pre-Established Claims shall be processed in accordance with their order in the Pre-Established Claims Fund Processing Queue based on the date the NARCO Asbestos Trust receives either: (i) in the case of claims liquidated pursuant to a settlement agreement between the claimant and Honeywell after the Petition Date but before ~~the Effective Date~~ April 30, 2013, such documentation, if any, as may be required under the terms of the Agreement; or, (ii) in the case of all other Pre-Established Claims, a completed proof of claim form with all required documentation for the particular claim; provided, however, the amounts payable with respect to any Pre-Established Claim shall not be subject to nor taken into account in consideration of the Maximum Annual Payment, the Claims Payment Ratio, or the Payment Percentage, if any.

In the case of claims liquidated pursuant to settlement agreements between claimants and Honeywell after the Petition Date but before ~~the Effective Date~~ April 30, 2013 that provide that the NARCO Asbestos Trust shall be responsible for satisfying the unpaid

⁴² To avoid confusion, “Pre-Established Claims” include all claims subject to such settlement agreements with Honeywell, regardless of whether (i) the settlement agreement itself fixes or liquidates a specific amount the claimant is to receive from the NARCO Asbestos Trust, or (ii) the settlement agreement entitles the claimant to file a NARCO Asbestos Trust Claim to be liquidated by the NARCO Asbestos Trust in accordance with all relevant provisions of this TDP. So long as a claim is subject to a binding settlement agreement, entered into with Honeywell after the Petition Date but prior to ~~the Effective Date~~ April 30, 2013, that claim is a Pre-Established Claim.

portion thereof, Honeywell ~~shall facilitate the processing of such claims by providing~~has provided the NARCO Asbestos Trust with the name of each claimant covered by each such agreement, his or her Social Security number, the name and address of the claimant's law firm, and the nature of the claimant's alleged asbestos-related disease. Honeywell ~~shall~~has also ~~advise~~advised the NARCO Asbestos Trust as to whether the settlement agreement fixes a specific amount that the NARCO Asbestos Trust is obligated to pay the claimant or whether the claim must be liquidated by the NARCO Asbestos Trust pursuant to all relevant provisions of this NARCO Asbestos TDP. NARCO and/or Honeywell ~~shall~~has also ~~provide~~provided the NARCO Asbestos Trust with comparable information concerning any binding settlement agreements it entered into with claimants holding NARCO Asbestos Trust Claims prior to the Petition Date, as well as any NARCO Asbestos Trust Claims that were filed and served on it, or tried to final judgment, prior to the Petition Date. The NARCO Asbestos Trust shall ~~in turn provide Honeywell with all documentation submitted for each Pre-Established Claim identified by the Trust pursuant to Section 4.1(a)(1) above, following which Honeywell shall screen the claim and, within forty-five (45) days of receipt of the documentation, advise the NARCO Asbestos Trust~~screen each Pre Established Claim and determine whether the claim qualifies for payment in an amount fixed in a settlement agreement with ~~it~~Honeywell or NARCO, or in a final judgment against NARCO, and thus should be placed immediately in the ~~Pre-Established~~ Claims Fund Payment Queue, or whether the claim is unliquidated, and thus should be processed and liquidated in accordance with all relevant provisions of this NARCO Asbestos TDP, including Section 4.3 below, and if qualified for payment, placed in the ~~Pre-Established~~ Claims Fund Payment Queue; provided, however, that if the information provided to the NARCO Asbestos Trust by Honeywell pursuant to the provisions

of the prior paragraph establishes that a claim should be immediately placed in the ~~Pre-
Established~~ Claims Fund Payment Queue, such claim shall not require any further review ~~by
Honeywell~~ and shall be placed immediately in the ~~Pre-Established~~ Claims Fund Payment
Queue. In any event, all NARCO Asbestos Trust Claims in the ~~Pre-Established~~ Claims Fund
Payment Queue shall be paid solely from the ~~Pre-Established~~ Claims Fund ~~provided by
Honeywell pursuant to Section 2.3(c)(i)(B) of the NARCO Asbestos Trust Agreement.~~

Any dispute between a claimant and the NARCO Asbestos Trust ~~and/or
Honeywell~~ as to whether a claim is a Pre-Established Claim and/or the amount of its liquidated
value shall be resolved by binding or non-binding arbitration pursuant to Section 4.10 below.
Any such dispute not resolved by non-binding arbitration may be resolved in the tort system as
provided in Sections 4.11 and 6.6 below. ~~Any dispute between the Trust and Honeywell over
whether a claim is a Pre-Established Claim and/or the amount of its liquidated value shall
be subject to the dispute resolution procedures set forth in Section 8.14 of the NARCO
Asbestos Trust Agreement.~~

If any Pre-Established Claims are filed with the NARCO Asbestos Trust on the
same date, the claimant's position in the Pre-Established Claims Fund Processing Queue shall be
determined by the date the claim was established by a final judgment, or by a settlement
agreement with NARCO or Honeywell, or by its filing and service on Honeywell or NARCO in
the tort system prior to the Petition Date. If any such claims were filed or established on the
same date, the position of those claims in the Pre-Established Claims Fund Processing Queue
shall be determined by the date of claimant's first diagnosis of an asbestos-related disease, with
priority given to the earlier diagnosis. If any such claims were diagnosed and filed or established
on the same date, the position of those claims in the Pre-Established Claims Fund Processing

Queue shall be determined by the claimants' date of birth, with priority given to older claimants over younger claimants.

4.2(b) Marshalling of Security. Holders of Pre-Established Claims that are secured by letters of credit, appeal bonds, or other security or sureties shall first exhaust their rights against any applicable security or surety before making a claim against the NARCO Asbestos Trust. Only in the event that such security or surety is insufficient to pay the Pre-Established Claim in full shall the deficiency be processed and paid as a Pre-Established Claim.

4.3 Resolution of Unliquidated NARCO Asbestos Trust Claims.

Claimants seeking resolution of unliquidated NARCO Asbestos Trust Claims, including any Pre-Established Claim that is required by the terms of the relevant settlement agreement between the claimant and Honeywell to be liquidated by the NARCO Asbestos Trust in accordance with the provisions of this NARCO Asbestos TDP, must first file a proof of claim form, together with the required supporting documentation, in accordance with the provisions of Sections 5.1 and 5.2 below. ~~Within six months after the establishment of the~~The NARCO Asbestos Trust, ~~in consultation with Honeywell, the NARCO Asbestos TAC, and the NARCO Asbestos Future Claimants Representative, the NARCO Asbestos Trust shall adopt~~ internal operating procedures ~~for the purposes of implementing the Plan, the NARCO Asbestos Trust Agreement, and this NARCO Asbestos TDP, which shall include internal deadlines for processing all unliquidated NARCO Asbestos Trust Claims. It is anticipated that such procedures shall~~ contemplate that the NARCO Asbestos Trust will provide each claimant with a response within six (6) to nine (9) months of receiving a complete proof of claim submission.

The proof of claim form ~~shall require~~requires the claimant to assert his or her NARCO Asbestos Trust Claim for the highest Disease Level for which the claim qualifies at the time of filing. Irrespective of the Disease Level alleged on the proof of claim form, all claims filed with the NARCO Asbestos Trust shall be deemed to be a claim for the highest Disease Level for which the claim qualifies at the time of filing, with all lower Disease Levels for which the claim then qualifies or may qualify in the future subsumed into the higher Disease Level for both processing and payment purposes.

Upon filing of a valid proof of claim form with the required supporting documentation, the claim shall be placed in the relevant processing queue in accordance with the ordering criteria described in Sections 4.1(a) and 4.2(a) above, and shall be liquidated under the NARCO Asbestos Trust's Expedited Review Process described in Section 4.3(a) below, the NARCO Asbestos Trust's Individual Review Process described in Section 4.3(b) below, arbitration described in Section 4.10 below, or litigation as described in Section 6.6 below.

4.3(a) Expedited Review Process.

4.3(a)(1) In General. The NARCO Asbestos Trust's Expedited Review Process is designed primarily to provide an expeditious, efficient and inexpensive method for liquidating all claims that can easily be verified by the NARCO Asbestos Trust as meeting the presumptive Medical/Exposure Criteria for the relevant Disease Level. Expedited Review thus provides claimants with a substantially less burdensome process for pursuing NARCO Asbestos Trust Claims than does the Individual Review Process described in Section 4.3(b) below. Expedited Review is also intended to provide qualifying claimants a fixed and certain claims payment. Thus, claims that undergo Expedited Review and meet the presumptive Medical/Exposure Criteria for the relevant Disease Level shall be paid the

applicable Scheduled Value for such Disease Level set forth in Section 4.3(a)(3) below.

However, all claims liquidated by Expedited Review shall be subject to the Maximum Annual Payment, the Claims Payment Ratio and the Payment Percentage, if any. Notwithstanding anything contained herein, Lung Cancer 2 (Disease Level V), Secondary Exposure, Exigent, Extraordinary and Foreign Claims, as defined below, may only be liquidated pursuant to the Individual Review Process described in Section 4.3(b) below.

4.3(a)(2) Claims Processing Under Expedited Review. All

claimants seeking liquidation of their claims pursuant to Expedited Review shall file the proof of claim form adopted by the NARCO Asbestos Trust. As an eligible proof of claim form is reached in the relevant processing queue, the NARCO Asbestos Trust shall: (1) determine whether the claim described therein meets the Medical/Exposure Criteria for one of the six Disease Levels eligible for Expedited Review, and, if it does, determine its Scheduled Value; and (2) advise the claimant of its determination. If the NARCO Asbestos Trust determines that a claimant should be offered the Scheduled Value, the NARCO Asbestos Trust shall tender to the claimant an offer of payment of the determined Scheduled Value, together with a form of release approved by the NARCO Asbestos Trust. If the claimant accepts the offer of payment and returns the release properly executed, the claim shall be placed in the **relevant payment queue**Claims Fund Payment Queue, following which the Trust shall disburse payment subject to the limitations of the Maximum Annual Payment, Claims Payment Ratio and the Payment Percentage, if applicable.

4.3(a)(3) Disease Levels, Scheduled Values, and

Medical/Exposure Criteria. The seven Disease Levels covered by this NARCO Asbestos TDP, together with the Medical/Exposure Criteria for each and the Scheduled Values for the six

Disease Levels eligible for Expedited Review are set forth below. Because claimants seeking recovery from the NARCO Asbestos Trust who fall within Disease Level V may not undergo Expedited Review and must undergo Individual Review, no Scheduled Value is provided.

| Disease Level | Scheduled Value | Medical/Exposure Criteria |
|--------------------------|------------------------|---|
| Mesothelioma (Level VII) | \$75,000 ²³ | (1) Diagnosis of mesothelioma; and (2) the requisite ³⁴ evidence of exposure to a specific asbestos- containing product manufactured or distributed by NARCO or its predecessors. |
| Lung Cancer 1 (Level VI) | \$18,000 | (1) Diagnosis of a primary lung cancer plus evidence of an underlying Bilateral Asbestos Related Nonmalignant Disease ⁴⁵ , (2) the requisite evidence of occupational exposure to a specific asbestos-containing product manufactured or distributed by NARCO or its |

²³ The requirements for a diagnosis of an asbestos-related disease that may be compensated under the provisions of this [NARCO Asbestos](#) TDP are set forth in Section 4.7 below.

³⁴ “**Requisite evidence of exposure**” means evidence which satisfies all of the criteria of Section 4.7(b) below.

⁴⁵ Evidence of “**Bilateral Asbestos-Related Nonmalignant Disease**” for purposes of meeting the criteria for establishing Disease Levels I, II, IV and VI, means either (i) a chest X-ray read by a NIOSH certified B reader of 1/0 or higher on the ILO scale or (ii) (x) a chest X-ray read by a NIOSH certified B reader, (y) a CT scan read by a qualified physician, or (z) pathology, in each case showing either bilateral interstitial fibrosis, bilateral pleural plaques, bilateral pleural thickening, or bilateral pleural calcification. Solely for claims filed against NARCO, Honeywell, or another asbestos defendant in the tort system prior to the Petition Date, if an ILO reading is not available, either (i) a chest X-ray or a CT scan read by a qualified physician, or (ii) pathology, in each case showing either bilateral interstitial fibrosis, bilateral pleural plaques, bilateral pleural thickening, or bilateral pleural calcification consistent with or compatible with a diagnosis of asbestos-related disease, shall be evidence of a Bilateral Asbestos-Related Nonmalignant Disease for purposes of meeting the presumptive medical requirements of Disease Levels I, II, IV, and VI. Pathological evidence of asbestosis may be based on the pathological grading system for asbestosis described in the Special Issue of the Archives of Pathology and Laboratory Medicine, “Asbestos-associated Diseases,” Vol. 106, No. 11, App. 3 (October 8, 1982).

predecessors, (3) Significant Occupational Exposure to asbestos,⁵⁶ and (4) supporting medical documentation establishing asbestos exposure as a contributing factor in causing the lung cancer in question.

Lung Cancer 2 (Level V)

None

(1) Diagnosis of a primary lung cancer; (2) the requisite evidence of occupational exposure to a specific asbestos-containing product manufactured or distributed by NARCO or its predecessors, and (3) supporting medical documentation establishing asbestos exposure as a contributing factor in causing the lung cancer in question.

Lung Cancer 2 (Level V) claims are claims that do not meet the more stringent medical and/or exposure requirements of Lung Cancer (Level VI) claims. All claims in this Disease Level will be individually evaluated. The estimated likely average of the individual evaluation awards for this category is ~~\$15,000~~^{18,650}, with such awards capped at ~~\$50,000~~^{62,165}, unless the claim qualifies for Extraordinary Claim treatment (discussed in Section 4.4(a) below).

Level V claims that show no evidence of either an

⁵⁶ Significant Occupational Exposure” is defined in Section 4.7(b)(2) below.

underlying Bilateral Asbestos-Related Non-malignant Disease or Significant Occupational Exposure may be individually evaluated, although it is not expected that such claims will be treated as having any significant value, especially if the claimant is also a Smoker.⁶⁷ In any event, no presumption of validity will be available for any claims in this category.

Other Cancer (Level IV) \$9,000

(1) Diagnosis of a primary colorectal, laryngeal, esophageal, pharyngeal, or stomach cancer, plus evidence of an underlying Bilateral Asbestos-Related Nonmalignant Disease, (2) the requisite evidence of occupational exposure to a specific asbestos-containing product manufactured or distributed by NARCO or its predecessors, (3) Significant Occupational Exposure, and (4) supporting medical documentation establishing asbestos exposure as a contributing factor in causing the other cancer in question.

Severe Asbestosis (Level III) \$18,000

(1) Diagnosis of asbestosis with ILO of 2/1 or greater, or asbestos is determined by

⁶⁷ There is no distinction between Non-Smokers and Smokers for either Lung Cancer 1 (Level VI) or Lung Cancer 2 (Level V), although a claimant who meets the more stringent requirements of Lung Cancer 1 (Level VI) (evidence of an underlying Bilateral Asbestos-Related Nonmalignant Disease plus Significant Occupational Exposure), and who is also a Non-Smoker, may wish to have his or her claim individually evaluated by the NARCO Asbestos Trust. In such a case, it is anticipated that the liquidated value of the claim might well exceed the Scheduled Values for Lung Cancer 1 (Level VI) shown above. “**Non-Smoker**” means a claimant who either (a) never smoked or (b) has not smoked during any portion of the twelve (12) years immediately prior to the diagnosis of the lung cancer.

| | | |
|---------------------------------------|---------|---|
| | | <p>pathological evidence of asbestos, plus (a) TLC less than 65%, or (b) FVC less than 65% plus FEV1/FVC ratio greater than 65%, (2) the requisite evidence of occupational exposure to a specific asbestos-containing product manufactured or distributed by NARCO or its predecessors, (3) Significant Occupational Exposure to asbestos, and (4) supporting medical documentation establishing asbestos exposure as a contributing factor in causing the pulmonary disease in question.</p> |
| Asbestosis/Pleural Disease (Level II) | \$7,500 | <p>(1)(a) Diagnosis of a Bilateral Asbestos-Related Nonmalignant Disease, and (b) TLC less than 80%, or FVC less than 80% plus FEV1/FVC ratio greater than or equal to 65%, and (2) the requisite evidence of occupational exposure to a specific asbestos-containing product manufactured or distributed by NARCO or its predecessors, (3) Significant Occupational Exposure to asbestos, and (4) supporting medical documentation establishing asbestos exposure as a contributing factor in causing the pulmonary disease in question.</p> |
| Other Asbestos Disease (Level I) | \$1,200 | <p>(1) Diagnosis of a Bilateral Asbestos-Related Nonmalignant Disease, (2) the requisite evidence of occupational exposure to a</p> |

specific asbestos-containing product manufactured or distributed by NARCO or its predecessors, and (3) five years cumulative occupational exposure to asbestos.

4.3(b) Individual Review Process.

4.3(b)(1) Individual Review Process Application. The

NARCO Asbestos Trust's Individual Review Process provides a claimant with an opportunity for individual consideration and evaluation of a NARCO Asbestos Trust Claim, which meets the presumptive Medical/Exposure Criteria for Disease Levels III – VII where the claimant has extenuating circumstances that he or she believes warrant a liquidated value above the applicable Scheduled Value.

Claims that do not meet the presumptive Medical Criteria for a Disease Level set forth above, but that do involve a significant asbestos-related medical condition, may also undergo Individual Review upon submission by the claimant of a physician's report describing the claimant's medical condition in detail, together with such other supporting evidence, such as findings of experts, that establishes the existence of the medical condition. For example, a significant medical condition would include any asbestos-related medical condition which caused or contributed to the death of the claimant and/or for which surgery has been or will be required, as well as an asbestos-related medical condition such as significant pleural encasement or Cor Pulmonale. Such claimants must still submit requisite evidence of exposure.

Any dispute between a claimant and the NARCO Asbestos Trust as to the existence and/or significance of the claimant's asbestos-related medical condition shall be

subject to arbitration pursuant to Section 4.10 below, which process may include further review of the claim by an independent panel of medical experts, and litigation in the tort system pursuant to Section 4.11 below. In the event that the claimant establishes a significant asbestos-related medical condition pursuant to this provision, the claimant shall be paid the Scheduled Value for the most comparable Disease Level set forth above. The NARCO Asbestos Trust may offer up to the Maximum Value for the most comparable Disease Level under Section 4.4(a) to such claimants who qualify under Section 4.4(a) for treatment as Extraordinary Claims.

The Individual Review Process is intended to result in payments equal to the full liquidated value for each qualifying claim; however, the liquidated value of any NARCO Asbestos Trust Claim that undergoes Individual Review may be determined to be less than the Scheduled Value the claimant would have received under Expedited Review. Moreover, the liquidated value for a claim involving Disease Levels III – VII shall not exceed the applicable Maximum Value for the relevant Disease Level set forth in Section 4.3(b)(3) below, unless the claim meets the requirements of an Extraordinary Claim described in Section 4.4(a) below, in which case its liquidated value cannot exceed the applicable maximum extraordinary value set forth in that provision for such claims. Because the detailed examination and valuation process pursuant to Individual Review requires substantial time and effort, claimants who undergo the Individual Review Process will necessarily be paid the liquidated value of their NARCO Asbestos Trust Claims later than would have been the case had the claimant elected or been eligible for the Expedited Review Process.

In reviewing Foreign Claims, the NARCO Asbestos Trust shall take into account all relevant procedural and substantive legal rules to which the claims would be subject in the Claimant's Jurisdiction as defined in Section 4.3(b)(2) below. The NARCO Asbestos Trust shall

determine the liquidated value of Foreign Claims based on historical settlements and verdicts in the Claimant's Jurisdiction as well as the other valuation factors set forth in Section 4.3(b)(2) below. Because NARCO Asbestos Trust Claims of individuals exposed in Canada who were resident in Canada when such claims were filed were routinely litigated and resolved in the courts of the United States, and because the resolution history of these claims has been included in developing the Expedited Review Process, such claims will not be considered Foreign Claims hereunder and will be eligible for liquidation under the Expedited Review Process.⁷

A "**Foreign Claim**," therefore, is a NARCO Asbestos Trust Claim with respect to which the claimant's exposure to an asbestos-containing product for which NARCO has legal responsibility occurred outside of the United States and its Territories and Possessions, and outside of the Provinces and Territories of Canada. Foreign claims may only be considered through the Individual Review Process.

For purposes of the Individual Review Process for Foreign Claims, the Trustees, with the consent of the NARCO Asbestos TAC, ~~Honeywell~~ and the NARCO Asbestos Future Claimants Representative, may develop separate Medical/Exposure Criteria and standards, as well as separate requirements for physician and other professional qualifications, which shall be applicable to all Foreign Claims channeled to the NARCO Asbestos Trust; provided however, that such criteria, standards or requirements shall not effectuate substantive changes to the claims eligibility requirements under this NARCO Asbestos TDP, but rather shall be made only for the purpose of adapting those requirements to the particular licensing provisions and/or medical customs or practices of the foreign country in question.

⁷ ~~Foreign claims may only be considered through the Individual Review Process.~~

At such time as the NARCO Asbestos Trust has sufficient historical settlement, verdict and other valuation data for claims from a particular foreign jurisdiction, the Trustees, with the consent of the NARCO Asbestos TAC, ~~Honeywell~~, and the NARCO Asbestos Future Claimants Representative, may also establish a separate valuation matrix for any such claims based on that data.

The medical/exposure evidence relating to Foreign Claims shall be processed and reviewed, and the liquidated value of such claims shall be determined, only pursuant to the Individual Review Process. Foreign Claims liquidated through Individual Review shall not be considered by the Trustees in determining the Trust's adherence to Overall Average Values.

4.3(b)(2) Valuation Factors to be Considered in Individual Review. The NARCO Asbestos Trust shall liquidate the value of each Individual Review claim based on factors that affect the severity of damages and values within the tort system including, but not limited to (i) the degree to which the characteristics of a claim differ from the presumptive Medical/Exposure Criteria for the Disease Level in question; provided, however, that all claimants, including those that choose the Individual Review Process, must provide requisite evidence of occupational exposure to a specific asbestos-containing product manufactured, sold or distributed by NARCO or its predecessors; (ii) factors such as the claimant's age, disability, employment status, disruption of household, family or recreational activities, dependencies, special damages, and pain and suffering; (iii) evidence that the claimant's damages were (or were not) caused by asbestos exposure, including exposure to asbestos-containing products manufactured or distributed by NARCO or its predecessors (for example, alternative causes, type of medical evidence, and type of documentation of injuries); (iv) the industry of exposure and other factors discussed in Section 4.7(b) below, including

whether NARCO's business records demonstrate the presence of a specific NARCO asbestos-containing product at the claimant's jobsite; and (v) settlements and verdicts and the claimant's and other law firms' experience in the Claimant's Jurisdiction (as defined below) for similarly situated claims only.

For these purposes, the "**Claimant's Jurisdiction**" is the jurisdiction in which the claimant's complaint specifically naming NARCO and/or Honeywell was pending (if at all) against NARCO or Honeywell in the tort system prior to the Petition Date. If the claim was not pending against NARCO and/or Honeywell as a named party in the tort system prior to the Petition Date, the Claimant's Jurisdiction is either (i) the jurisdiction in which the claimant was allegedly exposed to a NARCO asbestos-containing product, or (ii) the jurisdiction in which the claimant resides at the time the claim is filed with the NARCO Asbestos Trust. The NARCO Asbestos Trust shall also take the quality and persuasiveness of the claimant's exposure evidence into account in reaching any liquidated value for each claim liquidated through the Individual Review Process.

With respect to the Claimant's Jurisdiction, in the event a personal representative or authorized agent makes a claim under the NARCO Asbestos TDP for wrongful death arising under the Alabama Wrongful Death Statute with respect to which the Claimant's Jurisdiction as defined above could only be the State of Alabama, the Claimant's Jurisdiction for such claim shall be the Commonwealth of Pennsylvania, and such claimant's damages shall be evaluated by the NARCO Asbestos Trust pursuant to the statutory and common laws of the Commonwealth of Pennsylvania without regard to its choice of law principles. The choice of law provision in Section 7.4 herein applicable to any claim with respect to which, but for this choice of law provision, the applicable law of the Claimant's Jurisdiction pursuant to this Section 4.3(b)(2) is

determined to be the Alabama Wrongful Death Statute, shall only govern the rights between the NARCO Asbestos Trust and the claimant.

4.3(b)(3) Scheduled, Overall Average ~~Values~~ and Maximum Values.

The Scheduled Value, Overall Average ~~Values~~Value and Maximum ~~Values~~Value for all claims involving Disease Levels III-VII that are not Foreign Claims or Extraordinary Claims as defined in Section 4.4(a) below are the following:

| <u>Scheduled Disease</u> | <u>Scheduled Values<u>Value</u></u> | <u>Overall</u> Average <u>Value</u> ⁸ | <u>Maximum Value</u> |
|---------------------------------------|--|---|---|
| Mesothelioma (Level VII) | | | \$1,000,000 <u>1,243,314</u> |
| | \$75,000 | \$200,000 <u>115,000</u> | |
| Lung Cancer 1 (Level VI) | \$18,000 | \$50,000 <u>31,100</u> | \$200,000 <u>248,663</u> |
| Lung Cancer 2 (Level V) | None | \$15,000 <u>18,650</u> | \$50,000 <u>62,165</u> |
| Other Cancer (Level IV) | \$9,000 | \$25,000 <u>13,300</u> | \$100,000 <u>124,331</u> |
| Severe Asbestosis (Level III) | \$18,000 | \$50,000 <u>26,300</u> | \$100,000 <u>124,331</u> |
| Asbestosis/Pleural Disease (Level II) | \$ 7,500 | None | None |
| Other Asbestosis Disease (Level I) | \$ 1,200 | None | None |

4.3(b)(4) Claims Processing Under Individual Review. At

the conclusion of the Individual Review Process, the NARCO Asbestos Trust shall: (1) determine the liquidated value, if any, of the claim; and (2) advise the claimant of its

⁸ The Trustees, ~~in evaluating these~~ shall use their reasonable best efforts to ensure that the NARCO Asbestos Trust ~~Claims, shall use their best efforts such that the amounts offered through~~ processes claims such that (i) over time the average of settlements at the Scheduled Values and those resulting from the Individual Review Process for those Disease Levels that are eligible for Individual Review of their liquidated values (other than Foreign Claims and Extraordinary Claims) approximate the Overall Average Values set forth in Section 4.3(b)(3) for each such Disease Level ~~shall annually arithmetically average the "Average Value" per claim set forth herein. However, in, or (ii) aggregate payments in a given year approximate or fall below the Trust Cash Flow Model. In~~ making the determination of whether the ~~amounts offered for claims processed through Individual Review arithmetically average such "of settlements approximate the Overall~~ Average Value ~~Values,~~ the NARCO Asbestos Trust ~~shall exclude from its computations any amounts that were at or below the Scheduled Value for the relevant Disease Levels of such claims, but~~ shall include all amounts awarded to claimants pursuant to the arbitration procedures described in Section 4.10 below.

determination. If the NARCO Asbestos Trust establishes a liquidated value, it shall tender to the claimant an offer of payment of the aforementioned determined value, together with a form of release approved by the NARCO Asbestos Trust. If the claimant accepts the offer of payment and returns the release properly executed, the claim shall be placed in the ~~appropriate payment queue~~Claims Fund Payment Queue, following which the NARCO Asbestos Trust shall disburse payment subject to the limitations of the Maximum Annual Payment, Claims Payment Ratio and applicable Payment Percentage, if any.

4.4 Categorizing Claims as Extraordinary and/or Exigent.

4.4(a) Extraordinary Claims. “Extraordinary Claim” means a NARCO Asbestos Trust Claim that otherwise satisfies the Medical/Exposure Criteria for Disease Levels III- VII, and that is held by a claimant whose exposure to asbestos (i) occurred primarily as a result of working in a manufacturing facility of NARCO or its predecessors during a period in which NARCO was manufacturing asbestos containing products at that facility, provided that the claim is a tort claim that is not otherwise barred pursuant to a statutory workers’ compensation program, or (ii) was at least 75% the result of exposure to a specific asbestos- containing product manufactured or distributed by NARCO or its predecessors and there is little likelihood of a substantial recovery elsewhere. All such Extraordinary Claims shall be presented for Individual Review and, if valid, shall be entitled to an award of up to a maximum extraordinary value of three (3) times the applicable Maximum Value for claims qualifying for Disease Levels III – VII. An Extraordinary Claim, following its liquidation, shall be placed in the ~~appropriate payment queue~~Claims Fund Payment Queue ahead of all other liquidated claims payable except Exigent Claims, as defined in Section 4.4 below, subject to the Maximum Annual Payment, Claims Payment Ratio, and Payment Percentage, if any described above.

4.4(b) Exigent Claims. At any time the NARCO Asbestos Trust may liquidate and pay certain NARCO Asbestos Trust Claims that qualify as Exigent Health and Hardship Claims, as defined below (collectively, “**Exigent Claims**”). Such claims shall be considered separately under the Individual Review Process no matter what the order of processing otherwise would have been under this NARCO Asbestos TDP, subject to the application of the Claims Payment Ratio set forth in Section 2.4. An Exigent Claim, following its liquidation, shall be placed at the head of the ~~appropriate payment queue~~ Claims Fund Payment Queue for purposes of payment, subject to the Maximum Annual Payment, the Claims Payment Ratio and the applicable Payment Percentage, if any, described above.

4.4(b)(1) Exigent Health Claims. A claim qualifies as an Exigent Health Claim if the claim meets the Medical/Exposure Criteria for Severe Asbestosis (Disease Level III) or an asbestos-related malignancy (Disease Levels IV-VII), and the claimant provides a declaration or affidavit made under penalty of perjury by a physician who has examined the claimant within one hundred twenty (120) days of the date of declaration or affidavit in which the physician states (a) that there is substantial medical doubt that the claimant will survive beyond six months from the date of the declaration or affidavit, and (b) that the claimant’s terminal condition is caused by the relevant asbestos-related disease.

4.4(b)(2) Exigent Hardship Claims. A NARCO Asbestos Trust Claim qualifies for payment as an Exigent Hardship Claim if the claim meets the Medical/Exposure Criteria for Severe Asbestosis (Disease Level III) or an asbestos-related malignancy (Disease Levels IV-VII), and the NARCO Asbestos Trust, in its sole discretion, determines (a) that the claimant needs financial assistance on an immediate basis based on the

claimant's expenses and all sources of available income, and (b) that there is a causal connection between the claimant's dire financial condition and the claimant's asbestos-related disease.

4.5 Secondary Exposure Claims. If a claimant alleges an asbestos-related disease resulting solely from exposure to an occupationally exposed person, such as a family member, the claimant shall seek Individual Review of his or her claim pursuant to Section 4.3(b) above. In such a case, the claimant must establish that the occupationally exposed person would have met the exposure requirements under this NARCO Asbestos TDP that would have been applicable had that person filed a direct claim against the NARCO Asbestos Trust. In addition, the claimant with secondary exposure must establish that he or she is suffering from one of the seven Disease Levels described in Section 4.3(a)(3) above, that his or her asbestos-related disease was caused by exposure through the occupationally exposed person to asbestos containing product produced by NARCO or its predecessors, and that his or her exposure to the occupationally exposed person occurred within the same time frame as the occupationally exposed person was exposed to NARCO product. The proof of claim form ~~to be~~ adopted by the NARCO Asbestos Trust ~~shall contain~~contains an additional section for such Secondary Exposure Claims. All other liquidation and payment rights and limitations under this NARCO Asbestos TDP shall be applicable to such claims.

4.6 Indirect NARCO Asbestos Trust Claims. Indirect NARCO Asbestos Trust Claims, (i.e., Indirect Asbestos Trust Claims asserted against the NARCO Asbestos Trust) shall be treated as presumptively valid and paid by the NARCO Asbestos Trust, subject to the Maximum Annual Payment, Claims Payment Ratio, and the applicable Payment Percentage, if any, if (a) such claim satisfied the requirements of the Bar Date established by the Bankruptcy Court for NARCO claims, if applicable, and is not otherwise disallowed by Section 502(e) or

subordinated by Section 509(c) of the Code, and (b) the holder of such claim (the “**Indirect Asbestos Trust Claimant**”) establishes to the satisfaction of the Trustees that (i) the Indirect Asbestos Trust Claimant has paid in full the liability and obligations of the NARCO Asbestos Trust to the individual to whom the NARCO Asbestos Trust would otherwise have had a liability or obligation under this NARCO Asbestos TDP (the “**Direct Claimant**”), (ii) the Direct Claimant and the Indirect Claimant have forever and fully released the NARCO Asbestos Trust from all liability to the Direct Claimant, and (iii) the claim is not otherwise barred by a statute of limitation or repose or by other applicable law. In no event shall any Indirect Asbestos Trust Claimant have any rights against the NARCO Asbestos Trust superior to the rights of the related Direct Claimant against the NARCO Asbestos Trust, including any rights with respect to the timing, amount or manner of payment. In addition, no Indirect NARCO Asbestos Trust Claim may be liquidated or paid in an amount that exceeds what the Indirect Asbestos Trust Claimant has actually paid the Direct Claimant.

To establish a presumptively valid Indirect NARCO Asbestos Trust Claim, the Indirect Asbestos Trust Claimant’s aggregate liability for the Direct Claimant’s claim must also have been fixed, liquidated and paid fully by the Indirect Asbestos Trust Claimant by settlement (with an appropriate full release in favor of the NARCO Asbestos Trust) or a Final Order (as defined in the Plan) provided that such claim is valid under the applicable state law. In any case where the Indirect Asbestos Trust Claimant has paid the claim of a Direct Claimant against the NARCO Asbestos Trust under applicable law by way of a settlement, the Indirect Asbestos Trust Claimant shall obtain for the benefit of the NARCO Asbestos Trust a release in form and substance satisfactory to the Trustees.

If an Indirect Asbestos Trust Claimant cannot meet the presumptive requirements set forth above, including the requirement that the Indirect Asbestos Trust Claimant provide the NARCO Asbestos Trust with a full release of the Direct Claimant's claim, the Indirect Asbestos Trust Claimant may request that the NARCO Asbestos Trust review the Indirect NARCO Asbestos Trust Claim under its Individual Review Process to determine whether the Indirect Asbestos Trust Claimant can establish under applicable state law that the Indirect Asbestos Trust Claimant has paid a liability or obligation that the NARCO Asbestos Trust would otherwise have to the Direct Claimant under this NARCO Asbestos TDP. If the Indirect Asbestos Trust Claimant can show that it has paid such a liability or obligation, the NARCO Asbestos Trust shall reimburse the Indirect Asbestos Trust Claimant the amount of the liability or obligation so satisfied, times the then applicable Payment Percentage, if any. However, in no event shall such reimbursement to the Indirect Asbestos Trust Claimant be greater than the amount to which the Direct Claimant would have otherwise been entitled under this NARCO Asbestos TDP. Further, the liquidated value of any Indirect NARCO Asbestos Trust Claim paid by the NARCO Asbestos Trust to an Indirect Claimant shall be treated as an offset to or reduction of the full liquidated value of any NARCO Asbestos Trust Claim that might be subsequently asserted by the Direct Claimant against the NARCO Asbestos Trust.

The NARCO Asbestos Trust shall also process, liquidate and pay Indirect NARCO Asbestos Trust Claims that have been specifically channeled to the NARCO Asbestos Trust pursuant to express provisions of the Plan. In such a case, the NARCO Asbestos Trust shall consider the particular contract or other legal basis upon which the claim has been asserted, as well as whether the claim has been channeled to the NARCO Asbestos Trust under the terms of the Plan. If the NARCO Asbestos Trust determines that the claim is valid, the NARCO

Asbestos Trust shall pay the Indirect Asbestos Trust Claimant the full liquidated value of the claim, multiplied by the applicable Payment Percentage, if any. All payments of Indirect NARCO Asbestos Trust Claims shall be subject to the Maximum Annual Payment and the Claims Payment Ratio.

Any dispute between the NARCO Asbestos Trust and an Indirect Asbestos Trust Claimant over whether the Indirect Asbestos Trust Claimant has a right to reimbursement for any amount paid to a Direct Claimant shall be subject to the ADR procedures provided in Section 4.10 below. If such dispute is not resolved by said ADR procedures, the Indirect Asbestos Trust Claimant may litigate the dispute in the tort system pursuant to Sections 4.11 and 6.6 below.

~~The Trustees may develop and approve a~~ separate proof of claim form exists for Indirect NARCO Asbestos Trust Claims. Indirect NARCO Asbestos Trust Claims that have not been disallowed, discharged, or otherwise resolved by prior order of the Bankruptcy Court shall be processed in accordance with procedures ~~to be developed and~~that have been implemented by the Trustees consistent with the provisions of this Section 4.6, which procedures (a) ~~shall~~ determine the validity, allowability and enforceability of such claims; and (b) ~~shall~~ otherwise provide the same liquidation and payment procedures and rights to the holders of such claims as the NARCO Asbestos Trust would have afforded the holders of the underlying valid NARCO Asbestos Trust Claims.

Nothing in this NARCO Asbestos TDP is intended to preclude a trust to which asbestos- related liabilities are channeled from asserting an Indirect NARCO Asbestos Trust Claim against the NARCO Asbestos Trust subject to the requirements set forth herein.

4.7 Evidentiary Requirements.

4.7(a) Medical Evidence.

4.7(a)(1) In General. All diagnoses of a Disease Level shall be accompanied by either (i) a statement by the physician providing the diagnosis that at least 10 years have elapsed between the date of first exposure to asbestos or asbestos-containing products and the diagnosis, or (ii) a history of the claimant's exposure sufficient to establish a 10-year latency period. A finding by a physician that a claimant's disease is "consistent with" or "compatible with" asbestosis will not alone be treated by the NARCO Asbestos Trust as a diagnosis.

4.7(a)(1)(A) Disease Levels I-III. Except for claims filed against NARCO or Honeywell and claims filed against other defendants in the tort system prior to the Petition Date, all diagnoses of a non-malignant asbestos-related disease (Disease Levels I-III) shall be based in the case of a claimant who was living at the time the claim was filed, upon a physical examination of the claimant by the physician providing the diagnosis of the asbestos-related disease. In addition, all living claimants must provide (i) for Disease Levels I-II, evidence of Bilateral Asbestos-Related Nonmalignant Disease (as defined in Footnote 4 above); (ii) for Disease Level III, an ILO reading of 2/1 or greater or pathological evidence of asbestosis; and (iii) for Disease Levels II and III, pulmonary function testing.

In the case of a claimant who was deceased at the time the claim was filed, all diagnoses of a non-malignant asbestos-related disease (Disease Levels I-III) shall be based on (i) either (a) a physical examination of the claimant by the physician providing the diagnosis of the asbestos-related disease; (b) pathological evidence of the non-malignant asbestos-related disease; or (c) in the case of Disease Levels I-II, evidence of Bilateral Asbestos-Related Nonmalignant Disease (as defined in Footnote 4 above) and for Disease Level III, either an ILO reading of 2/1

or greater or pathological evidence of asbestosis; and (ii) for either Disease Level II or III, pulmonary function testing.⁹

4.7(a)(1)(B) Disease Levels IV-VII. All diagnoses of an asbestos-related malignancy (Disease Levels IV – VII) shall be based upon either (i) a physical examination of the claimant by the physician providing the diagnosis, or (ii) on a diagnosis of such a malignant Disease Level by a ~~board-certified pathologist~~board-certified pathologist.

4.7(a)(1)(C) Exception to the Exception for Certain Pre-Petition Claims. If the holder of a NARCO Asbestos Trust Claim that was filed against NARCO or Honeywell, or any other defendant in the tort system prior to the Petition Date, has not provided the NARCO Asbestos Trust with a diagnosis of the asbestos-related disease by a physician who conducted a physical examination of the holder as described in Sections 4.7(a)(1)(A) and 4.7(a)(1)(B) above, but the holder has available such a diagnosis by an examining physician engaged by the holder, or if the holder has filed such a diagnosis with another asbestos-related personal injury settlement trust that requires such evidence, the holder shall provide such diagnosis to the NARCO Asbestos Trust notwithstanding the exceptions in Sections 4.7(a)(1)(A) and 4.7(a)(1)(B).

4.7(a)(2) Credibility of Medical Evidence. Before making any payment to a claimant, the NARCO Asbestos Trust must have reasonable confidence that the medical evidence provided in support of the claim is competent medical evidence of an asbestos-related injury that is credible and consistent with recognized medical standards. The NARCO

⁹ All diagnoses of Asbestos/Pleural Disease (Disease Level I) not based on pathology shall ~~be presumed~~be presumed to be based on findings of bilateral asbestosis or pleural disease, and all diagnoses of Mesothelioma (Disease Level VII) shall be presumed to be based on findings that the disease involves a malignancy. However, the NARCO Asbestos Trust may rebut such presumptions.

Asbestos Trust may require the submission of x-rays, and may require the submission of detailed results of pulmonary function tests, laboratory tests, tissue samples, results of medical examination or reviews of other medical evidence. The NARCO Asbestos Trust may also require that medical evidence submitted comply with recognized medical standards regarding equipment, testing methods and procedure 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 NARCO or Honeywell to settle similar disease cases prior to the Petition Date; or (iii) that is a diagnosis by a physician shown to have been previously qualified as a medical expert with respect to the asbestos-related disease in question before a state or federal judge using the same methodology and standard is presumptively reliable, although the NARCO Asbestos Trust may seek to rebut the presumption. Claimants who otherwise meet the requirements of this NARCO Asbestos TDP for payment of a NARCO Asbestos Trust Claim shall be evaluated without regard to the results of any litigation between the claimants and any other defendant in the tort system. Any relevant evidence submitted in a proceeding in the tort system (exclusive of findings of fact, a verdict or judgment), may be introduced by the claimant or the NARCO Asbestos Trust in any Individual Review Process conducted pursuant to Section 4.3(b) or any Extraordinary Claim proceeding conducted pursuant to Section 4.4(a).

4.7(b) Exposure Evidence.

4.7(b)(1) In General. As set forth in Section 4.3(a)(3) above, to qualify for any Disease Level, the claimant must submit requisite evidence of exposure to a specific asbestos-containing product manufactured, sold or distributed by NARCO or its predecessors, which includes demonstrating both the presence of such products at a particular

site at a particular time and the claimant's occupational exposure to that product. (If the claim is for secondary exposure, the claimant must demonstrate the occupational exposure of the person, such as a family member, through whom the claimant was exposed.)

Claims based on conspiracy theories that involve no exposure to an asbestos-containing product produced by NARCO or its predecessors are not compensable under this NARCO Asbestos TDP. In order to demonstrate that a specific asbestos-containing product manufactured or distributed by NARCO or its predecessors was present at a site, a claimant must either: a) submit competent evidence that he or she worked at a site on the Worksite List, attached as Attachment C, during the identified period of time¹⁰; or, b) submit credible evidence (the foundation of which is established), that a specific asbestos-containing product manufactured or distributed by NARCO or its predecessors was present at a worksite at which the claimant was employed. In order to demonstrate exposure to the NARCO asbestos-containing product at the relevant site, a claimant must submit competent evidence that he or she worked on a regular basis with the NARCO asbestos containing product or worked on a regular basis in close proximity to workers engaged in the activities set forth in Section 4.7(b)(2)(a) through (c).

¹⁰ The “**Worksite List**” attached to this TDP is composed of sites that were either (1) included on the draft of the Worksite List acceptable to Honeywell as of February 23, 2005; or (2) locations at which both plaintiffs alleged, before the Petition Date in the tort system, that NARCO asbestos-containing product was present, and as to which NARCO, prior to the Petition Date, settled claims based upon the allegations of exposure at that location. The Worksite List acceptable to Honeywell as of February 23, 2005 sets forth the applicable date range for each site. The date range associated with each other site on the Worksite List is the earliest date of alleged NARCO exposure at a given site which NARCO settled pre-petition. The last date associated with each site is either the latest date of alleged NARCO exposure at that site which NARCO settled pre-petition plus ninety (90) days, or October 31, 1980. The “Worksite List” may be modified by the agreement of the NARCO Asbestos Trust Trustees, the NARCO Asbestos TAC, [and](#) the NARCO Asbestos Future Claimants Representative, ~~and Honeywell~~, consistent with the consent provisions of the NARCO Asbestos Trust Agreement, including Section 3.2(e).

4.7(b)(2) Significant Occupational Exposure. “**Significant Occupational Exposure**” means employment for a cumulative period of at least five years prior to December 1986 in an industry and an occupation in which the claimant (a) handled raw asbestos fibers on a regular basis; (b) fabricated asbestos-containing products so that the claimant in the fabrication process was exposed on a regular basis to raw asbestos fibers; (c) installed, altered, repaired, removed, or otherwise worked with an asbestos-containing product such that the claimant was exposed on a regular basis to asbestos fibers; or (d) was employed in an industry and occupation such that the claimant worked on a regular basis in close proximity to workers engaged in the activities described in (a), (b) or (c). There is presumptive Significant Occupational Exposure, provided the durational requirements set forth in the preceding sentence are met, for furnace construction and repair-related occupations in the iron, steel, aluminum, and glass manufacturing and electric power production industries.

4.7(b)(3) Exposure Evidence. The NARCO Asbestos Trust may consider as evidence an affidavit of the claimant, an affidavit of one or more Co-workers¹¹ or the affidavit of a family member in the case of a deceased claimant, depositions, sworn interrogatory answers, invoices, construction or similar records, or other competent evidence. The NARCO Asbestos Trust can also require submission of other or additional evidence of exposure when it deems such to be necessary. In evaluating exposure evidence, the NARCO Asbestos Trust shall take into account any precedent set as a result of arbitration under Section 4.10 below; provided, however, that no precedent shall be set by any arbitration in which a party

¹¹ As used herein, “Co-worker” shall mean one or more individuals who provide competent sworn testimony (i) that the claimant worked with or around refractory products and (ii) that asbestos-containing products manufactured or distributed by NARCO were present at the worksite during the relevant period. A Co-worker’s affidavit must provide evidence sufficient to show that the Co-worker meets this definition.

presents testimony at the arbitration hearing in favor of the claimant. The NARCO Asbestos Trust shall also take into account the following factors:

4.7(b)(3)(A) Industry/Occupation. NARCO had a specialized product line, manufacturing and distributing refractory products, for use in high heat applications. Because of the specialized nature and use of NARCO asbestos-containing product, the NARCO Asbestos Trust shall consider that there is a limited universe of occupations in a similarly limited range of industries in which claimants are likely to have been either directly or indirectly exposed to NARCO or its predecessors' asbestos-containing refractory products.

4.7(b)(3)(B) Type of Industrial Exposure. The NARCO Asbestos Trust shall consider the lesser exposure to a NARCO asbestos-containing product of claimants with mixed industrial exposures. A claimant will have a "mixed industrial exposure" where he or she worked for some period of time in an industry where refractory products were typically used and in an occupation where direct or indirect exposure to such products was likely, and also worked for some period of time in an industry where exposure to non-refractory asbestos-containing products was likely.

4.8 Claims Audit Program.

4.8(a) The NARCO Asbestos Trust Claims Audit Program. The NARCO Asbestos Trust, with the consent of the NARCO Asbestos TAC; ~~and~~ the NARCO Asbestos Future Claimants Representative, ~~and Honeywell, may develop~~ developed methods for auditing the reliability of medical evidence, including additional reading of X-rays and verification of pulmonary function tests, as well as the reliability of evidence of exposure to asbestos, including exposure to asbestos-containing products manufactured, sold or distributed by NARCO or its predecessors. The NARCO Asbestos Trust may also conduct random or other

audits to verify medical and exposure information submitted in connection with this NARCO Asbestos TDP. In the event that NARCO Asbestos Trust concludes that an individual or entity has engaged in a pattern or practice of providing unreliable medical evidence to the NARCO Asbestos Trust, the NARCO Asbestos Trust may decline to accept additional evidence from such provider. Further, in the event an audit reveals any instance of fraud or submission of fraudulent information, the NARCO Asbestos Trust may penalize any claimant or claimant's attorney by disallowing the NARCO Asbestos Trust 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' NARCO Asbestos Trust Claims, raising the level of scrutiny of additional information submitted from the same source or sources, refusing to accept additional evidence 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.

~~**4.8(b) Honeywell Audit Rights. Honeywell shall, at its sole discretion and expense, be entitled to audit and review all aspects of the NARCO Asbestos Trust, including but not limited to its operations, claims processing procedures, and results. The NARCO Asbestos Trust shall provide to Honeywell, at Honeywell's sole discretion and expense, such information and documentation as Honeywell requests. The NARCO Asbestos Trust shall cooperate with Honeywell in connection with any Honeywell audit, including but not limited to providing Honeywell reasonable access to the NARCO Asbestos Trust's personnel for interviews and reasonable direct access to any computer hardware, software, or data used or maintained by the NARCO Asbestos Trust. Honeywell may — and shall be entitled to as part of its audit rights — make**~~

~~recommendations to the NARCO Asbestos Trust, the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative concerning the NARCO Asbestos Trust, including but not limited to the NARCO Asbestos Trust's claims processing operations. Any disputes between the NARCO Asbestos Trust, the NARCO Asbestos TAC, the NARCO Asbestos Future Claimants Representative and/or Honeywell arising pursuant to recommendations Honeywell makes shall be subject to the dispute resolution procedures set forth in Section 8.14 of the NARCO Asbestos Trust Agreement.~~

4.9 Second Disease Claims. The holder of a claim involving a non-malignant asbestos-related disease (Disease Levels I – III) may file a new claim for a malignant disease (Disease Levels IV – VII) that is diagnosed subsequent to resolution of the claimant's initial claim. Any additional payments to which such claimant may be entitled with respect to such malignant asbestos-related disease shall not be reduced by the amount paid for the non-malignant asbestos-related disease. The holder of a claim involving a non-malignant asbestos-related disease that qualified and was paid as Disease Level I may file a new claim for compensation as Disease Level II or III, if the claimant's medical circumstances have changed since payment of the first claim such that he or she qualifies under Disease Level II or III. Any additional payments to which these claimants may be entitled shall be reduced by the amount already paid to the claimant by the NARCO Asbestos Trust.

4.10 Arbitration.

4.10(a) Establishment of Arbitration Procedures. The NARCO Asbestos Trust, with the consent of the NARCO Asbestos TAC; and the NARCO Asbestos Future Claimants Representative, ~~and Honeywell, shall institute~~ instituted binding and non-binding arbitration procedures for resolving disputes concerning whether the NARCO Asbestos

Trust's denial of a claim was proper, and/or whether the claimant's medical condition or exposure history for any claim involving Disease Levels I – VII meet the requirements of this NARCO Asbestos TDP. Binding and non-binding arbitration shall also be available for resolving disputes over (i) the liquidated value of a claim involving Disease Levels III – VII, and (ii) whether a claim is a Pre- Established Claim pursuant to Section 4.2 above, and, if so, the amount of its liquidated value. Unless otherwise specified by this NARCO Asbestos TDP, preponderance of the evidence shall be the applicable evidentiary standard for all arbitrations under this NARCO Asbestos TDP.

In all claims arbitrations, the arbitrator shall consider the same medical and exposure evidentiary requirements that are set forth in Sections 4.3(a)(3) and 4.7 above. In the case of an arbitration involving the liquidated value of a claim involving Disease Levels III – VII, the arbitrator shall consider the same valuation factors that are set forth in Sections 4.3(b)(2) and 4.7 above. With respect to all claims eligible for arbitration, the claimant, but not the NARCO Asbestos Trust, may elect either non-binding or binding arbitration; however, the procedures to be followed for either type of arbitration are those adopted as set forth in Attachment A hereto. These procedures may be modified by the NARCO Asbestos Trust with the consent of the NARCO Asbestos TAC, and the NARCO Asbestos Future Claimants Representative, ~~and Honeywell~~.

4.10(b) Claims Eligible for Arbitration. In order to be eligible for arbitration, the claimant must (1) if an Individual Review claim, first complete the Individual Review Process with respect to the disputed issue or (2) if an Expedited Review claim, have been found deficient in Expedited Review. Individual Review will be treated as completed for these purposes when the claim has been reviewed by the NARCO Asbestos Trust, the NARCO

Asbestos Trust has made an offer on the claim, the claimant has rejected the liquidated value resulting from the Individual Review, and the claimant has notified the NARCO Asbestos Trust of the rejection in writing. Individual Review shall also be treated as completed if the claim has gone through Individual Review and the NARCO Asbestos Trust has rejected the claim.

4.10(c) Claims Arbitration. The claims of one or more claimants may not be aggregated for purposes of arbitration and each individual claimant's arbitration shall be treated for all purposes as a separate action. Moreover, to the extent the arbitrator's award is equal to or less than the amount initially offered to the claimant by the NARCO Asbestos Trust, the amount to be paid to the claimant by the NARCO Asbestos Trust shall be reduced by the costs incurred by the NARCO Asbestos Trust in connection with the arbitration.

4.10(d) Limitations on and Payment of Arbitration Awards. In the case of a non-Extraordinary Claim involving Disease Level I or II, the arbitrator shall not return an award in excess of the Scheduled Value for that Disease Level as set forth in Section 4.3(b)(3). In the case of a non-Extraordinary Claim involving Disease Levels III -VII, the arbitrator shall not return an award in excess of the Maximum Value for the appropriate Disease Level as provided for by Section 4.3(b)(3) above, and for an Extraordinary Claim involving one of those Disease Levels, the arbitrator shall not return an award greater than the maximum extraordinary value for such a claim as provided for by Section 4.4(a) above. A claimant who submits to arbitration and who accepts the arbitral award will receive payments in the same manner as one who accepts the [NARCO Asbestos](#) Trust's original valuation of the claim.

4.10(e) Arbitration of ER Claims. If a deficiency is issued to a claim in Expedited Review, the claimant may elect to proceed directly to arbitration, and the award in arbitration shall be zero or Scheduled Value. If an Expedited Review claimant proceeds directly

from Expedited Review to arbitration, the claimant may not thereafter elect Individual Review of that claim (even if the claimant withdraws and refiles the claim).

4.11 Litigation. Claimants who elect non-binding arbitration and then reject their arbitral awards retain the right to enter the tort system pursuant to Section 6.6 below. However, a claimant shall be eligible for payment of a judgment for monetary damages obtained in the tort system from the NARCO Asbestos Trust's available cash only as provided in Section 6.7 below.

SECTION V

Claims Materials

5.1 Claims Materials. The NARCO Asbestos Trust ~~shall prepare~~has prepared suitable and efficient claims materials ("Claims Materials") for all NARCO Asbestos Trust Claims, including Pre-Established Claims that are required to submit a proof of claim form pursuant to Section 4.2(a) hereof, and ~~shall provide~~ such Claims Materials shall be provided upon a written request for such materials to the NARCO Asbestos Trust. The proof of claim form to be submitted to the NARCO Asbestos Trust ~~shall require~~requires the claimant to assert the highest Disease Level for which the claim qualifies at the time of filing. The proof of claim forms ~~shall~~ also include a certification by the claimant or his or her attorney sufficient to meet the requirements of Rule 11(b) of the Federal Rules of Civil Procedure. In ~~developing~~amending its claim filing procedures, the NARCO Asbestos Trust shall evaluate whether it can provide claimants with the opportunity to utilize currently available technology, including filing claims and supporting documentation through web-based systems, the internet and/or electronic media. The proof of claim forms may be changed and the foregoing alternative procedures for electronic claims submission may be adopted by the NARCO Asbestos Trust with the consent of the

NARCO Asbestos TAC; and the NARCO Asbestos Future Claimants Representative, ~~and~~
~~Honeywell.~~

5.2 Content of Claims Materials. The Claims Materials shall include a copy of this NARCO Asbestos TDP, such instructions as the Trustees shall approve, and a proof of claim form. If feasible, the forms used by the NARCO Asbestos Trust to obtain claims information shall be the same or substantially similar to those used by other asbestos claims resolution organizations. The NARCO Asbestos Trust may also obtain information concerning a claimant or his or her claims from any other asbestos claims resolution organization, including from electronic databases maintained by said organizations. However, the NARCO Asbestos Trust shall advise the claimant of its intention to gather information concerning the claimant from such other organization and may do so in the absence of a timely written objection from the claimant. The claimant may elect, but will not be required, to provide the NARCO Asbestos Trust with evidence of recovery from other asbestos claims resolution organizations. If requested by the claimant, if capable of doing so efficiently and if procedures to this effect have been adopted by the NARCO Asbestos Trust pursuant to Section 5.1, above, the NARCO Asbestos Trust shall accept information provided electronically.

5.3 Withdrawal or Deferral of Claims. A claimant can withdraw a NARCO Asbestos Trust Claim at any time upon written notice to the NARCO Asbestos Trust and file another claim subsequently without affecting the status of the claim for statute of limitations and repose purposes, but any such claim filed after withdrawal shall be given a place in the appropriate processing queue based upon the date of such subsequent filing. Except for claims held by representatives of deceased or incompetent claimants as set forth in Section 4.1(c) above, a claim will be deemed to have been withdrawn if the claimant neither accepts, rejects, nor

initiates arbitration within six (6) months of the NARCO Asbestos Trust's offer of payment or rejection of the claim. Upon written request and good cause, the NARCO Asbestos Trust may, in its sole discretion, extend this period for an additional six (6) months.

A claimant may also request that the processing of his or her NARCO Asbestos Trust Claim 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 also retain his or her original place in the appropriate processing queue, if feasible. During the period of such deferral, interest on such claimant's NARCO Asbestos Trust Claim, as provided in Section 6.5 hereunder, shall not accrue and payment thereof shall be deemed waived by the claimant.

5.4 Filing Requirements and Fees. The Trustees shall have the discretion to determine, with the consent of the NARCO Asbestos TAC, ~~Honeywell~~ and the NARCO Asbestos Future Claimants Representative, (a) whether a claimant must have previously filed the claim in the tort system to be eligible to file the claim with the NARCO Asbestos Trust and (b) whether a filing fee should be required for any NARCO Asbestos Trust claims.

SECTION VI

General Guidelines for Liquidating and Paying Claims

6.1 Showing Required. To establish a valid NARCO Asbestos Trust Claim, a claimant must meet the requirements set forth in this NARCO Asbestos TDP. The NARCO Asbestos Trust may require the submission of X-rays, CT scans, laboratory tests, medical examinations or reviews, other medical evidence, or any other evidence to support or verify the NARCO Asbestos Trust Claim, and may further require that medical evidence submitted comply with recognized medical standards regarding equipment, testing methods, and procedures to assure that such evidence is reliable. All deadlines established herein shall be extended by a

period commensurate with the time which elapses between the NARCO Asbestos Trust's request for additional information and the date the information or evidence is submitted by the claimant.

6.2 Costs Considered. Notwithstanding any provisions of this NARCO Asbestos TDP to the contrary, the Trustees shall always give appropriate consideration to the cost of investigating and uncovering invalid NARCO Asbestos Trust Claims so that the payment of valid NARCO Asbestos Trust Claims is not further impaired by such processes with respect to issues related to the validity of the medical or exposure evidence supporting a NARCO Asbestos Trust Claim. The Trustees shall also have the latitude to make judgments regarding the amount of transaction costs to be expended by the NARCO Asbestos Trust so that valid NARCO Asbestos Trust Claims are not unduly further impaired by the costs of additional investigation. Nothing herein shall prevent the Trustees, in appropriate circumstances, from contesting the validity of any claim against the NARCO Asbestos Trust whatever the costs, or to decline to accept medical or exposure evidence from sources that the Trustees have determined to be unreliable pursuant to the Claims Audit Program described in Section 4.8 above or otherwise.

6.3 Discretion to Vary the Order and Amounts of Payments in Event of Limited Liquidity. Consistent with the provisions hereof and subject to the Annual Contribution Claims Fund Processing ~~and Queue~~, the Pre-Established Claims Fund Processing Queue, and the Claims Fund Payment ~~Queues~~Queue discussed above, as well as the Maximum Annual Payment, Payment Percentage, and Claims Payment Ratio requirements set forth above, the Trustees shall proceed as quickly as possible to liquidate valid NARCO Asbestos Trust Claims, and shall make payments to holders of such claims in accordance with this NARCO Asbestos 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 NARCO Asbestos Trust's decisions about payments must be based on estimates that cannot be done precisely, payments 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 Trustees shall use their best efforts to treat similar claims in substantially the same manner, consistent with their duties as Trustees, the purposes of the NARCO Asbestos Trust, the established allocation of funds to NARCO Asbestos Trust Claims in Categories A and B, and the practical limitations imposed by the inability to predict the future with precision. In the event that the NARCO Asbestos Trust faces temporary periods of limited liquidity, the Trustees may, with the consent of the NARCO Asbestos TAC; and the NARCO Asbestos Future Claimants Representative, ~~and Honeywell,~~ suspend the normal order of payment and may temporarily limit or suspend payments altogether.

6.4 Punitive Damages. Except as provided below for claims asserted under the Alabama Wrongful Death Statute, in determining the value of any liquidated or unliquidated NARCO Asbestos Trust Claim, punitive or exemplary damages, i.e., damages other than compensatory damages, shall not be considered or allowed, notwithstanding their availability in the tort system. Similarly, no punitive or exemplary damages will be payable with respect to any claim litigated against the NARCO Asbestos Trust in the tort system pursuant to Sections 4.11 above and 6.6 below. The only damages that may be awarded pursuant to this NARCO Asbestos TDP to Alabama Claimants who are deceased and whose personal representatives pursue their claims only under the Alabama Wrongful Death Statute shall be compensatory damages determined pursuant to the statutory and common law of the Commonwealth of Pennsylvania,

without regard to Pennsylvania's choice of law principles. The choice of law provision in Section 7.4 herein applicable to any Claim with respect to which, but for this choice of law provision, the applicable law of the Claimant's Jurisdiction pursuant to Section 4.3(b)(2) is determined to be the Alabama Wrongful Death Statute, shall only govern the rights between the NARCO Asbestos Trust and the claimant including, but not limited to, suits in the tort system pursuant to Section 6.6.

6.5 Interest. The NARCO Asbestos Trust shall pay interest on all NARCO Asbestos Trust Claims where a determination of a claim's liquidated value has been delayed for reasons unrelated to the adequacy of the claimant's claim submission or a deferral by the claimant under Section 5.3 above, as follows: (i) for claims qualifying for Disease Level VII, interest shall begin to accrue on the date two (2) years following the claimant's filing of the claim with the NARCO Asbestos Trust; and (ii) for claims qualifying for all other Disease Levels, interest shall begin to accrue on the date five (5) years following the claimant's filing of the claim with the NARCO Asbestos Trust. Interest shall be simple and shall accrue at the one-year U.S. Treasury Bill rate in effect on January 1 of the year in which the interest begins to accrue on the claim, said rate to be adjusted each January 1 to correspond to the one-year U.S. Treasury Bill rate.

6.6 Suits in the Tort System. If the holder of a disputed claim disagrees with the NARCO Asbestos Trust's determination regarding the Disease Level of the claim, the claimant's exposure history or the liquidated value of the claim, or if there is a dispute between the holder and the NARCO Asbestos Trust over whether a claim is a Pre-Established Claim, and if the holder has completed non-binding arbitration of the claim as provided in Section 4.10 above, the holder may file a lawsuit in the Claimant's Jurisdiction as defined in Section 4.3(b)(2)

above. 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 NARCO Asbestos Trust, all defenses which could have been asserted by NARCO, Honeywell or their respective predecessors), shall be available to both sides at trial; however, the NARCO 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 Proof of Claim was filed, the case will 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.

6.7 Payment of Judgments for Money Damages. If and when a claimant obtains a judgment in the tort system, the claim shall be placed in the ~~Annual Contribution~~ Claims Fund Payment Queue ~~or the Pre-Established Claims Fund Payment Queue, as the case may be,~~ based on the date on which the judgment became a final, non-appealable judgment. Thereafter, the claimant shall receive from the NARCO Asbestos Trust (subject to the Payment Percentage, the Maximum Annual Payment and the Claims Payment Ratio provisions set forth above for all NARCO Asbestos Trust Claims other than Pre-Established Claims) a payment of the judgment that does not exceed the lesser of the judgment amount or double the amount of an affirmative award by the arbitrator in the proceedings pursuant to Section 4.10 relating to that claim. If the claimant's judgment exceeds the amount of the arbitral award, then the NARCO Asbestos Trust shall be additionally obligated to pay the claimant his or her statutory costs incurred in obtaining the judgment. Under no circumstances shall interest be paid pursuant to Section 6.5 or interest be paid under otherwise applicable state law on any judgments obtained in the tort system.

6.8 Releases. The Trustees ~~shall determine~~determined the form and substance of the releases to be provided to the NARCO Asbestos Trust in order to maximize recovery for claimants against other tortfeasors without increasing the risk or amount of claims for indemnification or contribution from the NARCO Asbestos Trust. As a condition to making any payment to a claimant, the NARCO Asbestos Trust shall obtain a general, partial, or limited release as appropriate in accordance with the applicable state or other law. If allowed by state law, the endorsing of a check or draft for payment by or on behalf of a claimant shall constitute such a release. The consent of the NARCO Asbestos TAC, ~~Honeywell~~ and the NARCO Asbestos Future Claimants Representative shall be required prior to the Trustees (i) adopting a form of release and (ii) modifying any form of release that has previously been approved by the NARCO Asbestos TAC, Honeywell and the NARCO Asbestos Future Claimants Representative. The Trustees may not modify any form of release in a manner that in any way limits or narrows the claimant's release of claims against Honeywell.

6.9 Third-Party Services. Nothing in this NARCO Asbestos TDP shall preclude the NARCO Asbestos Trust from contracting with another asbestos claims resolution organization to provide services to the NARCO Asbestos Trust so long as decisions about the categorization and liquidated value of NARCO Asbestos Trust Claims are based on the relevant provisions of this NARCO Asbestos TDP, including the Diseases Levels, Scheduled Values, Overall Average Values, Maximum Values, and Medical/Exposure Criteria set forth above.

6.10 NARCO Asbestos Trust Disclosure of Information. Periodically, but not less often than once a year, the NARCO Asbestos Trust shall make available to claimants and other interested parties, the number of claims by Disease Levels that have been resolved by

Expedited or Individual Review and by arbitration as well as by trial indicating the amounts of the awards and the averages of the awards by jurisdiction.

SECTION VII

Miscellaneous

7.1 Amendments. Except as otherwise provided herein, the Trustees may amend, modify, delete, or add to any provisions of this NARCO Asbestos TDP (including, without limitation, amendments to conform this NARCO Asbestos TDP to advances in scientific or medical knowledge or other changes in circumstances), provided they first obtain the consent of the NARCO Asbestos TAC; and the NARCO Asbestos Future Claimants Representative; ~~and Honeywell~~ pursuant to the Consent Process set forth in Section 8.1(b) of the NARCO Asbestos Trust Agreement. For the avoidance of doubt, the last sentence of Section 6.8 may not be amended.

7.2 Adjustment to Overall Average and Maximum Values. The Overall Average and Maximum Values set forth in Section 4.3(b)(3) for NARCO Asbestos Trust Claims involving Disease Levels III - VII, above shall remain unchanged until ~~three (3) years after the Effective Date. In the third year~~ April 30, 2025. At that time and at three year intervals thereafter, the NARCO Asbestos Trust, in consultation with the NARCO Asbestos TAC; and the NARCO Asbestos Future Claimants Representative; ~~and Honeywell~~, shall adjust any or each of the Overall Average and Maximum Values, and to account for inflation or deflation, as reflected by the Consumer Price Index.

7.3 Severability. Should any provision contained in this NARCO Asbestos TDP be determined to be unenforceable, such determination shall in no way limit or affect the enforceability and operative effect of any and all other provisions of this NARCO Asbestos TDP.

7.4 Governing Law. Except for purposes of determining the liquidated value of any NARCO Asbestos Trust Claim, administration of this NARCO Asbestos TDP shall be governed by, and construed in accordance with, the laws of the State of Delaware. The law governing the liquidation of NARCO Asbestos Trust Claims shall be the law of the Claimant's Jurisdiction as described in Section 4.3(b)(2) above in effect at the time the claim is filed.

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| Delete | 218 |
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| Embedded Graphics (Visio, ChemDraw, Images etc.) | 0 |
| Embedded Excel | 0 |
| Format changes | 1 |
| Total Changes: | 416 |

Exhibit B

**SECOND AMENDED AND RESTATED NORTH AMERICAN REFRACTORIES
COMPANY**

ASBESTOS PERSONAL INJURY SETTLEMENT TRUST AGREEMENT

This Second Amended and Restated North American Refractories Company Asbestos Personal Injury Settlement Trust Agreement (the “**NARCO Asbestos Trust Agreement**”) is entered into by and among Ken M. Kawaichi, Richard B. Schiro and Mark M. Gleason (and any successor trustees appointed pursuant to Article V hereof, in each case during the term of their service, the “**Trustees**”), Wilmington Trust, National Association, as Delaware resident trustee (the “**Delaware Trustee**”), the NARCO Trust Advisory Committee (“**NARCO Asbestos TAC**”), and the Bankruptcy Court-appointed NARCO Asbestos Future Claimants Representative (“**NARCO Asbestos Future Claimants Representative**” and collectively with the Trustees, the Delaware Trustee, and the NARCO Asbestos TAC the “**Parties**”), pursuant to the Third Amended Plan of Reorganization of North American Refractories Company, et al., dated December 28, 2005 (the “**Plan**”). This NARCO Asbestos Trust Agreement shall become effective (hereinafter the “**Effective Date**”) as of the Closing as such term is defined in the Buyout Agreement (as defined below).

WHEREAS, North American Refractories Company (“**NARCO**”) and its affiliated debtors (collectively, the “**Debtors**”) have reorganized under the provisions of Chapter 11 of the Bankruptcy Code in cases pending in the United States Bankruptcy Court for the Western District of Pennsylvania (the “**Bankruptcy Court**”) known as *In re North American Refractories Company, et al.*, Jointly Administered as Case No. 02-20198 (the “**Chapter 11 Cases**”); and

WHEREAS, at the time of the entry of the order for relief in the Chapter 11 Cases, each of NARCO and Honeywell International Inc. (“**Honeywell**”) had been named defendants in personal injury and wrongful death actions seeking recovery for damages allegedly caused by the presence of, or exposure to, asbestos or asbestos-containing NARCO Product Line products; and

WHEREAS, by order entered on November 13, 2007, the Plan, filed by the Debtors, in coordination with Honeywell, the Bankruptcy Court-appointed committee composed of the representatives of the NARCO Asbestos claimants (“**NARCO Asbestos Claimants’ Committee**”) and the **NARCO Asbestos Future Claimants Representative**, was confirmed by the Bankruptcy Court (“**Confirmation Order**”); and

WHEREAS, on July 25, 2008, the United States District Court for the Western District of Pennsylvania entered an order affirming the Confirmation Order and the NARCO Channeling Injunction; and

WHEREAS, the Plan provides, *inter alia*, for the creation of the North American Refractories Asbestos Personal Injury Settlement Trust (the “**NARCO Asbestos Trust**”); and

WHEREAS, pursuant to the Plan, the NARCO Asbestos Trust was to be funded in part by an initial cash contribution by Honeywell and by the obligation of Honeywell to make future payments; and

WHEREAS, pursuant to the Plan, the NARCO Asbestos Trust is to effectively own all of the equity of Reorganized NARCO, by owning no less than 79% of the equity of Post-Effective ANH Refractories Company (“ANH”, now known as Harbison Walker International Holdings, Inc. (“HWI” and such equity interest held by the NARCO Asbestos Trust in HWI, together with any equity interests or securities received by the NARCO Asbestos Trust in connection with an HWI Sale or an HWI Dividend (each as defined in the Buyout Agreement), the “**HWI Interest**”); and

WHEREAS, pursuant to the Plan, the NARCO Asbestos Trust is to use the NARCO Asbestos Trust Assets and income to pay all valid NARCO Asbestos Trust Claims and NARCO Asbestos Demands (“**NARCO Asbestos Trust Claims**”) pursuant to the NARCO Asbestos Trust Distribution Procedures; and

WHEREAS, the Plan provides, among other things, for the complete settlement and satisfaction of all liabilities and obligations of the Debtors and Honeywell for all NARCO Asbestos Trust Claims, and

WHEREAS, pursuant to the Plan, the NARCO Asbestos Trust is intended to qualify as a “Qualified Settlement Fund” within the meaning of Section 1.468B-I of the Treasury Regulations promulgated under Section 468B of the Internal Revenue Code; and

WHEREAS, the Bankruptcy Court has determined that the NARCO Asbestos Trust and the Plan satisfy all the prerequisites for the issuance of a supplemental injunction pursuant to Section 524(g) of the Bankruptcy Code, which NARCO Channeling Injunction has been issued in connection with the Confirmation Order, which is now a Final Order; and

WHEREAS, the NARCO Asbestos Trust has been governed by that certain First Amended North American Refractories Company Asbestos Personal Injury Settlement Trust Agreement, dated April 30, 2013 (the “**Existing Trust Agreement**”), and by the Second Amended NARCO Asbestos Trust Distribution Procedures (the “**Existing TDP**”); and

WHEREAS, in accordance with the terms of the Amended and Restated Buyout Agreement entered into by and among each of the Parties hereto (excluding the Delaware Trustee) and Honeywell as of November 20, 2022 (the “**Buyout Agreement**”), and as approved by the Bankruptcy Court in its Order of [REDACTED], 2022 (the “**Buyout Order**”), Honeywell has agreed to pay to the NARCO Asbestos Trust, and the NARCO Asbestos Trust has agreed to accept from Honeywell, a lump sum, one-time payment in the amount of \$1,325,000,000 (subject to adjustment in accordance with the terms of the Buyout Agreement), in exchange for, among other things, the release of Honeywell from all further and future monetary and/or other obligations of any kind (except as, and solely to the extent, set forth in the Buyout Agreement) to the NARCO Asbestos Trust, including but not limited to the Honeywell Obligations (as defined in the Buyout Agreement); and

WHEREAS, in accordance with the terms of the Buyout Agreement and the Buyout Order, each of the Parties hereto (excluding the Delaware Trustee) and Honeywell have agreed, and the Bankruptcy Court has authorized them to, amend and restate, among other things, the (i) Existing Trust Agreement, on the terms and conditions set forth in this NARCO Asbestos Trust Agreement,

(ii) Existing TDP, on the terms and conditions set forth in a Third Amended NARCO Asbestos TDP (the “**NARCO Asbestos TDP**”), and (iii) the NARCO Asbestos Trust Bylaws on the terms and conditions set forth in the NARCO Asbestos Trust Amended and Restated Bylaws (the “**Trust Bylaws**”) all to become effective as of the Closing (as defined in the Buyout Agreement).

NOW, THEREFORE, the Parties hereto agree as follows:

ARTICLE I

DEFINITIONS

All capitalized terms used herein and not otherwise defined herein or in the NARCO Asbestos TDP shall have the meanings assigned to them in the Plan and/or the Bankruptcy Code, which definitions are incorporated herein.

ARTICLE II

AGREEMENT OF TRUST

- 2.1 Creation and Name. Pursuant to the North American Refractories Company Asbestos Personal Injury Settlement Trust Agreement, dated as of April 30, 2013, NARCO, ANH, and Honeywell (collectively, the “**Settlers**”) created the NARCO Asbestos Trust as provided for and referred to in the Plan. The Trustees of the NARCO Asbestos Trust may transact the business and affairs of the NARCO Asbestos Trust in the name, “North American Refractories Company Asbestos Personal Injury Settlement Trust” or “NARCO Asbestos Trust.” It is the intention of the Parties thereto and hereto that the trust be a statutory trust under Chapter 38 of Title 12 of the Delaware Code, 12 Del. C. §3801 et seq. (the “**Act**”). A Certificate of Trust in the form attached to the Existing Trust Agreement was executed and filed with the Delaware Secretary of State in accordance with the Existing Trust Agreement.
- 2.2 Purpose. The purpose of the NARCO Asbestos Trust is to assume any and all liabilities of Honeywell, any Honeywell Affiliate, the Debtors, their successors or predecessors in interest or their affiliates, with respect to any and all NARCO Asbestos Trust Claims, both presently accrued or prospectively accruing; to use the NARCO Asbestos Trust Assets and income to promptly pay holders of valid NARCO Asbestos Trust Claims in such a way that holders of similar NARCO Asbestos Trust Claims are paid in substantially the same manner; and to otherwise comply in all respects with the requirements of a trust set forth in Section 524(g)(2)(B)(i) of the Bankruptcy Code. This purpose shall be fulfilled through the provisions of this NARCO Asbestos Trust Agreement, the Trust Bylaws and in accordance with the NARCO Asbestos TDP.
- 2.3 Funding of the NARCO Asbestos Trust.
- (a) Use of NARCO Asbestos Trust Assets. The Trustees shall use the NARCO Asbestos Trust Assets (other than the HWI Interest or any HWI Net Dividends or HWI Net Sale Proceeds) to pay all Trust Expenses of the NARCO Asbestos Trust in accordance with the terms and conditions of this NARCO Asbestos Trust Agreement and to pay valid

NARCO Asbestos Trust Claims that have been liquidated or established pursuant to all relevant provisions of the NARCO Asbestos TDP and placed in the Claims Fund Payment Queue pursuant to Section 4.1(c) or 4.2(a) of the NARCO Asbestos TDP.

(b) Contribution of the New Debtor Common Stock. As part of the Confirmation Order, as of April 30, 2013, seventy-nine percent (79%) of the equity of Post-Effective ANH (now known as HWI) was transferred to the NARCO Asbestos Trust, being the New Debtor Common Stock contributed to the NARCO Asbestos Trust, to be held by the Trust to pay NARCO Asbestos Trust Claims liquidated in accordance with the NARCO Asbestos TDP. From and after the Closing (as defined in the Buyout Agreement), the NARCO Asbestos Trust shall treat the HWI Interest, HWI Net Dividends and HWI Net Sale Proceeds in accordance with the Buyout Agreement.

(c) Additional and Final Funding of the NARCO Asbestos Trust by Honeywell. At the time of Closing (as defined in the Buyout Agreement), Honeywell shall transfer the Buyout Amount (as defined in the Buyout Agreement) to the NARCO Asbestos Trust. The Buyout Amount shall become part of the NARCO Asbestos Trust Assets. The NARCO Asbestos Trust shall thereafter fund its operations and any payments of any NARCO Asbestos Trust Claims using the Buyout Amount, together with any assets the NARCO Asbestos Trust has on hand as of the time of Closing (other than the HWI Interest or any HWI Net Dividends or HWI Net Sale Proceeds), plus any interest, dividends, or other payments the NARCO Asbestos Trust may earn or receive thereafter, other than HWI Net Dividends or HWI Net Sale Proceeds, which shall be transferred to Honeywell in accordance with the terms of the Buyout Agreement.

2.4 Acceptance of Assets and Assumption of Liabilities.

(a) In furtherance of the purposes of the NARCO Asbestos Trust, the Trustees, on behalf of the NARCO Asbestos Trust, have expressly accepted the transfer and assignment to the NARCO Asbestos Trust of the NARCO Asbestos Trust Assets.

(b) In furtherance of the purposes of the NARCO Asbestos Trust, and subject to Section 5.4 hereof, the NARCO Asbestos Trust expressly assumed all liability for all NARCO Asbestos Trust Claims, now accrued or as prospectively accruing, as provided for in Section 4.1 of the Plan. The NARCO Asbestos Trust shall have all defenses, cross-claims, offsets, and recoupments regarding NARCO Asbestos Trust Claims that the Debtors, Honeywell or any Honeywell Affiliate has or would have had under applicable law, and as consistent with the NARCO Asbestos TDP.

(c) No provision herein or in the NARCO Asbestos TDP shall be construed to mandate distributions on any claims or other actions that would contravene the NARCO Asbestos Trust's compliance with the requirements of a qualified settlement fund within the meaning of Section 1.468B, *et seq.*, of the Internal Revenue Code.

(d) Nothing in this section or any other section of this NARCO Asbestos Trust Agreement shall be construed in any way to limit the scope, enforceability, or effectiveness

of the NARCO Channeling Injunction issued in connection with the Plan or the NARCO Asbestos Trust's assumption of all liability with respect to NARCO Asbestos Trust Claims.

ARTICLE III

POWERS AND TRUST ADMINISTRATION

3.1 Powers.

(a) The Trustees are and shall act as fiduciaries to the NARCO Asbestos Trust in accordance with the provisions of this NARCO Asbestos Trust Agreement and the Plan. The Trustees shall, at all times, administer the NARCO Asbestos Trust Assets in accordance with the purposes set forth in Section 2.2 above. Subject to the limitations set forth in this NARCO Asbestos Trust Agreement, the Trustees shall have the power to take any and all actions that, in the judgment of the Trustees, are necessary or proper to fulfill the purposes of the NARCO Asbestos Trust, including, without limitation, each power expressly granted in this Section 3.1, any power reasonably incidental thereto, and any trust power now or hereafter permitted under the laws of the State of Delaware or such other state as may be the Trust's state of domicile.

(b) Except as otherwise specified herein, the Trustees need not obtain the order or approval of any court in the exercise of any power or discretion conferred herein.

(c) Without limiting the generality of Section 3.1 (a) above, the Trustees shall have the power to:

(i) receive and hold the NARCO Asbestos Trust Assets, the HWI Interest, any HWI Sale Proceeds and any HWI Dividends and exercise all rights with respect to, and sell any securities issued by any Reorganized Debtor that are included in the NARCO Asbestos Trust Assets, all subject to the provisions of the ANH Refractories Company Shareholder Agreement and the requirements set forth in the Buyout Agreement;

(ii) invest the monies held from time to time by the NARCO Asbestos Trust;

(iii) sell, transfer or exchange any or all of the NARCO Asbestos Trust Assets at such prices and upon such terms as they may consider proper, consistent with the other terms of this NARCO Asbestos Trust Agreement and the Buyout Agreement;

(iv) enter into leasing and financing agreements with third parties to the extent such agreements are reasonably necessary to permit the NARCO Asbestos Trust to operate;

(v) pay liabilities and expenses of the NARCO Asbestos Trust;

(vi) change the state of domicile of the NARCO Asbestos Trust;

- (vii) establish such funds, reserves and accounts within the NARCO Asbestos Trust estate, as deemed by the Trustees to be useful in carrying out the purposes of the NARCO Asbestos Trust;
- (viii) sue and be sued and participate, as a party or otherwise, in any judicial, administrative, arbitral or other proceeding;
- (ix) amend the "Trust Bylaws";
- (x) appoint such officers and hire such employees and engage such legal, financial, accounting, investment, audit, forecasting and other consultants, advisors, alternative dispute resolution panelists, and agents as the business of the NARCO Asbestos Trust requires, and delegate to such persons such powers and authorities as the fiduciary duties of the Trustees permit and as the Trustees, in their discretion, deem advisable or necessary in order to carry out the terms of this NARCO Asbestos Trust Agreement;
- (xi) pay employees, legal, financial, accounting, investment, audit, forecasting and other consultants, advisors and agents reasonable compensation, including without limitation, compensation at rates approved by the Trustees for services rendered prior to the execution hereof;
- (xii) compensate the Trustees, the Delaware Trustee, the NARCO Asbestos TAC members, and the NARCO Asbestos Future Claimants Representative as provided below and their employees, legal, financial, accounting, investment audit, forecasting and other advisors, consultants, and agents, and reimburse such persons all reasonable out-of-pocket costs and expenses incurred by such persons in connection with the performance of their duties hereunder, including without limitation, costs and expenses incurred prior to the execution hereof;
- (xiii) execute and deliver such deeds, leases and other instruments as the Trustees consider proper in administering the NARCO Asbestos Trust;
- (xiv) enter into such other arrangements with third parties as are deemed by the Trustees to be useful in carrying out the purposes of the NARCO Asbestos Trust, provided such arrangements do not conflict with any other provision of this NARCO Asbestos Trust Agreement;
- (xv) in accordance with Section 5.6, indemnify and hold harmless (and purchase insurance indemnifying) (A) the Trustees, (B) the NARCO Asbestos TAC members, (C) the NARCO Asbestos Future Claimants Representative, and (D) each of their officers, employees, agents, advisors and representatives of the NARCO Asbestos Trust to the fullest extent that a corporation or trust organized under the law of the NARCO Asbestos Trust's domicile is from time to time entitled to indemnify and/or insure its directors, trustees, officers, employees, agents, advisors and representatives;

(xvi) indemnify (and purchase insurance indemnifying) the Additional Indemnitees as defined in Section 5.6 hereof;

(xvii) delegate any or all of the authority herein conferred with respect to the investment of all or any portion of the NARCO Asbestos Trust Assets to any one or more reputable individuals or recognized institutional investment advisors or investment managers without liability for any action taken or omission made because of any such delegation, except as provided in Section 5.4 subject to the terms of the Buyout Agreement;

(xviii) consult with Reorganized NARCO or Post-Effective ANH (now known as HWI) at such times and with respect to such issues relating to the purpose, conduct, and affairs of the NARCO Asbestos Trust as the Trustees consider desirable, all in accordance with the terms of the Buyout Agreement;

(xix) consult with the NARCO Asbestos TAC and/or the NARCO Asbestos Future Claimants Representative at such times and with respect to such issues relating to the purpose, conduct, and affairs of the NARCO Asbestos Trust as required by this NARCO Asbestos Trust Agreement or the NARCO Asbestos TDP, or as the Trustees consider desirable;

(xx) make, pursue (by litigation or otherwise), collect, compromise or settle any claim, right, action or cause of action included in the NARCO Asbestos Trust Assets or which may otherwise hereafter accrue in favor of the NARCO Asbestos Trust;

(xxi) indemnify Reorganized NARCO or any purchaser of Reorganized NARCO for liability finally imposed on either arising from NARCO Asbestos Trust Claims; and

(xxii) take the action provided for in Section 5.12 hereof, including the indemnification provided for therein.

3.2 General Administration.

(a) The Trustees shall act in accordance with this NARCO Asbestos Trust Agreement, the Trust Bylaws, and the NARCO Asbestos TDP. To the extent not inconsistent with the terms of this NARCO Asbestos Trust Agreement, the Trust Bylaws and the NARCO Asbestos TDP govern the affairs of the NARCO Asbestos Trust.

(b) The Trustees shall timely file such income tax and other returns and statements and comply with all withholding obligations, as required under the applicable provisions of the Internal Revenue Code and of any applicable state law and the regulations promulgated thereunder.

(c) The Trustees shall cause to be prepared as soon as practicable prior to the commencement of each calendar year the Trust Cash Flow Model, which shall include a determination of the Maximum Annual Payment pursuant to Section 2.3 of the NARCO

Asbestos TDP, and the amounts payable to Category A and Category B Claims pursuant to the Claims Payment Ratio provisions of Section 2.4 of the NARCO Asbestos TDP. The Trustees shall provide a copy of the cash flow projection to the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative.

(d) The Trustees shall consult with the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative on (i) the general administration of the NARCO Asbestos Trust, (ii) the general implementation and administration of the NARCO Asbestos TDP and (iii) on such other matters as may be required under this NARCO Asbestos Trust Agreement and the NARCO Asbestos TDP. The Trustees shall be required to obtain the consent of a majority of the members of the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative in order:

- (i) to amend the NARCO Asbestos TDP in any respect; or
- (ii) to acquire an interest in, merge with, contract with or participate in any claims resolution facility that was not specifically created under this NARCO Asbestos Trust Agreement or the NARCO Asbestos TDP; or
- (iii) to amend any provision of Article 6 herein; or
- (iv) to terminate the NARCO Asbestos Trust pursuant to Section 8.3(a)(iii) herein; or
- (v) to obligate the NARCO Asbestos Trust to indemnify Reorganized NARCO or any purchaser of NARCO for liability arising from NARCO Asbestos Trust Claims; or
- (vi) to approve the appointment of any successor Trustee under Section 5.3 hereof.

The NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative shall not unreasonably withhold any consent required hereunder, and if the NARCO Asbestos TAC or the NARCO Asbestos Future Claimants Representative shall withhold any consent required hereunder, at the election of any of them or the Trustees, the dispute shall be resolved in and by the Bankruptcy Court.

(e) The Trustees shall be required to obtain the consent of the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative in order to implement or reconsider the Payment Percentage provided for in Section 2.5 of the NARCO Asbestos TDP.

(f) The Trustees shall meet with the NARCO Asbestos TAC and/or the NARCO Asbestos Future Claimants Representative as necessary to carry out the purposes of the Trust, such meetings to be held no less frequently than quarterly at the discretion of the Trustees or as requested by the NARCO Asbestos TAC or the NARCO Asbestos Future Claimants Representative.

(g) Periodically, but not less often than once a year, the Trustees shall make available to NARCO Asbestos Trust Claimants and other interested parties a data summary setting forth the number of claims by disease levels that have been resolved by Expedited Review, by Individual Review, by arbitration, and through litigation, indicating the average liquidated amounts at which such claims were resolved.

3.3 Annual Report.

(a) The Trustees shall cause to be prepared and filed with the Bankruptcy Court, as soon as available, and in any event within one hundred and twenty (120) days following the end of each fiscal year, an annual report (the “**Annual Report**”) containing financial statements of the NARCO Asbestos Trust (including, without limitation, a balance sheet of the NARCO Asbestos Trust as of the end of such fiscal year and a statement of operations for such fiscal year) audited by a firm of independent certified public accountants selected by the Trustees and accompanied by an opinion of such firm as to the fairness of the financial statements’ presentation of the cash and investments available for the payment of claims and as to the conformity of the financial statements with generally accepted accounting principles or, at the option of the Trustees on advice of the independent certified public accountants, special-purpose basis of accounting. The special-purpose basis of accounting is used in order to communicate the amount of equity available to fund current and future claimants, and is not intended to be a presentation in conformity with accounting principles generally accepted in the United States of America. The Trustees shall provide a copy of the Annual Report to the NARCO Asbestos Future Claimants Representative, the NARCO Asbestos TAC and HWI when such reports are filed with the Bankruptcy Court.

(b) Simultaneously with the filing of the Annual Report, the Trustees shall cause to be prepared and filed with the Bankruptcy Court a report containing a summary regarding the number and type of claims disposed of during the period covered by the financial statements. The Trustees shall provide a copy of such report to the NARCO Asbestos Future Claimants Representative, the NARCO Asbestos TAC and HWI when such report is filed.

(c) All materials required to be filed with the Bankruptcy Court by this Section 3.3 shall be available for inspection by the public in accordance with procedures established by the Bankruptcy Court.

3.4 Trust Expense Budget. By October 1 of each calendar year, the Trustees shall submit to the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative a proposed budget (the “**Proposed Budget**”) for the succeeding calendar year. Such Proposed Budget shall set forth in reasonable detail the proposed Trust Expenses for the NARCO Asbestos Trust for the succeeding calendar year. Each of the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative shall have thirty (30) days within which to provide the Trustees with any responses (the “**Responses**”) to the Proposed Budget, such Responses to be in writing and to be given in accordance with the notice provisions of this NARCO Asbestos Trust Agreement. If the Trustees receive Responses to the Proposed Budget, such Responses shall be circulated to all Parties (the

term Parties for the purposes of this Section 3.4 excludes the Delaware Trustee), and all Parties shall endeavor in good faith to resolve any concerns or differences on or before November 15. If the Parties are unable to resolve such differences by November 15, the matter shall be submitted to the Bankruptcy Court for determination.

3.5 Claims Administration.

(a) General Principles. The Trustees shall implement the NARCO Asbestos TDP. The NARCO Asbestos Trust shall pay holders of valid NARCO Asbestos Trust Claims in accordance with the provisions of the NARCO Asbestos TDP as promptly as funds become available. In their administration of the NARCO Asbestos TDP, the Trustees shall favor settlement over arbitration, arbitration over resort to the tort system, and fair resolution and compensation of claims in all cases, in a manner as inexpensive and efficient as reasonably possible, in accordance with the NARCO Asbestos TDP.

(b) NARCO Asbestos Trust Claims. The Trustees shall administer the processing and payment of NARCO Asbestos Trust Claims in accordance with the NARCO Asbestos TDP, as the same may be amended from time to time in accordance with the provisions hereof and thereof.

3.6 Medicare Reporting.

(a) The NARCO Asbestos Trust shall (i) register as a Responsible Reporting Entity (“RRE”), in lieu of Honeywell, under the reporting provisions of Section 111 of the Medicare, Medicaid, and SCHIP Extension Act of 2007 (Pub. L. 110-173) (“MMSEA”); and (ii) provide the Centers for Medicare and Medicaid Services (“CMS”) with the information necessary for compliance with MMSEA Section 111. To be clear, Honeywell shall remain wholly responsible for errors and/or failure in reporting any claim required to be reported to CMS prior to the Closing.

(b) Honeywell shall continue reporting to CMS until the later of Closing or the NARCO Asbestos Trust’s receipt of permission from CMS to report as the RRE with respect to NARCO Asbestos Trust Claims. If pursuant to this provision, Honeywell must continue reporting to CMS after the Closing, the NARCO Asbestos Trust shall provide Honeywell with information available to the NARCO Asbestos Trust necessary to comply with MMSEA Section 111 for so long as Honeywell must continue reporting to CMS. Honeywell shall keep any information and documents received from the NARCO Asbestos Trust pursuant to this Section 3.6(b) confidential and shall not use such information for any purpose other than meeting obligations under MSPA and/or MMSEA.

(c) The NARCO Asbestos Trust shall provide Honeywell with information available to the NARCO Asbestos Trust necessary to comply with MMSEA Section 111 in the event subsequent law, final regulations or binding CMS requirements prohibit the NARCO Asbestos Trust from reporting as the RRE or acting as the reporting agent on behalf of the RRE with respect to NARCO Asbestos Trust Claims, with any and all expenses related thereto to be borne solely by the NARCO Asbestos Trust. Honeywell shall keep any information and documents received from the NARCO Asbestos Trust pursuant to this

Section 3.6(c) confidential and shall not use such information for any purpose other than meeting obligations under MSPA and/or MMSEA.

(d) To the extent that some or all of the payment that Honeywell makes to the NARCO Asbestos Trust under the Buyout Agreement is used to fund settlements of NARCO Asbestos Trust Claims that potentially implicate 42 U.S.C. 1395y(b) of the Medicare Secondary Payor Act and the rules and regulations promulgated thereunder (collectively “MSP”), on or after the Closing, the NARCO Asbestos Trust shall obtain prior to remittance of funds to claimants’ counsel or to the claimant, if pro se, in respect of any NARCO Asbestos Trust Claim a certification from the claimant to be paid that said claimant has or will provide for the payment and/or resolution of any obligations owing or potentially owing under 42 U.S.C. § 1395y(b), or any related rules, regulations, or guidance, in connection with, or relating to, such NARCO Asbestos Trust Claim. This certification may be contained in the claimant's release of the NARCO Asbestos Trust executed in connection with payment of the claim.

ARTICLE IV

ACCOUNTS, INVESTMENTS, AND PAYMENTS

- 4.1 Accounts. The Trustees may, from time to time, create such accounts and reserves within the NARCO Asbestos Trust estate as they may deem necessary, prudent or useful in order to provide for the payment of expenses and valid NARCO Asbestos Trust Claims. Further, with respect to any such account or reserve, the Trustees may restrict the use of monies therein.
- 4.2 Investments. Investment of monies held in the NARCO Asbestos Trust shall be administered in the manner in which individuals of ordinary prudence, discretion and judgment would act in the management of their own affairs, subject to the terms of the Buyout Agreement and the following limitations and provisions:
- (a) The NARCO Asbestos Trust may acquire and hold the HWI Interest, HWI Dividends and HWI Sale Proceeds without regard to any of the limitations set forth in the other parts of this Article 4, subject to the terms of the Buyout Agreement. However, the NARCO Asbestos Trust shall not acquire any stock or securities issued by Reorganized NARCO and/or Post-Effective ANH (now known as HWI) if such acquisition would result in the NARCO Asbestos Trust becoming potentially liable for any non-asbestos-related debts or other claims against Reorganized NARCO and/or Post-Effective ANH (now known as HWI), including any pension liabilities of either of the foregoing entities. All dividends and income realized by the NARCO Asbestos Trust from the HWI Interest, including the proceeds of any sale of such stock or securities, shall be treated as provided in the Buyout Agreement.
- (b) Except with respect to entities owned and controlled by the NARCO Asbestos Trust for purposes of carrying out provisions of this NARCO Asbestos Trust Agreement or as contemplated pursuant to the Buyout Agreement, the NARCO Asbestos Trust shall not acquire or hold any equity securities issued by any entity or business enterprise unless such

equity is in the form of securities that are traded on a national securities exchange or major international securities exchange or over the National Association of Securities Dealers Automated Quotation System.

(c) The NARCO Asbestos Trust shall not acquire or hold any repurchase obligations unless, in the opinion of the Trustees, they are adequately collateralized.

- 4.3 Source of Payments. All NARCO Asbestos Trust expenses, payments and all liabilities with respect to NARCO Asbestos Trust Claims shall be payable solely out of the NARCO Asbestos Trust estate, which shall be funded solely in accordance with Section 2.3 of this NARCO Asbestos Trust Agreement, the Buyout Agreement and the Buyout Order. The Reorganized Debtors, Honeywell, any of their respective subsidiaries, any successor in interest, any of the present or former directors, officers, employees or agents of the Reorganized Debtors, the Debtors, Honeywell, or any of their respective subsidiaries, the Trustees, the NARCO Asbestos TAC, the NARCO Asbestos Future Claimants Representative, and any of their officers, agents, advisors or employees shall not be liable for the payment of any NARCO Asbestos Trust expense or NARCO Asbestos Trust Claim or any other liability of the NARCO Asbestos Trust, except as provided in this NARCO Asbestos Trust Agreement and/or the Buyout Agreement.

ARTICLE V

TRUSTEES

- 5.1 Number. In addition to the Delaware Trustee appointed pursuant to Section 5.12 hereof, there shall be three (3) initial Trustees. The initial Trustees shall be those persons named on the signature page hereof (the “**Initial Trustees**”).
- 5.2 Term of Service.
- (a) The Initial Trustees shall serve terms ending on the dates shown on the signature pages hereof. Thereafter, each term of service shall be three (3) years. Each Trustee shall serve until the earlier of (i) the end of his or her term, (ii) his or her death, (iii) his or her resignation pursuant to Section 5.2(b), (iv) his or her removal pursuant to Section 5.2(c), (v) the termination of the NARCO Asbestos Trust pursuant to Section 8.3, or (vi) other than the Initial Trustees during the terms ending on the dates shown on the signature pages hereof, his or her mandatory retirement at the end of the year in which the Trustee reaches the age of 75 (unless, and for so long as, this mandatory retirement requirement is waived by agreement of the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative), at which time the term shall terminate automatically.
- (b) Any Trustee may resign at any time by written notice to each of the remaining Trustees, the NARCO Asbestos TAC, and the NARCO Asbestos Future Claimants Representative. Such notice shall specify a date when such resignation shall take effect, which shall not be less than 90 days after the date such notice is given, where practicable.
- (c) Any Trustee may be removed in the event that such Trustee becomes unable to discharge his or her duties hereunder due to accident or physical or mental deterioration,

or for other good cause. Good cause shall be deemed to include, without limitation, a breach of such Trustee's duties hereunder, any failure to comply with Section 5.9, a consistent pattern of neglect and failure to perform or participate in performing the duties of the Trustees hereunder, or repeated non-attendance at scheduled meetings. Such removal shall require either (i) the unanimous decision of the other Trustees or (ii) an order from the Bankruptcy Court upon the petition for removal for good cause by a Trustee, the NARCO Asbestos TAC or the NARCO Asbestos Future Claimants Representative. Such removal shall take effect at such time as the other Trustees shall determine or as ordered by the Bankruptcy Court.

5.3 Appointment of Successor Trustee.

(a) In the event of a vacancy in the position of a Trustee, whether by term expiration, death, retirement, resignation or removal, the remaining Trustees shall consult with the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative concerning the appointment of a successor Trustee. The vacancy shall be filled by the unanimous vote of the remaining Trustees, with the consent of the NARCO Asbestos Future Claimants Representative and a majority of the NARCO Asbestos TAC. In the event that the remaining Trustees cannot agree on a successor Trustee, or the NARCO Asbestos Future Claimants Representative or a majority of the NARCO Asbestos TAC do not consent to the appointment, the Bankruptcy Court shall select the successor Trustee.

(b) Immediately upon the appointment of any successor Trustee, all rights, titles, duties, powers and authority of the predecessor Trustee hereunder shall be vested in, and undertaken by, the successor Trustee without any further act. No successor Trustee shall be liable personally for any act or omission of his or her predecessor Trustee.

5.4 Liability of Trustees, Officers and Employees. No Trustee, officer, or employee of the NARCO Asbestos Trust, nor any individual identified as an Additional Indemnitee in Section 5.6(a) below, shall be liable to the NARCO Asbestos Trust, to any person holding a NARCO Asbestos Trust Claim, or to any other Person except for such Trustee's, officer's or employee's own breach of trust committed in bad faith or for willful misappropriation. No Trustee, officer, or employee of the NARCO Asbestos Trust shall be liable for any act or omission of any other officer, agent, or employee of the NARCO Asbestos Trust, unless the Trustee, officer, or employee acted with bad faith or willful misconduct in the selection or retention of such officer, agent, or employee.

5.5 Compensation and Expenses of Trustees.

(a) Each of the Trustees shall receive compensation from the NARCO Asbestos Trust for his or her services as Trustee in the amount of \$80,977 per annum, plus \$683 per hour spent in the performance of the Trustees' duties under this NARCO Asbestos Trust Agreement. The per annum compensation and the hourly compensation payable to the Trustees hereunder shall be increased annually by the Trustees proportionately with any increase in the All Items Consumer Price Index for all-Urban Consumers (CPI-U) for the corresponding annual period. Any increase in excess of that amount may be made with the consent of the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants

Representative or with the approval of the Bankruptcy Court. The per annum compensation shall be paid on the Effective Date and annually thereafter. The Delaware Trustee shall be paid compensation pursuant to a separate fee agreement.

(b) The NARCO Asbestos Trust will promptly reimburse the Trustees for all reasonable out-of-pocket costs and expenses incurred by the Trustees or the Delaware Trustee in connection with the performance of their duties hereunder.

(c) The NARCO Asbestos Trust shall include a description of the amounts paid under this Article 5 in the accounts to be filed with the Bankruptcy Court and provided to the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative pursuant to Section 3.3.

5.6 Indemnification of Trustees and Others.

(a) The NARCO Asbestos Trust shall indemnify and defend the Trustees, the NARCO Asbestos Trust's officers, agents, advisors or employees, to the fullest extent that a corporation or trust organized under the laws of the State of Delaware is from time to time entitled to indemnify and defend its directors, trustees, officers, employees, agents or advisors against any and all liabilities, expenses, claims, damages or losses incurred by them in the performance of their duties hereunder. Notwithstanding the foregoing, the Trustees shall not be indemnified or defended in any way for any liability, expense, claim, damage or loss for which they are liable under Section 5.4. Additionally, each member of the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative (collectively, "**Additional Indemnitees**") who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding of any kind, by reason of any act or omission of such Additional Indemnitees with respect to (i) the liquidation of any NARCO Asbestos Trust Claims, (ii) the administration of the NARCO Asbestos Trust, or (iii) the implementation of the NARCO Asbestos TDP, shall be indemnified and defended by the NARCO Asbestos Trust against expenses, costs and fees (including attorneys' fees), judgments, awards, costs, amounts paid in settlement, and liabilities of all kinds incurred by each Additional Indemnitee in connection with or resulting from such action, suit, or proceeding, if he or she acted in good faith and in a manner such Additional Indemnitee reasonably believed to be in, or not opposed to, the best interests of the holders of NARCO Asbestos Trust Claims. For the avoidance of doubt, the indemnification obligations set forth herein in favor of the Trustees and the Additional Indemnitees shall survive the termination of any such indemnitee's service.

(b) Reasonable expenses, costs and fees (including attorneys' fees) incurred by or on behalf of a Trustee or Additional Indemnitee in connection with any action, suit, or proceeding, from which they are indemnified by the NARCO Asbestos Trust pursuant to this Section 5.6, may be paid by the NARCO Asbestos Trust in advance of the final disposition thereof upon receipt of an undertaking by or on behalf of such Trustee or Additional Indemnitee to repay such amount if it shall be determined ultimately that such Trustee or Additional Indemnitee is not entitled to be indemnified by the NARCO Asbestos Trust

(c) Any indemnification under Section 5.6(a) of this NARCO Asbestos Trust Agreement shall be made by the NARCO Asbestos Trust upon a determination that indemnification of such person is proper in the circumstances. Such determination shall be made by a majority vote of the Trustees who were not parties to such action, suit, or proceeding, if two such Trustees were not parties; otherwise the determination will be made by legal counsel to the NARCO Asbestos Trust.

(d) The Trustees may purchase and maintain reasonable amounts and types of insurance on behalf of an individual who is or was a Trustee, officer, employee, agent or representative of the NARCO Asbestos Trust or an Additional Indemnitee against liability asserted against or incurred by such individual in that capacity or arising from his or her status as a Trustee, officer, employee, agent, representative, or Additional Indemnitee, subject to and in accordance with the budget requirements of Section 3.3.

5.7 Trustees' Lien. The Trustees shall have a prior lien upon the NARCO Asbestos Trust corpus to secure the payment of any amounts payable to them pursuant to Sections 5.5 and 5.6.

5.8 Trustees' Employment of Experts. The Trustees may, but shall not be required to, consult with counsel, accountants, appraisers and other parties deemed by the Trustees to be qualified as experts on the matters submitted to them (regardless of whether any such party is affiliated with any of the Trustees in any manner, except as otherwise expressly provided in this NARCO Asbestos Trust Agreement), and the written opinion of any such parties on any matters submitted to them by the Trustees shall be full and complete authorization and protection in respect of any action taken or not taken by the Trustees hereunder in good faith and in accordance with the written opinion of any such party.

5.9 Trustees' Independence. No Trustee shall, during the term of his or her service, hold a financial interest in Honeywell, Reorganized NARCO, or Post-Effective ANH (now known as HWI), or act as an officer or director of: or attorney for, Honeywell, Reorganized NARCO, or Post- Effective ANH (now known as HWI), or as an attorney or advisor for any person who holds a NARCO Asbestos Trust Claim. For avoidance of doubt, this Section 5.9 shall not be applicable to the Delaware Trustee.

5.10 Trustees' Service as Officers or Consultants to the Trust. The Trustees may, but are not required to, select any Trustee to serve as an officer or manager of the Trust or as a consultant to the Trust. In the event any Trustee serves the Trust in such a capacity, the Trust shall compensate the Trustee in an amount determined by the Trustees. Compensation for a Trustee's service as an officer or manager of the Trust or as a consultant to the Trust shall be in addition to compensation paid pursuant to Section 5.5.

5.11 Bond. The Trustees shall not be required to post any bond or other form of surety or security unless otherwise ordered by the Bankruptcy Court.

5.12 Delaware Trustee.

(a) To the extent Delaware law requires Delaware statutory trusts to have at least one resident trustee who is a Delaware resident, if an individual, or has its principal place of

business in Delaware, there shall at all times be a Delaware Trustee. The Delaware Trustee shall be a legal entity that has its principal place of business in the State of Delaware, otherwise meets the requirements of applicable Delaware law and shall act through one or more persons authorized to bind the entity. If at any time the Delaware Trustee shall cease to be eligible in accordance with the provisions of this Section 5.12, it shall resign immediately in the manner and with the effect hereinafter specified in Section 5.12(f) below. For the avoidance of doubt, the Delaware Trustee shall only have the rights and obligations expressly provided by reference to the Delaware Trustee hereunder. In accepting and performing hereunder, the Delaware Trustee acts not in its individual capacity, and all persons having any claim against the Delaware Trustee by reason of the transactions contemplated by this NARCO Asbestos Trust Agreement or any other NARCO Asbestos Trust related document or agreement shall look only to the NARCO Asbestos Trust's property for payment or satisfaction thereof.

(b) The Delaware Trustee shall not be entitled to exercise any powers, nor shall the Delaware Trustee have any of the duties and responsibilities, of the Trustees set forth herein. The Delaware Trustee shall be one of the trustees of the NARCO Asbestos Trust for the sole and limited purpose of fulfilling the requirements of Section 3807 of the Act and for taking actions required to be taken by a Delaware Trustee under the Act. The duties (including fiduciary duties), liabilities and obligations of the Delaware Trustee shall be limited to (i) accepting legal process served on the NARCO Asbestos Trust in the State of Delaware and (ii) the execution of any certificates required to be filed with the Secretary of State of the State of Delaware that the Delaware Trustee is required to execute under Section 3811 of the Act. The Delaware Trustee shall have no other duties (including fiduciary duties) or obligations, express or implied, at law or in equity.

(c) The Delaware Trustee shall not be personally liable under any circumstances, except for its own bad faith or willful misconduct. As to any fact or matter, the Delaware Trustee may for all purposes hereof rely on a certificate or instruction, signed by one of the Trustees, as to such fact or matter, and the Delaware Trustee shall not be liable for any action taken or omitted to be taken by it in good faith in reliance thereon. The Delaware Trustee shall incur no liability to anyone in acting upon any signature, instrument, notice, request, consent, order or other document or paper reasonably believed by it to be genuine and reasonably believed by it to be signed by the proper party or parties. In the event that the Delaware Trustee is unsure of the course of action to be taken by it hereunder, the Delaware Trustee may request instructions from the Trustees and to the extent the Delaware Trustee follows such instructions in good faith it shall not be liable to any person. In the event that no instructions are provided within the time requested by the Delaware Trustee, it shall have no duty or liability for its failure to take any action or for any action it takes in good faith.

(d) The Trustees, on behalf of the Trust, shall at all times maintain trustee insurance, errors and omissions insurance, or similar insurance coverage naming the Delaware Trustees as a named insured, with aggregate coverage limitations of no less than \$25,000,000.

(e) Any amounts owing to the Delaware Trustee hereunder shall be a Trust Expense.

(f) The Delaware Trustee shall serve until removed by the Trustees or the Delaware Trustee resigns and a successor Delaware Trustee is appointed by the Trustees in accordance with the terms of Section 5.12(g) below. The Delaware Trustee may resign at any time upon the giving of at least sixty (60) days' advance written notice (or in the circumstances of 5.12(a) above upon immediate notice) to the Trustees; provided that, any resignation shall not become effective unless and until a successor Delaware Trustee shall have been appointed by the Trustees in accordance with Section 5.12(g) below. If the Trustees do not act within the 60-day period, the Delaware Trustee may apply to the Court of Chancery of the State of Delaware for the appointment of a successor Delaware Trustee.

(g) Upon the resignation or removal of the Delaware Trustee, the Trustees shall appoint a successor Delaware Trustee by delivering a written instrument to the outgoing Delaware Trustee. Any successor Delaware Trustee must satisfy the requirements of Section 3807 of the Act. Any resignation or removal of the Delaware Trustee and appointment of a successor Delaware Trustee shall not become effective until a written acceptance of appointment is delivered by the successor Delaware Trustee to the outgoing Delaware Trustee and the Trustees, and any fees and expenses due to the outgoing Delaware Trustee are paid. Following compliance with the preceding sentence, the successor Delaware Trustee shall become fully vested with all of the rights, powers, duties and obligations of the outgoing Delaware Trustee under this NARCO Asbestos Trust Agreement, with like effect as if originally named as Delaware Trustee, and the outgoing Delaware Trustee shall be discharged of its duties and obligations under this NARCO Asbestos Trust Agreement.

(h) Any person into which the Delaware Trustee may be merged or with which it may be consolidated, or any person resulting from any merger or consolidation to which the Delaware Trustee shall be a party, or any person which succeeds to all or substantially all of the corporate trust business of the Delaware Trustee, shall be the successor Delaware Trustee under this NARCO Asbestos Trust Agreement without the execution, delivery or filing of any paper or instrument or further act to be done on the part of the parties hereto, except as may be required by the Act.

ARTICLE VI

TRUSTEES' ADVISORY COMMITTEE

6.1 Formation; Duties. A Trustees' Advisory Committee (the "NARCO Asbestos TAC") has been formed. As provided herein, the Trustees shall consult with the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative regarding the implementation and administration of the NARCO Asbestos TDP. The members of the NARCO Asbestos TAC shall serve in a fiduciary capacity representing all holders of present NARCO Asbestos Trust Claims. The Trustees may consult with the NARCO Asbestos TAC on any matter affecting the NARCO Asbestos Trust, and certain actions by the Trustees are subject to the prior consent of the NARCO Asbestos TAC as provided in Section 8.1(b) hereof and in the NARCO Asbestos TDP. The NARCO Asbestos TAC shall endeavor to act in the best interests of the holders of all NARCO Asbestos Trust Claims.

6.2 Number; Chairperson.

(a) There shall be six members of the NARCO Asbestos TAC. The current members of the NARCO Asbestos TAC are the individuals identified as such on the signature page of this NARCO Asbestos Trust Agreement. The NARCO Asbestos TAC shall act in all cases by majority vote.

(b) There shall be a Chairperson of the NARCO Asbestos TAC. The Chairperson shall act as the NARCO Asbestos TAC's liaison, he or she shall coordinate and schedule meetings of the NARCO Asbestos TAC, and he or she shall handle all administrative matters that come before the NARCO Asbestos TAC. The Chairperson shall be selected by a majority vote of the NARCO Asbestos TAC.

6.3 Term of Office.

(a) The current six members of the NARCO Asbestos TAC shall serve staggered five-year terms ending on the dates shown on the signature pages hereof. Thereafter, each term of service shall be five years. A member of the NARCO Asbestos TAC shall serve until the earlier of (i) the end of his or her term; (ii) his or her death; (iii) his or her resignation pursuant to Section 6.3(b) below; (iv) his or her removal pursuant to Section 6.3(c) below; or (v) the termination of the NARCO Asbestos Trust pursuant to Section 8.3 below.

(b) Any member of the NARCO Asbestos TAC may resign at any time by written notice to each of the remaining members specifying the date when such resignation shall take place. Such notice shall specify a date when such resignation shall take effect, which shall not be less than ninety (90) days after the date such notice is given, where practicable.

(c) Any member of the NARCO Asbestos TAC may be removed in the event such member becomes unable to discharge his or her duties hereunder due to accident, or physical or mental deterioration, or for other good cause. Good cause shall be deemed to include, without limitation, a breach of the member's duties hereunder, a consistent pattern of neglect and failure to perform or to participate in performing the duties of such member hereunder, or repeated non-attendance at scheduled meetings. Such removal shall require an order from the Bankruptcy Court upon petition for removal by the remaining members of the NARCO Asbestos TAC or by the Trustees.

6.4 Appointment of Successor.

(a) In the event of a vacancy caused by the resignation or death of a NARCO Asbestos TAC member, his or her successor shall be pre-selected by the resigning or deceased NARCO Asbestos TAC member, or by his or her law firm in the event that such member has not pre-selected a successor. If neither the member nor the law firm exercised the right to make such a selection, the successor shall be chosen by a majority vote of the remaining NARCO Asbestos TAC members. If a majority of the remaining members cannot agree, the Bankruptcy Court shall appoint the successor. In the event of a vacancy caused by the removal of a NARCO Asbestos TAC member, the remaining members of the NARCO Asbestos TAC, by majority vote, shall name the successor. If the majority of the remaining members of the NARCO Asbestos TAC cannot reach agreement, the Bankruptcy Court shall appoint the successor.

(b) Each successor NARCO Asbestos TAC member shall serve until the earlier of (i) his or her death, (ii) his or her resignation pursuant to Section 6.3(b), (iii) his or her removal pursuant to Section 6.3(c), (iv) termination of the NARCO Asbestos Trust, (v) the end of a full term of five (5) years if his or her predecessor member completed his or her term; or (vi) the end of the remainder of the term of the member whom he or she replaced if said predecessor member did not complete said term. Members of the NARCO Asbestos TAC shall be eligible to serve successive terms.

6.5 NARCO Asbestos TAC's Employment of Professionals.

(a) The NARCO Asbestos TAC may but is not required to retain and/or consult counsel, accountants, appraisers, auditors, forecasters, experts, and financial and investment advisors, and such other parties it deems to be qualified as experts on matters submitted to the NARCO Asbestos TAC (the "**NARCO Asbestos TAC Professionals**"). The NARCO Asbestos TAC and the NARCO Asbestos TAC Professionals shall at all times have complete access to the NARCO Asbestos Trust's officers, employees and agents, as well as to the experts retained by the NARCO Asbestos Trust, and to all information generated by them or otherwise available to the Trustees. In the absence of gross negligence, the written opinion of or information provided by any NARCO Asbestos TAC Professional retained by the NARCO Asbestos TAC shall be full and complete authorization and protection in support of any action taken or not taken by the NARCO Asbestos TAC in good faith and in accordance with the written opinion of or information provided by the NARCO Asbestos TAC Professional. Compensation and reimbursement to the NARCO Asbestos TAC Professional employed by the NARCO Asbestos TAC pursuant to this Section 6.5(a) shall be considered Trust Expenses of the NARCO Asbestos Trust.

(b) The NARCO Asbestos Trust shall promptly reimburse, or may pay directly by agreement, the NARCO Asbestos TAC for all reasonable fees and costs associated with the NARCO Asbestos TAC's employment of legal counsel in connection with the NARCO Asbestos TAC's performance of its duties hereunder. The Trust shall also promptly reimburse, or pay directly by agreement, the NARCO Asbestos TAC for all reasonable fees and costs associated with the employment of any other NARCO Asbestos TAC Professional in connection with the NARCO Asbestos TAC's performance of their duties hereunder; provided, however, that (i) the NARCO Asbestos TAC has first submitted to the NARCO Asbestos Trust a written request for such reimbursement setting forth the reasons (A) why the NARCO Asbestos TAC desires to employ the NARCO Asbestos TAC Professional, and (B) why the NARCO Asbestos TAC cannot rely on the experts retained by the NARCO Asbestos Trust to meet the need of the NARCO Asbestos TAC for such expertise or advice, and (ii) the NARCO Asbestos Trust has approved the NARCO Asbestos TAC's request for reimbursement in writing. If the NARCO Asbestos Trust agrees to pay for the NARCO Asbestos TAC Professional, such reimbursement shall be treated as a Trust Expense. If the NARCO Asbestos Trust declines to pay for the NARCO Asbestos TAC Professional, it must set forth its reasons in writing. If the NARCO Asbestos TAC still desires to employ the NARCO Asbestos TAC Professional at the expense of the NARCO Asbestos Trust, the NARCO Asbestos TAC and/or the Trustees shall resolve their dispute pursuant to Section 8.14 below.

- 6.6 Compensation and Expenses of NARCO Asbestos TAC Members. To reduce the Trust Expenses of the NARCO Asbestos Trust, the members of the NARCO Asbestos TAC shall not receive compensation from the NARCO Asbestos Trust for their service as NARCO Asbestos TAC members. However, all members of the NARCO Asbestos TAC shall be reimbursed promptly for all reasonable out-of-pocket expenses incurred by the NARCO Asbestos TAC members in connection with the performance of their duties hereunder. Such NARCO Asbestos TAC reimbursement or direct payment shall be deemed a Trust Expense. The NARCO Asbestos Trust shall include a description of the amounts paid under this Article 6 in the accounts to be filed with the Bankruptcy Court and provided to the Trustees, the NARCO Asbestos Future Claimants Representative pursuant to Section 3.3.

ARTICLE VII

FUTURE CLAIMANTS REPRESENTATIVE

- 7.1 Duties. The initial NARCO Asbestos Future Claimants Representative shall be Lawrence Fitzpatrick, Esquire. He shall serve in a fiduciary capacity, representing the interests of the holders of NARCO Asbestos Trust Claims yet to accrue for the purpose of protecting the rights of such persons. The Trustees must consult with the NARCO Asbestos Future Claimants Representative on matters identified in Section 3.1(c) above and on certain other matters provided herein, and must obtain the consent of the NARCO Asbestos Future Claimants Representative on matters identified in Section 3.2(d) above and on certain other matters provided herein. Where provided in the NARCO Asbestos TDP, certain other actions by the Trustees are also subject to the consent of the NARCO Asbestos Future Claimants Representative.
- 7.2 Term of Office.
- (a) The NARCO Asbestos Future Claimants Representative shall serve until the earlier of (i) his or her death, (ii) his or her resignation pursuant to Section 7.2(b) below, (iii) his or her removal pursuant to Section 7.2(c) below, or (iv) the termination of the NARCO Asbestos Trust.
 - (b) The NARCO Asbestos Future Claimants Representative may resign at any time by written notice to the Trustees and the NARCO Asbestos TAC. Such notice shall specify a date when such resignation shall take effect, which shall not be less than ninety (90) days after the date such notice is given, where practicable.
 - (c) The NARCO Asbestos Future Claimants Representative may be removed by the Bankruptcy Court on a petition for removal by the NARCO Asbestos Trustees or on motion for removal, but after notice and hearing, in the event he or she becomes unable to discharge his or her duties hereunder due to accident, or physical or mental deterioration, or for other good cause. Good cause shall be deemed to include, without limitation, a breach of the NARCO Asbestos Future Claimants Representative's duties hereunder, a consistent pattern of neglect and failure to perform or to participate in performing the duties hereunder, or repeated non-attendance at scheduled meetings.

7.3 Appointment of Successor. A vacancy caused by death or resignation shall be filled with an individual nominated prior to the effective date of the resignation or the death by the resigning or deceased NARCO Asbestos Future Claimants Representative. A vacancy caused by the removal of the NARCO Asbestos Future Claimants Representative shall be filled with an individual nominated by the Trustees in consultation with the NARCO Asbestos TAC, subject to the approval of the Bankruptcy Court. In the event a majority of the Trustees cannot agree, or a nominee has not been pre-selected, the successor shall be chosen by the Bankruptcy Court.

7.4 NARCO Asbestos Future Claimants Representative's Employment of Professionals.

(a) The NARCO Asbestos Future Claimants Representative shall receive compensation from the NARCO Asbestos Trust. The NARCO Asbestos Future Claimants Representative may but is not required to retain and/or consult counsel, accountants, appraisers, auditors, forecasters, experts, and financial and investment advisors, and such other parties deemed by the NARCO Asbestos Future Claimants Representative to be qualified as experts on matters submitted to the NARCO Asbestos Future Claimants Representative (the "**FCR Professionals**"). The NARCO Asbestos Future Claimants Representative and the FCR Professionals shall at all times have complete access to the NARCO Asbestos Trust's officers, employees and agents, as well as to the experts retained by the NARCO Asbestos Trust, and shall also have complete access to all information generated by them or otherwise available to the Trustees. In the absence of gross negligence, the written opinion of or information provided by any FCR Professional deemed by the NARCO Asbestos Future Claimants Representative to be qualified as an expert on the particular matter submitted to the NARCO Asbestos Future Claimants Representative shall be full and complete authorization and protection in support of any action taken or not taken by the NARCO Asbestos Future Claimants Representative in good faith and in accordance with the written opinion of or information provided by the FCR Professional.

(b) The Trust shall promptly reimburse, or may pay directly by agreement, the NARCO Asbestos Future Claimants Representative for all reasonable fees and costs associated with the NARCO Asbestos Future Claimants Representative's employment of legal counsel pursuant to this provision in connection with the NARCO Asbestos Future Claimants Representative's performance of his or her duties hereunder. The Trust shall also promptly reimburse, or pay directly by agreement, the NARCO Asbestos Future Claimants Representative for all reasonable fees and costs associated with the NARCO Asbestos Future Claimants Representative's employment of any other FCR Professional pursuant to this provision in connection with the NARCO Asbestos Future Claimants Representative's performance of his or her duties hereunder; provided, however, that (i) the NARCO Asbestos Future Claimants Representative has first submitted to the Trust a written request for such reimbursement setting forth the reasons (A) why the NARCO Asbestos Future Claimants Representative desires to employ the FCR Professional, and (B) why the NARCO Asbestos Future Claimants Representative cannot rely on the experts retained by the Trust to meet the need of the NARCO Asbestos Future Claimants Representative for such expertise or advice, and (ii) the Trust has approved the NARCO Asbestos Future Claimants Representative's request for reimbursement in writing. If the Trust agrees to

pay for the FCR Professional, such reimbursement shall be treated as a Trust Expense. If the Trust declines to pay for the FCR Professional, it must set forth its reasons in writing. If the NARCO Asbestos Future Claimants Representative still desires to employ the FCR Professional at Trust expense, the NARCO Asbestos Future Claimants Representative and/or the Trustees shall resolve their dispute pursuant to Section 8.14 below.

- 7.5 Compensation and Expenses of the NARCO Asbestos Future Claimants Representative. The NARCO Asbestos Future Claimants Representative shall receive compensation from the NARCO Asbestos Trust at the rate of \$683 per hour. The NARCO Asbestos Trust will promptly reimburse the NARCO Asbestos Future Claimants Representative for all reasonable out-of-pocket costs and expenses incurred by the NARCO Asbestos Future Claimants Representative in connection with the performance of his or her duties hereunder. Such reimbursement or direct payment shall be deemed a NARCO Asbestos Trust Administrative expense. The hourly rate of compensation hereunder shall be increased annually by the Trustees proportionately with any increase in the All Items Consumer Price Index for all-Urban Consumers (CPI-U) for the corresponding annual period. The NARCO Asbestos Trust shall include a description of the amounts paid under this Section 7.5 in the accounts to be filed with the Bankruptcy Court and provided to the Trustees and the NARCO Asbestos TAC pursuant to Section 3.3.

ARTICLE VIII

GENERAL PROVISIONS

- 8.1 Procedure for Consulting With or Obtaining Consent of the NARCO Asbestos TAC and/or the NARCO Asbestos Future Claimants Representative.
- (a) Consultation Process.
- (i) In the event the Trustees are required to consult with the NARCO Asbestos TAC and/or the NARCO Asbestos Future Claimants Representative pursuant to this NARCO Asbestos Trust Agreement, the NARCO Asbestos TDP or on other matters, the Trustees shall provide the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative with written advance notice of the matter under consideration, and with all relevant information concerning the matter as is reasonably practicable under the circumstances. The Trustees shall also provide the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative with such reasonable access to the experts retained by the Trustees as the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative may reasonably request during the time that the Trustees are considering such matters, and shall also provide to the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative the opportunity, at reasonable times and for reasonable periods of time, to discuss and comment on such matter with the Trustees.

(ii) The Trustees shall take into consideration the time required for the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative, if desirable to those Parties, to engage and consult with their own experts as to such matters.

(b) Consent Process.

(i) In the event the Trustees are required to obtain the consent of the NARCO Asbestos TAC or the NARCO Asbestos Future Claimants Representative pursuant to this NARCO Asbestos Trust Agreement, the NARCO Asbestos TDP, or otherwise, the Trustees shall provide the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative with a written notice stating that their consent is being sought pursuant to the Trustees' proposal, describing in detail the nature and scope of the action the Trustees propose to take, and explaining in detail the reasons why the Trustees desire to take such action. The Trustees shall provide to the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative as much relevant additional information concerning the proposed action as is reasonably practicable under the circumstances. The Trustees shall also provide to the NARCO Asbestos TAC or the NARCO Asbestos Future Claimants Representative such reasonable access to the experts retained by the Trustees as the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative may reasonably request during the time that the Trustees are considering such action, and shall also provide to the NARCO Asbestos TAC or the NARCO Asbestos Future Claimants Representative the opportunity, at reasonable times and for reasonable periods of time, to discuss and comment on such action with the Trustees.

(ii) The NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative must each consider in good faith and in a timely fashion any request for its consent by the Trustees, and must in any event, advise the Trustees in writing of its consent or its objection to the proposed action within sixty (60) days of receiving the original request for consent from the Trustees. This sixty (60) day period may be extended with the consent of the Trustees. This sixty (60) day period may be reduced or waived in writing by the NARCO Asbestos TAC or the NARCO Asbestos Future Claimants Representative. The NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative may not withhold consent unreasonably. If the NARCO Asbestos TAC or the NARCO Asbestos Future Claimants Representative decides to withhold its consent, it must explain in detail in writing its objections to the proposed action. If the NARCO Asbestos TAC or the NARCO Asbestos Future Claimants Representative does not advise the Trustees in writing of consent or objections to the action within sixty (60) days of receiving notice regarding such request, or such other time as provided hereunder, the consent of the NARCO Asbestos TAC or the NARCO Asbestos Future Claimants Representative to the proposed actions shall be deemed to have been affirmatively granted.

(iii) If, after following the procedures specified in this Section 8.1(b), the NARCO Asbestos TAC or the NARCO Asbestos Future Claimants Representative continues to object to the proposed action and to withhold consent to the proposed action, the Trustees and/or the NARCO Asbestos TAC or the NARCO Asbestos Future Claimants Representative shall resolve their dispute pursuant to Section 8.14. However, the burden of proof with respect to the validity of the objection of the NARCO Asbestos TAC or the NARCO Asbestos Future Claimants Representative shall be on the objecting party.

8.2 Irrevocability. The NARCO Asbestos Trust is irrevocable, but is subject to amendment as provided in Section 8.4.

8.3 Termination.

(a) The NARCO Asbestos Trust shall automatically terminate on the date (the “**Termination Date**”) ninety (90) days after the first occurrence of any of the following events:

(i) the Trustees in their sole discretion decide to terminate the NARCO Asbestos Trust because (A) they deem it unlikely that new NARCO Asbestos Trust Claims will be filed against the NARCO Asbestos Trust and (B) all NARCO Asbestos Trust Claims duly filed with the NARCO Asbestos Trust have been liquidated and satisfied and twelve consecutive months have elapsed during which no new valid NARCO Asbestos Trust Claim has been filed with the NARCO Asbestos Trust;

(ii) if the Trustees have procured and have in place irrevocable insurance policies and have established claims handling agreements and other necessary arrangements with suitable third parties adequate to discharge all expected remaining obligations and expenses of the NARCO Asbestos Trust in a manner consistent with this NARCO Asbestos Trust Agreement and the NARCO Asbestos TDP, the date on which the Bankruptcy Court enters an order approving such insurance and other arrangements and such order becomes final;

(iii) if in the judgment of two-thirds of the Trustees, with the consent of the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative (which consent shall not be unreasonably withheld), the continued administration of the NARCO Asbestos Trust is uneconomical or inimical to the best interests of the persons holding NARCO Asbestos Trust Claims, and the termination of the NARCO Asbestos Trust will not expose or subject Reorganized NARCO, any other Reorganized Debtor, Honeywell or any Honeywell Affiliate, or any of their successors in interest to any increased or undue risk of having any NARCO Asbestos Trust Claims asserted against it or them or will not in any way jeopardize the validity or enforceability of the NARCO Channeling Injunction; or

(iv) 21 years less 90 days pass after the death of the last survivor of all the descendants of Joseph P. Kennedy, Sr. of Massachusetts living on the date hereof.

(b) During the ninety (90) day period after the occurrence of an event provided for in Section 8.3(a), but prior to the Termination Date, any HWI Interest held by the NARCO Asbestos Trust, shall be sold and liquidated by the Trustees, subject to the terms of the Buyout Agreement. The proceeds of any such sale of stock or securities shall be applied pursuant to the Buyout Agreement and/or the Buyout Order, as applicable.

(c) On the Termination Date, after payment of all the NARCO Asbestos Trust's liabilities has been provided for, all monies remaining in the NARCO Asbestos Trust estate shall be transferred to charitable organization(s) exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, which tax-exempt organization(s) shall be selected by the Trustees using their reasonable discretion; provided, however, that (i) if practicable, the tax-exempt organization(s) shall be related to treatment of, research in the cure of, or relief of individuals suffering from asbestos-caused disorders, and (ii) the tax-exempt organization(s) shall not bear any relationship to Reorganized NARCO within the meaning of Section 468(d)(3) of the Internal Revenue Code.

8.4 Amendments. The Trustees, after consultation with the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative, and subject to the consent of the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative, may modify or amend this NARCO Asbestos Trust Agreement and the Trust Bylaws. The Trustees, after consultation with the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative, and subject to the consent of the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative, may modify or amend the NARCO Asbestos TDP; provided, however, that no amendment to the NARCO Asbestos TDP shall be inconsistent with the limitations on amendments provided therein, and, in particular, the provisions limiting amendment of the Clams Payment Ratio set forth in Section 2.4 of the NARCO Asbestos TDP or the Payment Percentage provisions of Section 2.5 of the NARCO Asbestos TDP. Any modification or amendment made pursuant to this Article 8 must be done in writing, and must be described in the Annual Report to be filed by the NARCO Asbestos Trust with the Bankruptcy Court pursuant to Section 3.3. Notwithstanding anything contained in this NARCO Asbestos Trust Agreement to the contrary, neither this NARCO Asbestos Trust Agreement, the Trust Bylaws, the NARCO Asbestos TDP, nor any document annexed to the foregoing shall be modified or amended in any way that could jeopardize, impair, or modify the applicability of Section 524(g) of the Bankruptcy Code, the efficacy or enforceability of the injunction entered thereunder, or the NARCO Asbestos Trust's qualified settlement fund status under Section 468B of the Internal Revenue Code. No consent from the Settlers shall be required to modify or amend this NARCO Asbestos Trust Agreement or any document annexed to it. Any modification or amendment made pursuant to this Section 8.4 must be done in writing. Notwithstanding anything contained herein to the contrary, neither this NARCO Asbestos Trust Agreement nor the NARCO Asbestos TDP shall be modified or amended in any way that would (a) jeopardize the efficacy or enforceability of the NARCO Channeling Injunction or (b) conflict with the terms of the Buyout Agreement.

8.5 Meetings.

(a) The NARCO Asbestos Future Claimants Representative and the NARCO Asbestos TAC shall have the right to attend all meetings of the Trustees. Attendance may be in person, by telephone, or by video. The NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative shall be provided five (5) days' advance notice in writing whenever meetings are scheduled to be held. The number of meetings of the Trustees per year and the procedure for setting the time, place and manner of conducting the meetings shall be set pursuant to the Trust Bylaws.

(b) Notwithstanding the foregoing, the Trustees shall have the right to meet in executive session.

(c) Notwithstanding the foregoing, the Trustees shall have the right to meet with any person as the Trustees deem necessary to fulfill their duties, in executive session or otherwise.

(d) The Delaware Trustee shall not be required nor permitted to attend meetings relating to the NARCO Asbestos Trust.

8.6 Severability. If any provision in this NARCO Asbestos Trust Agreement is determined to be unenforceable, such determination shall in no way limit or affect the enforceability and operative effect of any and all other provisions of this NARCO Asbestos Trust Agreement.

8.7 Notices.

(a) Notices to persons asserting claims shall be given by first class mail, postage prepaid, at the address of such person, or, where applicable, such person's legal representative; in each case as provided on such person's claim form submitted to the NARCO Asbestos Trust with respect to his or her NARCO Asbestos Trust Claim, or by such other means, including electronic notice, as may be agreed between the NARCO Asbestos Trust and the NARCO Asbestos Trust Claimant or, where applicable, such person's legal representative.

(b) Any notices or other communications required or permitted hereunder to the following Parties shall be in writing and delivered at the addresses designated below, or sent by electronic mail or facsimile pursuant to the instructions listed below, or mailed by registered or certified mail, return receipt requested, postage prepaid, addressed as follows, or to such other address or addresses as may hereafter be furnished by any of Reorganized NARCO, Post-Effective ANH, HWI, the Trustees, the NARCO Asbestos TAC, or the NARCO Asbestos Future Claimants Representative to the others in compliance with the terms hereof.

To the NARCO Asbestos Trust or
the Trustees:

Hon. Ken M. Kawaichi (Ret.)
14 Mesa Avenue
Piedmont, California 94611
Facsimile: (510) 601-9254
Email: k.m.kawaichi@gmail.com

Richard B. Schiro
3710 Rawlins Street, Suite 1350
Dallas, Texas 75219
Facsimile: (214) 521-3838
Email: rbshiro@schirrolaw.com

Mark M. Gleason & Associates
One Gateway Center, Suite 525
420 Fort Duquesne Blvd.
Pittsburgh, PA 15222-1402
Facsimile: (412) 391-1790
Email: mgleason@gleasonexperts.com

Sander L. Esserman
Steven A. Felsenthal
Stutzman, Bromberg, Esserman & Plifka
2323 Bryan Street, Suite 2200
Dallas, Texas 75201
Facsimile: (214) 969-4999
Email: Esserman@sbep-law.com
Email: Felsenthal@sbep-law.com

To the NARCO Asbestos TAC:

John A. Baden IV
Motley Rice LLC
28 Bridgeside Blvd.
Mt. Pleasant, South Carolina 29464
Facsimile: (843) 216-9290
Email: jbaden@motleyrice.com

Perry Weitz
Lisa Nathanson Busch
Weitz & Luxenberg, PC
700 Broadway
New York, New York 10003
Facsimile: (212) 344-5461
Email: pweitz@weitzlux.com
Email: lbusch@weitzlux.com

Steven Kazan
Kazan, McClain, Satterley & Greenwood, A
Professional Law Corporation
Jack London Market
55 Harrison Street, Suite 400
Oakland, California 94607
Facsimile: (510) 835-4913

Email: skazan@lcazanlaw.com

Steven T. Baron
Baron & Budd, P.C.
3102 Oak Lawn, Suite 1100
Dallas, Texas 75219
Facsimile: (214) 824-8100
Email: sbaron@baronbudd.com

Bruce Mattock
Goldberg, Persky & White, P.C.
11 Stanwix Street, Suite 1800
Pittsburgh, Pennsylvania 15222
Facsimile: (412) 471-8308
Email: bmattock@gpwlaw.com

John D. Cooney
Cooney & Conway, LLP
120 N. LaSalle Street, Suite 3000
Chicago, Illinois 60602
Email: jcooney@cooneyconway.com

Ann C. McMillan
James P. Wehner
Caplin & Drysdale, Chartered
One Thomas Circle, N.W.
Washington, DC 20005
Facsimile: (202) 429-3301
Email: amcmillan@capdale.com
Email: jwehner@capdale.com

To Reorganized
NARCO, Post-Effective ANH and
HWI:

North American Refractories Company
Attention: General Counsel
Cherrington Corporate Center
400 Fairway Drive
Moon Township, PA 15108
Facsimile: (412) 375-6957
Email: mschalk@anbrefractories.com

Michael T. Wolf
Jenner & Block LLP
53 N. Clark Street
Chicago, IL 60654-3456
Facsimile: (312) 527-0484
Email: mwolf@jenner.com

To NARCO Asbestos Future
Claimants Representative:

Lawrence Fitzpatrick
200 American Metro Blvd.
Suite 129
Hamilton, New Jersey 08619
Facsimile: (609) 620-1466
Email: Larry.Fitzpatrick@pace-claims.com

James L. Patton, Jr.
Edwin J. Harron
Sharon M. Zieg
Young Conaway Stargatt & Taylor, LLP
Rodney Square
1000 North King Street
Wilmington, Delaware 19801
Facsimile: (302) 571-1253
Email: jpatton@ycst.com
Email: eharron@ycst.com
Email: Szieg@ycst.com

All such notices and communications shall be effective when delivered at the designated addresses or, if electronically transmitted, when the communication is received at the designated addresses and confirmed by the recipient by return transmission or by electronic delivery confirmation.


- 8.8 Counterparts. This NARCO Asbestos Trust Agreement may be executed in any number of counterparts, each of which shall constitute an original, but such counterparts shall together constitute but one and the same instrument. Delivery of a counterpart hereof by facsimile transmission or by e-mail transmission of an Adobe portable document format file (also known as a “PDF” file) shall be effective as delivery of a manually executed counterpart hereof.
- 8.9 Successors and Assigns. The provisions of this NARCO Asbestos Trust Agreement shall be binding upon and inure to the benefit of the Debtors, the Reorganized Debtors, the NARCO Asbestos Trust, and the Trustees and their respective successors and assigns, except that neither the Debtors, nor the Reorganized Debtors, nor the NARCO Asbestos Trust, nor any Trustee may assign or otherwise transfer any of its, or his or her rights or obligations under this NARCO Asbestos Trust Agreement except, in the case of the NARCO Asbestos Trust and the Trustees, as contemplated by Section 3.1.
- 8.10 Limitation on Claim Interests for Securities Laws Purposes. NARCO Asbestos Trust Claims, and any interests therein, (a) shall not be assigned, conveyed, hypothecated, pledged or otherwise transferred, voluntarily or involuntarily, directly or indirectly, except by will or under the laws of descent and distribution; (b) shall not be evidenced by a certificate or other instrument; (c) shall not possess any voting rights; and (d) shall not be entitled to receive any dividends or interest; provided, however, that the foregoing shall not apply to the holder of an Indirect Asbestos Trust Claim that is subrogated to an NARCO Asbestos Trust Claim as a result of its satisfaction of such NARCO Asbestos Trust Claim.

- 8.11 Entire Agreement; No Waiver. The entire agreement of the Parties relating to the subject matter of this NARCO Asbestos Trust Agreement is contained herein and in the documents referred to herein, and this NARCO Asbestos Trust Agreement and such documents supersede any prior oral or written agreements concerning the subject matter hereof. No failure to exercise or delay in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege hereunder preclude any further exercise thereof or of any other right, power or privilege. The rights and remedies herein provided are cumulative and are not exclusive of rights under law or in equity.
- 8.12 Headings. The headings used in this NARCO Asbestos Trust Agreement are inserted for convenience only and neither constitute a portion of this NARCO Asbestos Trust Agreement nor in any manner affect the construction of the provisions of this NARCO Asbestos Trust Agreement.
- 8.13 Governing Law. This NARCO Asbestos Trust Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware.
- 8.14 Dispute Resolution. Any disputes that arise under this NARCO Asbestos Trust Agreement or under the NARCO Asbestos TDP among the Parties hereto, other than the Delaware Trustee, shall be resolved by submission of the matter to an alternative dispute resolution (“ADR”) process mutually agreeable to the Parties involved. Any Party to the ADR process dissatisfied with the decision of the arbitrator(s) may apply to the Bankruptcy Court for a judicial determination of the matter. Any review conducted by the Bankruptcy Court shall be de novo. In either case, if the dispute arose pursuant to the consent provision set forth in Section 8.1(b) above, the burden of proof shall be on the Party or Parties who withheld consent to show that the objection was valid. If the dispute is not resolved by the ADR process within thirty (30) days after submission, the Parties are relieved of the requirement to pursue ADR prior to application to the Bankruptcy Court. Notwithstanding anything else herein contained, to the extent any provision of this NARCO Asbestos Trust Agreement is inconsistent with any provision of the Plan or the NARCO Asbestos TDP, the Plan or the NARCO Asbestos TDP shall control.
- 8.15 Enforcement and Administration. The Parties acknowledge the Bankruptcy Court’s continuing exclusive jurisdiction to interpret and enforce the terms of the NARCO Asbestos TDP, this NARCO Asbestos Trust Agreement and the annexes hereto, pursuant to Article 11 of the Plan.
- 8.16 Effectiveness. This NARCO Asbestos Trust Agreement and the Parties’ duties and obligations under this NARCO Asbestos Trust Agreement shall become binding and effective on the Effective Date as set forth in Paragraph 1 of this NARCO Asbestos Trust Agreement.

[Signatures to follow.]

IN WITNESS WHEREOF, the Parties have executed this Second Amended and Restated NARCO Asbestos Trust Agreement as of _____, 2022.

TRUSTEES:

DocuSigned by:


94ASAE05B1A4A7...
Ken M. Kawaichi

Current Term Expiration Date: 12/31/24

Richard B. Schiro

Current Term Expiration Date: 12/31/25

Mark M. Gleason

Current Term Expiration Date: 12/31/25

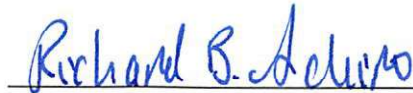
[Trust Agreement]

IN WITNESS WHEREOF, the Parties have executed this Second Amended and Restated
NARCO Asbestos Trust Agreement as of _____, 2022.

TRUSTEES:

Ken M. Kawaichi

Current Term Expiration Date: 12/31/24



Richard B. Schiro

Current Term Expiration Date: 12/31/25

Mark M. Gleason

Current Term Expiration Date: 12/31/25

[Trust Agreement]

IN WITNESS WHEREOF, the Parties have executed this Second Amended and Restated NARCO Asbestos Trust Agreement as of _____, 2022.

TRUSTEES:

Ken M. Kawaichi

Current Term Expiration Date: 12/31/24

Richard B. Schiro

Current Term Expiration Date: 12/31/25

DocuSigned by:

Mark M. Gleason

Mark M. Gleason

Current Term Expiration Date: 12/31/25

[Trust Agreement]

TRUST ADVISORY COMMITTEE:



John A. Baden IV

Perry Weitz

Steven Kazan

Steven T. Baron

Bruce E. Mattock

John D. Cooney

[Trust Agreement]

TRUST ADVISORY COMMITTEE:

John A. Baden IV



Perry Weitz

Steven Kazan

Steven T. Baron

Bruce E. Mattock

John D. Cooney

[Trust Agreement]

TRUST ADVISORY COMMITTEE:

John A. Baden IV

Perry Weitz

Steven Kazan

Steven T. Baron

Bruce E. Mattock

John D. Cooney

[Trust Agreement]

FUTURE CLAIMANTS REPRESENTATIVE:

Lawrence Fitzpatrick

Lawrence Fitzpatrick

Exhibit BB

~~FIRST~~SECOND AMENDED AND RESTATED NORTH AMERICAN REFRACTORIES
COMPANY

ASBESTOS PERSONAL INJURY SETTLEMENT TRUST AGREEMENT

This ~~First~~Second Amended and Restated North American Refractories Company Asbestos Personal Injury Settlement Trust Agreement (the “**NARCO Asbestos Trust Agreement**”) is entered into by and among ~~Honeywell International Inc. (“Honeywell”), and~~ Ken M. Kawaichi, Richard B. Schiro and Mark M. Gleason (“and any successor trustees appointed pursuant to Article V hereof, in each case during the term of their service, the Trustees”), Wilmington Trust, National Association, as Delaware resident trustee (the “**Delaware Trustee**”), the NARCO Trust Advisory Committee (“**NARCO Asbestos TAC**”), and the Bankruptcy Court-appointed NARCO Asbestos Future Claimants Representative (“**NARCO Asbestos Future Claimants Representative**” and collectively with ~~Honeywell~~, the Trustees, the Delaware Trustee, and the NARCO Asbestos TAC the “**Parties**”), pursuant to the Third Amended Plan of Reorganization of North American Refractories Company, et al., dated December 28, 2005 (the “**Plan**”). This NARCO Asbestos Trust Agreement shall become effective (hereinafter the “Effective Date”) as of the Closing as such term is defined in the Buyout Agreement (as defined below).

WHEREAS, North American Refractories Company (“**NARCO**”) and its affiliated debtors (collectively, the “**Debtors**”) have reorganized under the provisions of Chapter 11 of the Bankruptcy Code in cases pending in the United States Bankruptcy Court for the Western District of Pennsylvania (the “Bankruptcy Court”) known as *In re North American Refractories Company, et al.*, Jointly Administered as Case No. 02-20198 (the “**Chapter 11 Cases**”); and

WHEREAS, at the time of the entry of the order for relief in the Chapter 11 Cases, each of NARCO and Honeywell International Inc. (“Honeywell”) had been named defendants in personal injury and wrongful death actions seeking recovery for damages allegedly caused by the presence of, or exposure to, asbestos or asbestos-containing NARCO Product Line products; and

WHEREAS, by order entered on November 13, 2007, the Plan, filed by the Debtors, in coordination with Honeywell, the Bankruptcy Court-appointed committee composed of the representatives of the NARCO Asbestos claimants (“**NARCO Asbestos Claimants’ Committee**”) and the **NARCO Asbestos Future Claimants Representative**, was confirmed by the Bankruptcy Court (“**Confirmation Order**”); and

WHEREAS, on July 25, 2008, the United States District Court for the Western District of Pennsylvania entered an order affirming the Confirmation Order and the NARCO Channeling Injunction; and

WHEREAS, the Plan provides, *inter alia*, for the creation of the North American Refractories Asbestos Personal Injury Settlement Trust (the “**NARCO Asbestos Trust**”); and

WHEREAS, pursuant to the Plan, the NARCO Asbestos Trust ~~is~~was to be funded in part by an initial cash contribution by Honeywell and by the obligation of Honeywell to make future payments; and

WHEREAS, pursuant to the Plan, the NARCO Asbestos Trust is to effectively own all of the equity of Reorganized NARCO, by owning no less than 79% of the equity of Post-Effective ANH Refractories Company ("ANH"); ~~and, now known as Harbison Walker International Holdings, Inc. ("HWI" and such equity interest held by the NARCO Asbestos Trust in HWI, together with any equity interests or securities received by the NARCO Asbestos Trust in connection with an HWI Sale or an HWI Dividend (each as defined in the Buyout Agreement), the "HWI Interest"); and~~

WHEREAS, pursuant to the Plan, the NARCO Asbestos Trust is to use the NARCO Asbestos Trust Assets and income to pay all valid NARCO Asbestos Trust Claims and NARCO Asbestos Demands ("**NARCO Asbestos Trust Claims**") pursuant to the NARCO Asbestos ~~TDP~~Trust Distribution Procedures; and

WHEREAS, the Plan provides, among other things, for the complete settlement and satisfaction of all liabilities and obligations of the Debtors and Honeywell for all NARCO Asbestos Trust Claims, and

WHEREAS, pursuant to the Plan, the NARCO Asbestos Trust is intended to qualify as a "Qualified Settlement Fund" within the meaning of Section 1.468B-I of the Treasury Regulations promulgated under Section 468B of the Internal Revenue Code; and

WHEREAS, the Bankruptcy Court has determined that the NARCO Asbestos Trust and the Plan satisfy all the prerequisites for the issuance of a supplemental injunction pursuant to Section 524(g) of the Bankruptcy Code, which NARCO Channeling Injunction has been issued in connection with the Confirmation Order, which is now a Final Order; and

WHEREAS, the NARCO Asbestos Trust has been governed by that certain First Amended North American Refractories Company Asbestos Personal Injury Settlement Trust Agreement, dated April 30, 2013 (the "Existing Trust Agreement"), and by the Second Amended NARCO Asbestos Trust Distribution Procedures (the "Existing TDP"); and

WHEREAS, in accordance with the terms of the Amended and Restated Buyout Agreement entered into by and among each of the Parties hereto (excluding the Delaware Trustee) and Honeywell as of November 20, 2022 (the "Buyout Agreement"), and as approved by the Bankruptcy Court in its Order of [REDACTED], 2022 (the "Buyout Order"), Honeywell has agreed to pay to the NARCO Asbestos Trust, and the NARCO Asbestos Trust has agreed to accept from Honeywell, a lump sum, one-time payment in the amount of \$1,325,000,000 (subject to adjustment in accordance with the terms of the Buyout Agreement), in exchange for, among other things, the release of Honeywell from all further and future monetary and/or other obligations of any kind (except as, and solely to the extent, set forth in the Buyout Agreement) to the NARCO Asbestos Trust, including but not limited to the Honeywell Obligations (as defined in the Buyout Agreement); and

WHEREAS, in accordance with the terms of the Buyout Agreement and the Buyout Order, each of the Parties hereto (excluding the Delaware Trustee) and Honeywell have agreed, and the Bankruptcy Court has authorized them to, amend and restate, among other things, the (i) Existing Trust Agreement, on the terms and conditions set forth in this NARCO Asbestos Trust Agreement, (ii) Existing TDP, on the terms and conditions set forth in a Third Amended NARCO Asbestos TDP (the “NARCO Asbestos TDP”), and (iii) the NARCO Asbestos Trust Bylaws on the terms and conditions set forth in the NARCO Asbestos Trust Amended and Restated Bylaws (the “Trust Bylaws”) all to become effective as of the Closing (as defined in the Buyout Agreement).

NOW, THEREFORE, the Parties hereto agree as follows:

ARTICLE I

DEFINITIONS

All capitalized terms used herein and not otherwise defined ~~in a provision of this NARCO Asbestos Trust Agreement or in the North American Refractories Company Asbestos Personal Injury Settlement Trust Distribution Procedures attached to the Plan as Exhibit NARCO B (the “herein or in the NARCO Asbestos TDP”)~~, shall have the meanings assigned to them in the Plan and/or the Bankruptcy Code, which definitions are incorporated herein.

ARTICLE II

AGREEMENT OF TRUST

2.1 ~~2.1.~~ Creation and Name. Pursuant to the North American Refractories Company Asbestos Personal Injury Settlement Trust Agreement, dated as of April 30, 2013, NARCO, ANH, and Honeywell (collectively, the “**Settlors**”) created the NARCO Asbestos Trust as provided for and referred to in the Plan. The Trustees of the NARCO Asbestos Trust may transact the business and affairs of the NARCO Asbestos Trust in the name, “North American Refractories Company Asbestos Personal Injury Settlement Trust” or “NARCO Asbestos Trust.” It is the intention of the Parties thereto and hereto that the trust be a statutory trust under Chapter 38 of Title 12 of the Delaware Code, 12 Del. C. §3801 et seq. (the “Act”). ~~The Trustees and the Delaware Trustee are hereby authorized and directed to execute and file a~~ Certificate of Trust in the form attached to the Existing Trust Agreement was executed and filed with the Delaware Secretary of State in ~~the form attached hereto~~ accordance with the Existing Trust Agreement.

2.2 ~~2.2.~~ Purpose. The purpose of the NARCO Asbestos Trust is to assume, ~~subject to Section 2.3(d) hereof~~, any and all liabilities of Honeywell, any Honeywell Affiliate, the Debtors, their successors or predecessors in interest or their affiliates, with respect to any and all NARCO Asbestos Trust Claims, both presently accrued or prospectively accruing; to use the NARCO Asbestos Trust Assets and income to promptly pay holders of valid NARCO Asbestos Trust Claims in such a way that holders of similar NARCO Asbestos

Trust Claims are paid in substantially the same manner; and to otherwise comply in all respects with the requirements of a trust set forth in Section 524(g)(2)(B)(i) of the Bankruptcy Code. This purpose shall be fulfilled through the provisions of this NARCO Asbestos Trust Agreement, the Trust Bylaws and in accordance with the NARCO Asbestos TDP.

2.3 ~~2.3.~~ Funding of the NARCO Asbestos Trust.

(a) ~~Creation of Trust Expense Fund and Claims Funds. On the Effective Date, the Trustees shall create a Trust Expense Fund and two claims funds, the Annual Contribution Claims Fund described in Section 2.3(c)(i)(A) below and the Pre-Established Claims Fund described in Section 2.3(c)(i)(B) below. The Trust Expense Fund shall be used~~ Use of NARCO Asbestos Trust Assets. The Trustees shall use the NARCO Asbestos Trust Assets (other than the HWI Interest or any HWI Net Dividends or HWI Net Sale Proceeds) to pay all Trust Expenses of the NARCO Asbestos Trust in accordance with the terms and conditions of this NARCO Asbestos Trust Agreement. ~~The Annual Contribution Claims Fund shall be used and~~ to pay valid NARCO Asbestos Trust Claims ~~(other than Pre-Established Claims)~~ that have been liquidated or established pursuant to all relevant provisions of the NARCO Asbestos TDP and placed in the ~~NARCO Asbestos Trust's Annual Contribution Claims Fund Payment Queue established by Section 4.1(e) of the NARCO Asbestos TDP. The Pre-Established Claims Fund shall be used to pay, to the extent not previously paid, valid NARCO Asbestos Trust Claims that have been established, liquidated and placed in the NARCO Asbestos Trust's Pre-Established Claims Fund Payment Queue pursuant to Section~~ 4.1(c) or 4.2(a) of the NARCO Asbestos TDP.

~~(b) Funding of the Trust Expense Fund. On the Effective Date, Honeywell shall transfer to the NARCO Asbestos Trust the sum of \$6,261,465.00 dollars, which is an amount estimated to be sufficient to pay all Trust Expenses until December 31, 2013. Thereafter, no later than the 15th day of the month preceding each calendar quarter, Honeywell shall deposit into the Trust Expense Fund twenty-five percent (25%) (or such other percentage as Honeywell and the NARCO Asbestos Trust may agree) of the Final Administrative Budget, as defined and determined in accordance with Section 3.4 hereof, for payment of Trust Expenses for the upcoming quarter.~~

~~(c) Funding of the Claims Funds.~~

~~(i) In General. Subject to other provisions of this Section 2.3(c), as soon as reasonably practicable following the end of each calendar quarter, the NARCO Asbestos Trust shall give Honeywell written notice of the claimants' names, social security numbers and the individual values relating to all NARCO Asbestos Trust Claims, as well as the total number and total value thereof, that were liquidated and entered into the Annual Contribution Claims Fund Payment Queue during the prior quarter for payment from the Annual Contribution Claims Fund. The NARCO Asbestos Trust shall also give Honeywell written notice of the claimants' names, social security numbers, and individual values relating to all Pre-Established Claims that were approved for payment from the Pre-Established Claims Fund and~~

~~entered into the Pre-Established Claims Fund Payment Queue during the prior quarter for payment from the Pre-Established Claims Fund. Any disputes between the NARCO Asbestos Trust and Honeywell as to whether a NARCO Asbestos Trust Claim is a Pre-Established Claim and/or over the liquidated amount of a Pre-Established Claim shall be resolved pursuant to the dispute resolution procedures set forth in Section 8.14 below.~~

~~The NARCO Asbestos Trust shall also identify any amounts received by the NARCO Asbestos Trust during that quarter from any of its holdings. Honeywell shall within thirty (30) days of its receipt of the information identified in this and in the preceding paragraph, transfer to each of the two Claims Funds an amount of cash equal to the amount of claims approved for payment from the respective Claims Fund, minus any amounts received by the NARCO Asbestos Trust during that quarter from any of its holdings, subject to the remaining provisions of this Section 2.3(e).~~

~~(A) The Annual Contribution Claims Fund.~~

~~(I) Caps on Honeywell's Obligation to Contribute to the Fund. Pursuant to the Plan and this NARCO Asbestos Trust Agreement, Honeywell's obligation to make quarterly contributions to the NARCO Asbestos Trust's Annual Contribution Claims Fund is subject to the annual Caps set forth below ("Caps"). Except as provided in Section 2.3(c)(i)(A)(II) hereof, the amount Honeywell contributes to the Annual Contribution Claims Fund to pay NARCO Asbestos Trust Claims other than Pre-Established Claims shall not exceed such Caps for each year beginning with the year in which the Effective Date occurs:~~

| | |
|------|---------------|
| 2006 | \$100,000,000 |
| 2007 | \$125,000,000 |
| 2008 | \$150,000,000 |
| 2009 | \$150,000,000 |
| 2010 | \$150,000,000 |
| 2011 | \$150,000,000 |
| 2012 | \$150,000,000 |
| 2013 | \$150,000,000 |
| 2014 | \$140,000,000 |
| 2015 | \$140,000,000 |
| 2016 | \$140,000,000 |
| 2017 | \$140,000,000 |
| 2018 | \$140,000,000 |
| 2019 | \$145,000,000 |
| 2020 | \$145,000,000 |
| 2021 | \$145,000,000 |

~~In 2022 and thereafter, Honeywell's contribution during the course of any one year to the Annual Contribution Claims Fund shall not exceed \$145,000,000.~~

~~In determining the amount of Honeywell's funding obligation for any single year (up to the annual Cap for that year), the Trustees shall hold any and all income derived from the New Debtor Common Stock, and any proceeds received by the Trustees from the sale of the New Debtor Common Stock, pursuant to Section 2.3(e)(ii)(B) or Section 8.3(b), hereof, for the payment of NARCO Asbestos Trust Claims other than Pre-Established Claims. So long as there are funds available to the NARCO Asbestos Trust in any given quarter from such New Debtor Common Stock income and/or sale proceeds, or from any source other than Honeywell, Honeywell's quarterly funding obligations under this Section 2.3(c)(i) shall be reduced dollar for dollar by the amount of funds from sources other than Honeywell. However, on a calendar year basis, Honeywell shall nevertheless be obligated to fund payment of NARCO Asbestos Trust Claims up to the annual Cap set forth in this Section 2.3(c)(i)(A) to the extent that the total aggregate amount of NARCO Asbestos Trust Claims placed in the Annual Contribution Fund Payment Queue for the calendar year in question exceeds the amount received that year by the NARCO Asbestos Trust from sources other than Honeywell.~~

~~(H) Carryover of Honeywell's 2006 Annual Contribution. If the NARCO Asbestos Trust does not liquidate NARCO Asbestos Trust Claims payable from the Annual Contribution Fund in sufficient value in its fiscal year beginning in calendar year 2006 to expend the \$100,000,000 Cap for that year, then the unused balance of that \$100,000,000 shall be available to the Trust's Annual Contribution Claims Fund during the NARCO Asbestos Trust's immediately subsequent fiscal year or years to liquidate claims that are subject to the foregoing Caps.~~

~~The NARCO Asbestos Trust shall account for this carryover availability on a first-in/first-out basis and the unused balance of the \$100,000,000 shall be exhausted before funds attributable to any subsequent year's Cap shall become available to the NARCO Asbestos Trust. The \$100,000,000 carryover from 2006 shall be available for carryover to subsequent years even if the Effective Date occurs on or after January 1, 2007; however, this carryover provision applies only to the unused balance of the funding limit provided for the NARCO Asbestos Trust's fiscal year beginning in 2006. The unused balance from any subsequent year after 2006 shall not carryover and shall not be available in any other of the NARCO Asbestos Trust's fiscal years.~~

~~(B) The Pre-Established Claims Fund. There shall be no Caps on Honeywell's obligations to contribute to the Pre-Established Claims Fund all such amounts as are necessary to pay all NARCO Asbestos Trust Claims in the Pre-Established Claims Fund Payment Queue as provided in Section 2.3(c)(i) above.~~

~~(ii) New Debtor Common Stock.~~

~~(A)~~ (b) Contribution of the New Debtor Common Stock. ~~In addition, as~~ As part of the Confirmation Order, as of ~~the Effective Date~~ April 30, 2013, seventy-nine percent (79%) of the equity of Post-Effective ANH ~~shall be~~ (now known as HWI) was transferred to the NARCO Asbestos Trust, being the New Debtor Common Stock contributed to the NARCO Asbestos Trust, to be held by the Trust to pay NARCO Asbestos Trust Claims liquidated in accordance with the NARCO Asbestos TDP. From and after the Closing (as defined in the Buyout Agreement), the NARCO Asbestos Trust shall treat the HWI Interest, HWI Net Dividends and HWI Net Sale Proceeds in accordance with the Buyout Agreement.

(c) Additional and Final Funding of the NARCO Asbestos Trust by Honeywell. At the time of Closing (as defined in the Buyout Agreement), Honeywell shall transfer the Buyout Amount (as defined in the Buyout Agreement) to the NARCO Asbestos Trust. The Buyout Amount shall become part of the NARCO Asbestos Trust Assets. The NARCO Asbestos Trust shall thereafter fund its operations and any payments of any NARCO Asbestos Trust Claims using the Buyout Amount, together with any assets the NARCO Asbestos Trust has on hand as of the time of Closing (other than the HWI Interest or any HWI Net Dividends or HWI Net Sale Proceeds), plus any interest, dividends, or other payments the NARCO Asbestos Trust may earn or receive thereafter, other than HWI Net Dividends or HWI Net Sale Proceeds, which shall be transferred to Honeywell in accordance with the terms of the Buyout Agreement.

~~(B) Sale of New Debtor Common Stock. Notwithstanding anything to the contrary contained herein, following the occurrence of two (2) consecutive calendar years of a decline in the aggregate value of Annual Contribution Claims filed with the NARCO Asbestos Trust as determined under the NARCO Asbestos TDP by twenty percent (20%) from the prior calendar year, the Trustees shall use their best efforts to cause a sale of the New Debtor Common Stock held by the NARCO Asbestos Trust for the purpose of paying NARCO Asbestos Trust Claims payable from the Annual Contribution Claims Fund. Nothing in this provision shall be interpreted to limit or impair the Trustees' ability or discretion to sell New Debtor Common Stock held by the NARCO Asbestos Trust at any earlier time.~~

~~(d) Termination of Honeywell Funding Obligations. In the event that the federal government enacts legislation that would have the effect of requiring or permitting Honeywell to contribute to a governmentally created or authorized fund for the compensation of asbestos personal injury claimants, including some or all of the holders of NARCO Asbestos Trust Claims, then as of the enactment of such legislation, Honeywell shall have the right to terminate its obligations to make any future payments to the Trust, except that Honeywell shall remain obligated to fund:~~

~~(i) Any unpaid balance of the Final Administrative Budget for the calendar year within which Honeywell's notice of termination is given;~~

~~(ii) Any unavoidable Trust Expense incurred by the NARCO Asbestos Trust during the year following the date on which Honeywell's notice of termination becomes effective, to the extent such Trust Expenses, in the aggregate, exceed the NARCO Asbestos Trust Assets;~~

~~(iii) Any as yet unpaid balance for NARCO Asbestos Trust Claims approved and entered into either the Annual Contribution Claims Fund Payment Queue and/or the Pre-Established Claims Fund Payment Queue as of the effective date of Honeywell's notice of termination to the Trustees, subject to the annual Caps set forth herein, to the extent such Caps may be otherwise applicable; and~~

~~(iv) Any Pre-Established Claims that are the subject of a settlement agreement between a claimant and Honeywell entered into after the Petition Date but before the Effective Date that fixes the amount the NARCO Asbestos Trust is obligated to pay the claimant, provided that the claimant has submitted to the NARCO Asbestos Trust prior to the effective date of Honeywell's termination notice all documentation required to qualify the claim to be placed in the Pre-Established Claims Fund Payment Queue, regardless of whether Honeywell has finally approved the claim for payment by the effective date of the termination notice. For purposes of clarification, if the documentation submitted by the effective date of Honeywell's termination notice is sufficient to qualify the claim for payment of the amount fixed in the settlement agreement between the claimant and Honeywell, the claim will be treated as having been placed in the Pre-Established Claims Fund Payment Queue before that effective date even though Honeywell actually approves the payment after the effective date of the notice.~~

~~Accordingly, any Pre-Established Claims that are the subject of a settlement agreement between a claimant and Honeywell entered into after the Petition Date but before the Effective Date that does not fix the amount the NARCO Asbestos Trust is obligated to pay the claimant but rather requires the claim to be liquidated by the NARCO Asbestos Trust pursuant to all relevant provisions of the NARCO Asbestos TDP, and that have not been liquidated by the NARCO Asbestos Trust as of the effective date of Honeywell's termination notice, shall run be placed in the Pre-Established Claims Fund Payment Queue even if the claimant has already submitted all the documentation required to liquidate the claim as of the effective date of the notice.~~

~~To the extent that Honeywell exercises its right to terminate, in their entirety, its obligations to make future payments to the NARCO Asbestos Trust, as set forth above, Honeywell shall provide written notice to the Trustees of its intent to exercise such right, which shall state that date, occurring after the date the notice is provided, upon which Honeywell's exercise shall be effective. Immediately upon the effective date of Honeywell's notice of termination, the Trust's assumption of liabilities of Honeywell, any Honeywell Affiliate, their predecessors in interest or their affiliates with respect to NARCO Asbestos Trust Claims shall cease and the NARCO Channeling Injunction in favor of Honeywell~~

~~shall be vacated and shall be of no further force or effect with respect to any claims other than NARCO Asbestos Trust Claims that have already been paid by the NARCO Asbestos Trust, or that have already been approved for payment and placed into either the Annual Contribution Claims Fund Payment Queue or the Pre-Established Claims Fund Payment Queue, or that are eligible to be treated as though they had been placed into the Pre-Established Claims Fund Payment Queue pursuant to the provisions of the above paragraph.~~

2.4 ~~2.4.~~ Acceptance of Assets and Assumption of Liabilities.

(a) In furtherance of the purposes of the NARCO Asbestos Trust, the Trustees, on behalf of the NARCO Asbestos Trust, ~~hereby have~~ expressly ~~accept~~accepted the transfer and assignment to the NARCO Asbestos Trust of the NARCO Asbestos Trust Assets.

(b) In furtherance of the purposes of the NARCO Asbestos Trust, and subject to ~~Sections 2.3(d) and~~Section 5.4 hereof, the NARCO Asbestos Trust expressly ~~assumes~~assumed all liability for all NARCO Asbestos Trust Claims, now accrued or as prospectively accruing, as provided for in Section 4.1 of the Plan. The NARCO Asbestos Trust shall have all defenses, cross-claims, offsets, and recoupments regarding NARCO Asbestos Trust Claims that the Debtors, Honeywell or any Honeywell Affiliate has or would have had under applicable law, and as consistent with the NARCO Asbestos TDP.

(c) No provision herein or in the NARCO Asbestos TDP shall be construed to mandate distributions on any claims or other actions that would contravene the NARCO Asbestos Trust's compliance with the requirements of a qualified settlement fund within the meaning of Section 1.468B, *et seq.*, of the Internal Revenue Code.

(d) Nothing in this section or any other section of this NARCO Asbestos Trust Agreement shall be construed in any way to limit the scope, enforceability, or effectiveness of the NARCO Channeling Injunction issued in connection with the Plan or the NARCO Asbestos Trust's assumption of all liability with respect to NARCO Asbestos Trust Claims.

ARTICLE III

POWERS AND TRUST ADMINISTRATION

3.1 ~~3.1.~~ Powers.

(a) The Trustees are and shall act as fiduciaries to the NARCO Asbestos Trust in accordance with the provisions of this NARCO Asbestos Trust Agreement and the Plan. The Trustees shall, at all times, administer the NARCO Asbestos Trust Assets in accordance with the purposes set forth in Section 2.2 above. Subject to the limitations set forth in this NARCO Asbestos Trust Agreement, the Trustees shall have the power to take any and all actions that, in the judgment of the Trustees, are necessary or proper to fulfill the purposes of the NARCO Asbestos Trust, including, without limitation, each

power expressly granted in this Section 3.1, any power reasonably incidental thereto, and any trust power now or hereafter permitted under the laws of the State of Delaware or such other state as may be the Trust's state of domicile.

(b) Except as otherwise specified herein, the Trustees need not obtain the order or approval of any court in the exercise of any power or discretion conferred herein.

(c) Without limiting the generality of Section 3.1 (a) above, the Trustees shall have the power to:

(i) receive and hold the NARCO Asbestos Trust Assets, ~~vote~~ the ~~New Debtor Common Stock~~, HWI Interest, any HWI Sale Proceeds and any HWI Dividends and exercise all rights with respect to, and sell any securities issued by any Reorganized Debtor that are included in the NARCO Asbestos Trust Assets, all subject to the provisions of the ANH Refractories Company Shareholder Agreement and the requirements set forth in the Buyout Agreement;

(ii) invest the monies held from time to time by the NARCO Asbestos Trust;

(iii) sell, transfer or exchange any or all of the NARCO Asbestos Trust Assets at such prices and upon such terms as they may consider proper, consistent with the other terms of this NARCO Asbestos Trust Agreement and the Buyout Agreement;

(iv) enter into leasing and financing agreements with third parties to the extent such agreements are reasonably necessary to permit the NARCO Asbestos Trust to operate;

(v) pay liabilities and expenses of the NARCO Asbestos Trust;

(vi) change the state of domicile of the NARCO Asbestos Trust;

(vii) establish such funds, reserves and accounts within ~~the~~ the NARCO Asbestos Trust estate, as deemed by the Trustees to be useful in carrying out the purposes of the NARCO Asbestos Trust;

(viii) sue and be sued and participate, as a party or otherwise, in any judicial, administrative, arbitative or other proceeding;

(ix) ~~adopt and subsequently~~ amend the "Trust Bylaws";

(x) appoint such officers and hire such employees and engage such legal, financial, accounting, investment, audit, forecasting and other consultants, advisors, alternative dispute resolution panelists, and agents as the business of the NARCO Asbestos Trust requires, and delegate to such persons such powers and authorities as the fiduciary duties of the Trustees permit and as the Trustees, in

their discretion, deem advisable or necessary in order to carry out the terms of this NARCO Asbestos Trust [Agreement](#);

(xi) pay employees, legal, financial, accounting, investment, audit, forecasting and other consultants, advisors and agents reasonable compensation, including without limitation, compensation at rates approved by the Trustees for services rendered prior to the execution hereof;

(xii) compensate the Trustees, the Delaware Trustee, the NARCO Asbestos TAC members, and the NARCO Asbestos Future Claimants Representative as provided below and their employees, legal, financial, accounting, investment audit, forecasting and other advisors, consultants, and agents, and reimburse such persons all reasonable out-of-pocket costs and expenses incurred by such persons in connection with the performance of their duties hereunder, including without limitation, costs and expenses incurred prior to the execution hereof;

(xiii) execute and deliver such deeds, leases and other instruments as the Trustees consider proper in administering the NARCO Asbestos Trust;

(xiv) enter into such other arrangements with third parties as are deemed by the Trustees to be useful in carrying out the purposes of the NARCO Asbestos Trust, provided such arrangements do not conflict with any other provision of this NARCO Asbestos Trust Agreement;

(xv) in accordance with Section 5.6, indemnify and hold harmless (and purchase insurance indemnifying) (A) the Trustees, (B) the NARCO Asbestos TAC members, (C) the NARCO Asbestos Future Claimants Representative, and (D) each of their officers, employees, agents, advisors and representatives of the NARCO Asbestos Trust to the fullest extent that a corporation or trust organized under the law of the NARCO Asbestos Trust's domicile is from time to time entitled to indemnify and/or insure its directors, trustees, officers, employees, agents, advisors and representatives;

(xvi) indemnify (and purchase insurance indemnifying) the Additional Indemnitees as defined in Section 5.6 hereof;

(xvii) delegate any or all of the authority herein conferred with respect to the investment of all or any portion of the NARCO Asbestos Trust Assets to any one or more reputable individuals or recognized institutional investment advisors or investment managers without liability for any action taken or omission made because of any such delegation, except as provided in Section 5.4 [subject to the terms of the Buyout Agreement](#);

(xviii) consult with Reorganized NARCO or Post-Effective ANH [\(now known as HWI\)](#) at such times and with respect to such issues relating to the purpose, conduct, and affairs of the NARCO Asbestos Trust as the Trustees consider desirable, [all in accordance with the terms of the Buyout Agreement](#);

(xix) consult with ~~Honeywell~~, the NARCO Asbestos TAC, and/or the NARCO Asbestos Future Claimants Representative at such times and with respect to such issues relating to the purpose, conduct, and affairs of the NARCO Asbestos Trust as required by this NARCO Asbestos Trust Agreement or the NARCO Asbestos TDP, or as the Trustees consider desirable;

(xx) make, pursue (by litigation or otherwise), collect, compromise or settle any claim, right, action or cause of action included in the NARCO Asbestos Trust Assets or which may otherwise hereafter accrue in favor of the NARCO Asbestos Trust; ~~and~~

(xxi) indemnify Reorganized NARCO or any purchaser of Reorganized NARCO for liability finally imposed on either arising from NARCO Asbestos Trust Claims; ~~and~~

(xxii) take the action provided for in Section 5.12 hereof, including the indemnification provided for therein.

3.2 ~~3.2~~-General Administration.

(a) The Trustees shall act in accordance with this NARCO Asbestos Trust Agreement, the Trust Bylaws, and the NARCO Asbestos ~~Trust~~ TDP. To the extent not inconsistent with the terms of this NARCO Asbestos Trust Agreement, the Trust Bylaws and the NARCO Asbestos TDP govern the affairs of the NARCO Asbestos Trust.

(b) The Trustees shall timely file such income tax and other returns and statements and comply with all withholding obligations, as required under the applicable provisions of the Internal Revenue Code and of any applicable state law and the regulations promulgated thereunder.

(c) The Trustees shall cause to be prepared as soon as practicable prior to the commencement of each calendar year ~~a cash flow projection covering such calendar year and the next two succeeding calendar years. The cash flow projection~~ the Trust Cash Flow Model, which shall include a determination of the Maximum Annual Payment pursuant to Section ~~2.42.3~~ of the NARCO Asbestos TDP, and the amounts payable to Category A and Category B Claims pursuant to the Claims Payment Ratio provisions of Section ~~2.52.4~~ of the NARCO Asbestos TDP. The Trustees shall provide a copy of the cash flow projection to the NARCO Asbestos TAC, ~~Honeywell~~, and the NARCO Asbestos Future Claimants Representative.

(d) The Trustees shall consult with ~~Honeywell~~, the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative on (i) the general administration of the NARCO Asbestos Trust, (ii) the general implementation and administration of the NARCO Asbestos TDP and (iii) on such other matters as may be required under this NARCO Asbestos Trust Agreement and the NARCO Asbestos TDP. The Trustees shall be required to obtain the consent of ~~Honeywell~~, a majority of the members of the

NARCO Asbestos TAC; and the NARCO Asbestos Future Claimants Representative in order:

- (i) to amend the NARCO Asbestos TDP in any respect; or
- (ii) to acquire an interest in, merge with, contract with or participate in any claims resolution facility that was not specifically created under this NARCO Asbestos Trust Agreement or the NARCO Asbestos TDP; or
- (iii) to amend any provision of Article 6 herein; or
- (iv) to terminate the NARCO Asbestos Trust pursuant to Section 8.3(a)(iii) herein; or
- (v) to obligate the NARCO Asbestos Trust to indemnify Reorganized NARCO or any purchaser of NARCO for liability arising from NARCO Asbestos Trust Claims; or
- (vi) to approve the appointment of any successor Trustee under Section 5.3 hereof.

~~Honeywell, the~~ The NARCO Asbestos TAC; and the NARCO Asbestos Future Claimants Representative shall not unreasonably withhold any consent required hereunder, and if ~~Honeywell, the~~ NARCO Asbestos TAC or the NARCO Asbestos Future Claimants Representative shall withhold any consent required hereunder, at the election of any of them or the Trustees, the dispute shall be resolved in and by the Bankruptcy Court, ~~except that that no such action which would increase the amount of funding required from Honeywell under Section 2.3 above may be taken without Honeywell's consent, which it may withhold in its sole and absolute discretion.~~

(e) The Trustees shall be required to obtain the consent of the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative in order to implement or reconsider the Payment Percentage provided for in Section 2.5 of the NARCO Asbestos TDP.

~~(f) Honeywell shall have the right, at its discretion, to assume, control, defend, and settle any and all litigation to which the NARCO Asbestos Trust is a party, except where the NARCO Asbestos Trust and Honeywell are adverse parties in such action.~~

(f) ~~(g)~~ The Trustees shall meet with the NARCO Asbestos TAC; and/or the NARCO Asbestos Future Claimants Representative ~~and/or Honeywell~~ as necessary to carry out the purposes of the Trust, such meetings to be held no less frequently than quarterly at the discretion of the Trustees or as requested by ~~any of~~ the NARCO Asbestos TAC; or the NARCO Asbestos Future Claimants Representative ~~or Honeywell~~.

(g) ~~(h)~~ Periodically, but not less often than once a year, the Trustees shall make available to NARCO Asbestos Trust Claimants and other interested parties a data

summary setting forth the number of claims by disease levels that have been resolved by Expedited Review, by Individual Review, by arbitration, and through litigation, indicating the average liquidated amounts at which such claims were resolved.

3.3 ~~3.3-~~ Annual Report.

(a) The Trustees shall cause to be prepared and filed with the Bankruptcy Court, as soon as available, and in any event within one hundred and twenty (120) days following the end of each fiscal year, an annual report (the “**Annual Report**”) containing financial statements of the NARCO Asbestos Trust (including, without limitation, a balance sheet of the NARCO Asbestos Trust as of the end of such fiscal year and a statement of operations for such fiscal year) audited by a firm of independent certified public accountants selected by the Trustees and accompanied by an opinion of such firm as to the fairness of the financial statements’ presentation of the cash and investments available for the payment of claims and as to the conformity of the financial statements with generally accepted accounting principles or, at the option of the Trustees on advice of the independent certified public accountants, special-purpose basis of accounting. The special-purpose basis of accounting is used in order to communicate the amount of equity available to fund current and future claimants, and is not intended to be a presentation in conformity with accounting principles generally accepted in the United States of America. The Trustees shall provide a copy of the Annual Report to ~~Honeywell,~~ the NARCO Asbestos Future Claimants Representative, the NARCO Asbestos TAC and ~~Post-Effective ANH~~HWI when such reports are filed with the Bankruptcy Court.

(b) Simultaneously with the filing of the Annual Report, the Trustees shall cause to be prepared and filed with the Bankruptcy Court a report containing a summary regarding the number and type of claims disposed of during the period covered by the financial statements. The Trustees shall provide a copy of such report to ~~Honeywell,~~ the NARCO Asbestos Future Claimants Representative, the NARCO Asbestos TAC and ~~Post-Effective ANH~~HWI when such report is filed.

(c) All materials required to be filed with the Bankruptcy Court by this Section 3.3 shall be available for inspection by the public in accordance with procedures established by the Bankruptcy Court.

3.4 ~~3.4-~~ Trust Expense ~~Fund~~ Budget. By October 1 of each calendar year, the Trustees shall submit to ~~Honeywell,~~ the NARCO Asbestos TAC, and the NARCO Asbestos Future Claimants Representative a proposed budget (the “**Proposed Budget**”) for the succeeding calendar year. Such Proposed Budget shall set forth in reasonable detail the proposed Trust Expenses for the NARCO Asbestos Trust for the succeeding calendar year. Each of ~~Honeywell,~~ the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative shall have thirty (30) days within which to provide the Trustees with any responses (the “**Responses**”) to the Proposed Budget, such Responses to be in writing and to be given in accordance with the notice provisions of this NARCO Asbestos Trust Agreement. If the Trustees receive Responses to the Proposed Budget, such Responses shall be circulated to all Parties (the term Parties for the purposes of this Section 3.4 excludes the Delaware Trustee), and all Parties shall endeavor in good faith

to resolve any concerns or differences on or before November 15. If the Parties are unable to resolve such differences by November 15, the matter shall be submitted to the Bankruptcy Court for determination. ~~The Final Administrative Budget, as determined by agreement or by order of the Bankruptcy Court, shall be the amount funded by Honeywell pursuant to Section 2.3(b) hereof. Periodically during the calendar year, but not less than every six (6) months, the Trustees shall report to Honeywell any variances of actual Trust Expenses from the Final Administrative Budget for that calendar year and may request an adjustment to the Final Administrative Budget. Honeywell shall respond to any request for an adjustment to the Final Administrative Budget within thirty (30) days. In the event the adjustment results in an increase to the budget, Honeywell shall, absent objection, fund the adjustment as mutually agreed. Should Honeywell not consent to the request, the dispute shall be resolved pursuant to Section 8.14 hereof. The Trustees and Honeywell shall adopt joint operating procedures to implement the budget and Trust Expense funding process provided in this NARCO Asbestos Trust Agreement.~~

3.5 ~~3.5.~~ Claims Administration.

(a) General Principles. The Trustees shall implement the NARCO Asbestos TDP. The NARCO Asbestos Trust shall pay holders of valid NARCO Asbestos Trust Claims in accordance with the provisions of the NARCO Asbestos TDP as promptly as funds become available. In their administration of the NARCO Asbestos TDP, the Trustees shall favor settlement over arbitration, arbitration over resort to the tort system, and fair resolution and compensation of claims in all cases, in a manner as inexpensive and efficient as reasonably possible, in accordance with the NARCO Asbestos TDP.

(b) NARCO Asbestos Trust Claims. The Trustees shall administer the processing and payment of NARCO Asbestos Trust Claims in accordance with the NARCO Asbestos TDP, ~~a copy of which is attached to the Plan as Exhibit NARCO B,~~ as the same may be amended from time to time, in accordance with the provisions hereof and thereof.

~~3.6. Medicare Reporting. The Trustees shall operate the Trust in a manner that complies with applicable federal and state law, including but not limited to the applicable requirements of the Medicare, Medicaid, and SCHIP Extension Act of 2007 ("MMSEA"). The Trustees shall take all reasonable steps to cooperate with any other Party to the extent necessary for said Party to fulfill its legal obligations under MMSEA arising out of the operations of the Trust.~~

3.6 Medicare Reporting.

(a) The NARCO Asbestos Trust shall (i) register as a Responsible Reporting Entity ("RRE"), in lieu of Honeywell, under the reporting provisions of Section 111 of the Medicare, Medicaid, and SCHIP Extension Act of 2007 (Pub. L. 110-173) ("MMSEA"); and (ii) provide the Centers for Medicare and Medicaid Services ("CMS") with the information necessary for compliance with MMSEA Section 111.

To be clear, Honeywell shall remain wholly responsible for errors and/or failure in reporting any claim required to be reported to CMS prior to the Closing.

(b) Honeywell shall continue reporting to CMS until the later of Closing or the NARCO Asbestos Trust's receipt of permission from CMS to report as the RRE with respect to NARCO Asbestos Trust Claims. If pursuant to this provision, Honeywell must continue reporting to CMS after the Closing, the NARCO Asbestos Trust shall provide Honeywell with information available to the NARCO Asbestos Trust necessary to comply with MMSEA Section 111 for so long as Honeywell must continue reporting to CMS. Honeywell shall keep any information and documents received from the NARCO Asbestos Trust pursuant to this Section 3.6(b) confidential and shall not use such information for any purpose other than meeting obligations under MSPA and/or MMSEA.

(c) The NARCO Asbestos Trust shall provide Honeywell with information available to the NARCO Asbestos Trust necessary to comply with MMSEA Section 111 in the event subsequent law, final regulations or binding CMS requirements prohibit the NARCO Asbestos Trust from reporting as the RRE or acting as the reporting agent on behalf of the RRE with respect to NARCO Asbestos Trust Claims, with any and all expenses related thereto to be borne solely by the NARCO Asbestos Trust. Honeywell shall keep any information and documents received from the NARCO Asbestos Trust pursuant to this Section 3.6(c) confidential and shall not use such information for any purpose other than meeting obligations under MSPA and/or MMSEA.

(d) To the extent that some or all of the payment that Honeywell makes to the NARCO Asbestos Trust under the Buyout Agreement is used to fund settlements of NARCO Asbestos Trust Claims that potentially implicate 42 U.S.C. 1395y(b) of the Medicare Secondary Payor Act and the rules and regulations promulgated thereunder (collectively "MSP"), on or after the Closing, the NARCO Asbestos Trust shall obtain prior to remittance of funds to claimants' counsel or to the claimant, if pro se, in respect of any NARCO Asbestos Trust Claim a certification from the claimant to be paid that said claimant has or will provide for the payment and/or resolution of any obligations owing or potentially owing under 42 U.S.C. § 1395y(b), or any related rules, regulations, or guidance, in connection with, or relating to, such NARCO Asbestos Trust Claim. This certification may be contained in the claimant's release of the NARCO Asbestos Trust executed in connection with payment of the claim.

ARTICLE IV

ACCOUNTS, INVESTMENTS, AND PAYMENTS

4.1 ~~4.1.~~ Accounts. The Trustees may, from time to time, create such accounts and reserves within the NARCO Asbestos Trust estate as they may deem necessary, prudent or useful in order to provide for the payment of expenses and valid NARCO Asbestos Trust

Claims. Further, with respect to any such account or reserve, the Trustees may restrict the use of monies therein.

4.2 ~~4.2. Investments.~~ Investment of monies held in the NARCO Asbestos Trust shall be administered in the manner in which individuals of ordinary prudence, discretion and judgment would act in the management of their own affairs, subject to the terms of the Buyout Agreement and the following limitations and provisions:

(a) The NARCO Asbestos Trust may acquire and hold ~~any stock or securities issued by Reorganized NARCO and/or Post-Effective ANH and included in the NARCO Asbestos Trust Assets,~~ the HWI Interest, HWI Dividends and HWI Sale Proceeds without regard to any of the limitations set forth in the other parts of this Article 4, subject to the terms of the Buyout Agreement. However, the NARCO Asbestos Trust shall not acquire any stock or securities issued by Reorganized NARCO and/or Post-Effective ANH (now known as HWI) if such acquisition would result in the NARCO Asbestos Trust becoming potentially liable for any non-asbestos-related debts or other claims against Reorganized NARCO and/or Post-Effective ANH (now known as HWI), including any pension liabilities of either ~~entity~~ of the foregoing entities. All dividends and income realized by the NARCO Asbestos Trust from the ~~acquisition or holding of stock or securities issued by Reorganized NARCO or Post-Effective ANH,~~ HWI Interest, including the proceeds of any sale of such stock or securities, shall be ~~utilized and applied by the NARCO Asbestos Trust to the payment of NARCO Asbestos Trust Claims approved in accordance with the NARCO Asbestos TDP~~ treated as provided in the Buyout Agreement.

(b) Except with respect to entities owned and controlled by the NARCO Asbestos Trust for purposes of carrying out provisions of this NARCO Asbestos Trust Agreement or as contemplated pursuant to the Buyout Agreement, the NARCO Asbestos Trust shall not acquire or hold any equity securities issued by any entity or business enterprise unless such equity is in the form of securities that are traded on a national securities exchange or major international securities exchange or over the National Association of Securities Dealers Automated Quotation System.

(c) The NARCO Asbestos Trust shall not acquire or hold any repurchase obligations unless, in the opinion of the Trustees, they are adequately collateralized.

4.3 ~~4.3. Source of Payments.~~ All NARCO Asbestos Trust expenses, payments and all liabilities with respect to NARCO Asbestos Trust Claims shall be payable solely out of the NARCO Asbestos Trust estate, which shall be funded solely in accordance with Section 2.3 of this NARCO Asbestos Trust Agreement, the Buyout Agreement and the Buyout Order. The Reorganized Debtors, Honeywell, any of their respective subsidiaries, any successor in interest, any of the present or former directors, officers, employees or agents of the Reorganized Debtors, the Debtors, Honeywell, or any of their respective subsidiaries, the Trustees, the NARCO Asbestos TAC, the NARCO Asbestos Future Claimants Representative, and any of their officers, agents, advisors or employees shall not be liable for the payment of any NARCO Asbestos Trust expense or NARCO

Asbestos Trust Claim or any other liability of the NARCO Asbestos Trust, except as provided in this NARCO Asbestos Trust Agreement and/or the Buyout Agreement.

ARTICLE V

TRUSTEES

5.1 ~~5.1.~~ Number. In addition to the Delaware Trustee appointed pursuant to Section 5.12 hereof, there shall be three (3) initial Trustees. The initial Trustees shall be those persons named on the signature page hereof (the “Initial Trustees”).

5.2 ~~5.2.~~ Term of Service.

~~(a) Each initial Trustee shall serve until the earlier of (i) his or her death, (ii) his or her resignation pursuant to Section 5.2(b), (iii) his or her removal pursuant to Section 5.2(c), or (iv) the termination of the NARCO Asbestos Trust pursuant to Section 8.3, at which time the term shall terminate automatically.~~

(a) The Initial Trustees shall serve terms ending on the dates shown on the signature pages hereof. Thereafter, each term of service shall be three (3) years. Each Trustee shall serve until the earlier of (i) the end of his or her term, (ii) his or her death, (iii) his or her resignation pursuant to Section 5.2(b), (iv) his or her removal pursuant to Section 5.2(c), (v) the termination of the NARCO Asbestos Trust pursuant to Section 8.3, or (vi) other than the Initial Trustees during the terms ending on the dates shown on the signature pages hereof, his or her mandatory retirement at the end of the year in which the Trustee reaches the age of 75 (unless, and for so long as, this mandatory retirement requirement is waived by agreement of the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative), at which time the term shall terminate automatically.

(b) Any Trustee may resign at any time by written notice to each of the remaining Trustees, ~~Honeywell~~, the NARCO Asbestos TAC, and the NARCO Asbestos Future Claimants Representative. Such notice shall specify a date when such resignation shall take effect, which shall not be less than 90 days after the date such notice is given, where practicable.

(c) Any Trustee may be removed in the event that such Trustee becomes unable to discharge his or her duties hereunder due to accident or physical or mental deterioration, or for other good cause. Good cause shall be deemed to include, without limitation, a breach of such Trustee's duties hereunder, any failure to comply with Section 5.9, a consistent pattern of neglect and failure to perform or participate in performing the duties of the Trustees hereunder, or repeated non-attendance at scheduled meetings. Such removal shall require either (i) the unanimous decision of the other Trustees or (ii) an order from the Bankruptcy Court upon the petition for removal for good cause by a Trustee, ~~Honeywell~~, the NARCO Asbestos TAC or the NARCO Asbestos Future Claimants Representative. Such removal shall take effect at such time as the other Trustees shall determine or as ordered by the Bankruptcy Court.

5.3 ~~5.3-~~ Appointment of Successor Trustee.

(a) In the event of a vacancy in the position of a Trustee, whether by term expiration, death, retirement, resignation or removal, the remaining Trustees shall consult with the NARCO Asbestos TAC, ~~Honeywell~~, and the NARCO Asbestos Future Claimants Representative concerning the appointment of a successor Trustee. The vacancy shall be filled by the unanimous vote of the remaining Trustees, with the consent of ~~Honeywell~~, the NARCO Asbestos Future Claimants Representative, and a majority of the NARCO Asbestos TAC. In the event that the remaining Trustees cannot agree on a successor Trustee, or ~~Honeywell~~, the NARCO Asbestos Future Claimants Representative or a majority of the NARCO Asbestos TAC do not consent to the appointment, the Bankruptcy Court shall select the successor Trustee.

(b) Immediately upon the appointment of any successor Trustee, all rights, titles, duties, powers and authority of the predecessor Trustee hereunder shall be vested in, and undertaken by, the successor Trustee without any further act. No successor Trustee shall be liable personally for any act or omission of his or her predecessor Trustee.

5.4 ~~5.4-~~ Liability of Trustees, Officers and Employees. No Trustee, officer, or employee of the NARCO Asbestos Trust, nor any individual identified as an Additional Indemnatee in Section 5.6(a) below, shall be liable to the NARCO Asbestos Trust, to any person holding a NARCO Asbestos Trust Claim, or to any other Person except for such Trustee's, officer's or employee's own breach of trust committed in bad faith or for willful misappropriation. No Trustee, officer, or employee of the NARCO Asbestos Trust shall be liable for any act or omission of any other officer, agent, or employee of ~~then-ARCO~~ the NARCO Asbestos Trust, unless the Trustee, officer, or employee acted with bad faith or willful misconduct in the selection or retention of such officer, agent, or employee.

5.5 ~~5.5-~~ Compensation and Expenses of Trustees.

(a) Each of the Trustees shall receive compensation from the NARCO Asbestos Trust for his or her services as Trustee in the amount of ~~\$65,000~~ \$80,977 per annum, plus ~~\$550,683~~ per hour spent in the performance of the Trustees' duties under this NARCO Asbestos Trust Agreement. The per annum compensation and the hourly compensation payable to the Trustees hereunder shall be increased annually by the Trustees proportionately with any increase in the All Items Consumer Price Index for all-Urban Consumers (CPI-U) for the corresponding annual period. Any increase in excess of that amount may be made with the consent of ~~Honeywell~~, the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative or with the approval of the Bankruptcy Court. The per annum compensation shall be paid on the Effective Date and annually thereafter. The Delaware Trustee shall be paid compensation pursuant to a separate fee agreement.

(b) The NARCO Asbestos Trust will promptly reimburse the Trustees for all reasonable out-of-pocket costs and expenses incurred by the Trustees or the Delaware Trustee in connection with the performance of their duties hereunder.

(c) The NARCO Asbestos Trust shall include a description of the amounts paid under this Article 5 in the accounts to be filed with the Bankruptcy Court and provided to the NARCO Asbestos TAC; ~~and~~ the NARCO Asbestos Future Claimants Representative; ~~and Honeywell~~ pursuant to Section 3.3.

5.6 ~~5.6~~ Indemnification of Trustees and Others.

(a) The NARCO Asbestos Trust shall indemnify and defend the Trustees, the NARCO Asbestos Trust's officers, agents, advisors or employees, to the fullest extent that a corporation or trust organized under the laws of the State of Delaware is from time to time entitled to indemnify and defend its directors, trustees, officers, employees, agents or advisors against any and all liabilities, expenses, claims, damages or losses incurred by them in the performance of their duties hereunder. Notwithstanding the foregoing, the Trustees shall not be indemnified or defended in any way for any liability, expense, claim, damage or loss for which they are liable under Section 5.4. Additionally, each member of the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative (collectively, "**Additional Indemnitees**") who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding of any kind, by reason of any act or omission of such Additional Indemnitees with respect to (i) the liquidation of any NARCO Asbestos Trust Claims, (ii) the administration of the NARCO Asbestos Trust, or (iii) the implementation of the NARCO Asbestos TDP, shall be indemnified and defended by the NARCO Asbestos Trust against expenses, costs and fees (including attorneys' fees), judgments, awards, costs, amounts paid in settlement, and liabilities of all kinds incurred by each Additional Indemnitee in connection with or resulting from such action, suit, or proceeding, if he or she acted in good faith and in a manner such Additional Indemnitee reasonably believed to be in, or not opposed to, the best interests of the holders of NARCO Asbestos Trust Claims. For the avoidance of doubt, the indemnification obligations set forth herein in favor of the Trustees and the Additional Indemnitees shall survive the termination of any such indemnitee's service.

(b) Reasonable expenses, costs and fees (including attorneys' fees) incurred by or on behalf of a Trustee or Additional Indemnitee in connection with any action, suit, or proceeding, from which they are indemnified by the NARCO Asbestos Trust pursuant to this Section 5.6, may be paid by the NARCO Asbestos Trust in advance of the final disposition thereof upon receipt of an undertaking by or on behalf of such Trustee or Additional Indemnitee to repay such amount if it shall be determined ultimately that such Trustee or Additional Indemnitee is not entitled to be indemnified by the NARCO Asbestos Trust

(c) Any indemnification under Section 5.6(a) of this NARCO Asbestos Trust Agreement shall be made by the NARCO Asbestos Trust upon a determination that indemnification of such person is proper in the circumstances. Such determination shall

be made by a majority vote of the Trustees who were not parties to such action, suit, or proceeding, if two such Trustees were not parties; otherwise the determination will be made by legal counsel to the NARCO Asbestos Trust.

(d) The Trustees may purchase and maintain reasonable amounts and types of insurance on behalf of an individual who is or was a Trustee, officer, employee, agent or representative of the NARCO Asbestos Trust or an Additional Indemnatee against liability asserted against or incurred by such individual in that capacity or arising from his or her status as a Trustee, officer, employee, agent, representative, or Additional Indemnatee, subject to and in accordance with the budget requirements of Section 3.3.

~~Honeywell agrees that any deductible or retention under an insurance policy purchased hereunder is a Trust Expense of the NARCO Asbestos Trust under Section 3.4.~~

5.7 ~~5.7. Trustees' Lien.~~ The Trustees shall have a prior lien upon the NARCO Asbestos Trust corpus to secure the payment of any amounts payable to them pursuant to Sections 5.5 and 5.6. ~~In lieu of a Trustees' lien, Honeywell agrees that any amounts payable to the Trustees pursuant to Sections 5.5 and 5.6 shall be a Trust Expense of the NARCO Asbestos Trust.~~

5.8 ~~5.8. Trustees' Employment of Experts.~~ The Trustees may, but shall not be required to, consult with counsel, accountants, appraisers and other parties deemed by the Trustees to be qualified as experts on the matters submitted to them (regardless of whether any such party is affiliated with any of the Trustees in any manner, except as otherwise expressly provided in this NARCO Asbestos Trust Agreement), and the written opinion of any such parties on any matters submitted to them by the Trustees shall be full and complete authorization and protection in respect of any action taken or not taken by the Trustees hereunder in good faith and in accordance with the written opinion of any such party.

5.9 ~~5.9. Trustees' Independence.~~ No Trustee shall, during the term of his or her service, hold a financial interest in Honeywell, Reorganized NARCO, or Post-Effective ANH, (now known as HWD), or act as an officer or director of: or attorney for, Honeywell, Reorganized NARCO, or Post- Effective ANH, (now known as HWD), or as an attorney or advisor for any person who holds a NARCO Asbestos Trust Claim. For avoidance of doubt, this Section 5.9 shall not be applicable to the Delaware Trustee.

5.10 ~~5.10. Trustees' Service as Officers or Consultants to the Trust.~~ The Trustees may, but are not required to, select any Trustee to serve as an officer or manager of the Trust or as a consultant to the Trust. In the event any Trustee serves the Trust in such a capacity, the Trust shall compensate the Trustee in an amount determined by the Trustees. Compensation for a Trustee's service ~~as~~ as an officer or manager of the Trust or as a consultant to the Trust shall be in addition to compensation paid pursuant to Section 5.5.

5.11 ~~5.11. Bond.~~ The Trustees shall not be required to ~~post~~ any bond or other form of surety or security unless otherwise ordered by the Bankruptcy Court.

5.12 ~~5.12. Delaware Trustee.~~

(a) To the extent Delaware law requires Delaware statutory trusts to have at least one resident trustee who is a Delaware resident, if an individual, or has its principal place of business in Delaware, there shall at all times be a Delaware Trustee. The Delaware Trustee shall be a legal entity that has its principal place of business in the State of Delaware, otherwise meets the requirements of applicable Delaware law and shall act through one or more persons authorized to bind the entity. If at any time the Delaware Trustee shall cease to be eligible in accordance with the provisions of this Section 5.12, it shall resign immediately in the manner and with the effect hereinafter specified in Section 5.12(f) below. For the avoidance of doubt, the Delaware Trustee shall only have the rights and obligations expressly provided by reference to the Delaware Trustee hereunder. In accepting and performing hereunder, the Delaware Trustee acts not in its individual capacity, and all persons having any claim against the Delaware Trustee by reason of the transactions contemplated by this NARCO Asbestos Trust Agreement or any other NARCO Asbestos Trust related document or agreement shall look only to the NARCO Asbestos Trust's property for payment or satisfaction thereof.

(b) The Delaware Trustee shall not be entitled to exercise any powers, nor shall the Delaware Trustee have any of the duties and responsibilities, of the Trustees set forth herein. The Delaware Trustee shall be one of the trustees of the NARCO Asbestos Trust for the sole and limited purpose of fulfilling the requirements of Section 3807 of the Act and for taking actions required to be taken by a Delaware Trustee under the Act. The duties (including fiduciary duties), liabilities and obligations of the Delaware Trustee shall be limited to (i) accepting legal process served on the NARCO Asbestos Trust in the State of Delaware and (ii) the execution of any certificates required to be filed with the Secretary of State of the State of Delaware that the Delaware Trustee is required to execute under Section 3811 of the Act. The Delaware Trustee shall have no other duties (including fiduciary duties) or obligations, express or implied, at law or in equity.

(c) The Delaware Trustee shall not be personally liable under any circumstances, except for its own bad faith or willful misconduct. As to any fact or matter, the Delaware Trustee may for all purposes hereof rely on a certificate or instruction, signed by one of the Trustees, as to such fact or matter, and the Delaware Trustee shall not be liable for any action taken or omitted to be taken by it in good faith in reliance thereon. The Delaware Trustee shall incur no liability to anyone in acting upon any signature, instrument, notice, request, consent, order or other document or paper reasonably believed by it to be genuine and reasonably believed by it to be signed by the proper party or parties. In the event that the Delaware Trustee is unsure of the course of action to be taken by it hereunder, the Delaware Trustee may request instructions from the Trustees and to the extent the Delaware Trustee follows such instructions in good faith it shall not be liable to any person. In the event that no instructions are provided within the time requested by the Delaware Trustee, it shall have no duty or liability for its failure to take any action or for any action it takes in good faith.

(d) The Trustees, on behalf of the Trust, shall at all times maintain trustee insurance, errors and omissions insurance, or similar insurance coverage naming the Delaware

Trustees as a named insured, with aggregate coverage limitations of no less than \$25,000,000.

(e) Any amounts owing to the Delaware Trustee hereunder shall be a Trust Expense.

(f) The Delaware Trustee shall serve until removed by the Trustees or the Delaware Trustee resigns and a successor Delaware Trustee is appointed by the Trustees in accordance with the terms of Section 5.12(g) below. The Delaware Trustee may resign at any time upon the giving of at least sixty (60) days' advance written notice (or in the circumstances of 5.12(a) above upon immediate notice) to the Trustees; provided that, any resignation shall not become effective unless and until a successor Delaware Trustee shall have been appointed by the Trustees in accordance with Section 5.12(g) below. If the Trustees do not act within the 60-day period, the Delaware Trustee may apply to the Court of Chancery of the State of Delaware for the appointment of a successor Delaware Trustee.

(g) Upon the resignation or removal of the Delaware Trustee, the Trustees shall appoint a successor Delaware Trustee by delivering a written instrument to the outgoing Delaware Trustee. Any successor Delaware Trustee must satisfy the requirements of Section 3807 of the Act. Any resignation or removal of the Delaware Trustee and appointment of a successor Delaware Trustee shall not become effective until a written acceptance of appointment is delivered by the successor Delaware Trustee to the outgoing Delaware Trustee and the Trustees, and any fees and expenses due to the outgoing Delaware Trustee are paid. Following compliance with the preceding sentence, the successor Delaware Trustee shall become fully vested with all of the rights, powers, duties and obligations of the outgoing Delaware Trustee under this NARCO Asbestos Trust Agreement, with like effect as if originally named as Delaware Trustee, and the outgoing Delaware Trustee shall be discharged of its duties and obligations under this NARCO Asbestos Trust Agreement.

(h) Any person into which the Delaware Trustee may be merged or with which it may be consolidated, or any person resulting from any merger or consolidation to which the Delaware Trustee shall be a party, or any person which succeeds to all or substantially all of the corporate trust business of the Delaware Trustee, shall be the successor Delaware Trustee under this NARCO Asbestos Trust Agreement without the execution, delivery or filing of any paper or instrument or further act to be done on the part of the parties hereto, except as may be required by the Act.

ARTICLE VI

TRUSTEES' ADVISORY COMMITTEE

6.1 ~~6.1.~~ Formation; Duties. A Trustees' Advisory Committee (the "NARCO Asbestos TAC") ~~shall be has been~~ formed. As provided herein, the Trustees shall consult with the NARCO Asbestos TAC, ~~Honeywell~~, and the NARCO Asbestos Future Claimants Representative regarding the implementation and administration of the NARCO Asbestos TDP. The members of the NARCO Asbestos TAC shall serve in a fiduciary capacity

representing all holders of present NARCO Asbestos Trust Claims. The Trustees may consult with the NARCO Asbestos TAC on any matter affecting the NARCO Asbestos Trust, and certain actions by the Trustees are subject to the prior consent of the NARCO Asbestos TAC as provided in Section 8.1(b) hereof and in the NARCO Asbestos TDP. The NARCO Asbestos TAC shall endeavor to act in the best interests of the holders of all NARCO Asbestos Trust Claims.

6.2 ~~6.2.~~ Number; Chairperson.

(a) There shall be ~~five~~six members of the NARCO Asbestos TAC. The ~~initial~~current members of the NARCO Asbestos TAC ~~shall be~~are the individuals identified as such on the signature page of this NARCO Asbestos Trust Agreement. The NARCO Asbestos TAC shall act in all cases by majority vote.

(b) There shall be a Chairperson of the NARCO Asbestos TAC. The Chairperson shall act as the NARCO Asbestos TAC's liaison, he or she shall coordinate and schedule meetings of the NARCO Asbestos TAC, and he or she shall handle all administrative matters that come before the NARCO Asbestos TAC. The Chairperson shall be selected by a majority vote of the NARCO Asbestos TAC.

6.3 ~~6.3.~~ Term of Office.

(a) The ~~five~~~~initial~~current ~~six~~ members of the NARCO Asbestos TAC shall serve ~~the~~ staggered ~~three-, four-, or~~ five-year terms ending on the dates shown on the ~~signature~~signature pages hereof. Thereafter, each term of service shall be five years. A member of the NARCO Asbestos TAC shall serve until the earlier of (i) the end of his or her term; (ii) his or her death; (iii) his or her resignation pursuant to Section 6.3(b) below; (iv) his or her removal pursuant to Section 6.3(c) below; or (v) the termination of the NARCO Asbestos Trust pursuant to Section 8.3 below.

(b) Any member of the NARCO Asbestos TAC may resign at any time by written notice to each of the remaining members specifying the date when such resignation shall take place. Such notice shall specify a date when such resignation shall take effect, which shall not be less than ninety (90) days after the date such notice is given, where practicable.

(c) Any member of the NARCO Asbestos TAC may be removed in the event such member becomes unable to discharge his or her duties hereunder due to accident, or physical or mental deterioration, or for other good cause. Good cause shall be deemed to include, without limitation, a breach of the member's duties hereunder, a consistent pattern of neglect and failure to perform or to participate in performing the duties of such member hereunder, or repeated non-attendance at scheduled meetings. Such removal shall require an order from the Bankruptcy Court upon petition for removal by the remaining members of the NARCO Asbestos TAC or by the ~~NARCO Asbestos~~ Trustees.

6.4 ~~6.4.~~ Appointment of Successor.

(a) In the event of a vacancy caused by the resignation or death of a NARCO Asbestos TAC member, his or her successor shall be pre-selected by the resigning or deceased NARCO Asbestos TAC member, or by his or her law firm in the event that such member has not pre-selected a successor. If neither the member nor the law firm exercised the right to make such a selection, the successor shall be chosen by a majority vote of the remaining NARCO Asbestos TAC members. If a majority of the remaining members cannot agree, the Bankruptcy Court shall appoint the successor. In the event of a vacancy caused by the removal of a NARCO Asbestos TAC member, the remaining members of the NARCO Asbestos TAC, by majority vote, shall name the successor. If the majority of the remaining members of the NARCO Asbestos TAC cannot reach agreement, the Bankruptcy Court shall appoint the successor.

(b) Each successor NARCO Asbestos TAC member shall serve until the earlier of (i) his or her death, (ii) his or her resignation pursuant to Section 6.3(b), (iii) his or her removal pursuant to Section 6.3(c), (iv) termination of the NARCO Asbestos Trust, (v) the end of a full term of five (5) years if his or her predecessor member completed his or her term; or (vi) the end of the remainder of the term of the member whom he or she replaced if said predecessor member did not complete said term. Members of the NARCO Asbestos TAC shall be eligible to serve successive terms.

6.5 ~~6.5~~ NARCO Asbestos TAC's Employment of Professionals.

(a) The NARCO Asbestos TAC may but is not required to retain and/or consult counsel, accountants, appraisers, auditors, forecasters, experts, and financial and investment advisors, and such other parties it deems to be qualified as experts on matters submitted to the NARCO Asbestos TAC (the "**NARCO Asbestos TAC Professionals**"). The NARCO Asbestos TAC and the NARCO Asbestos TAC Professionals shall at all times have complete access to the NARCO Asbestos Trust's officers, employees and agents, as well as to the experts retained by the NARCO Asbestos Trust, and to all information generated by them or otherwise available to the Trustees. In the absence of gross negligence, the written opinion of or information provided by any NARCO Asbestos TAC Professional retained by the NARCO Asbestos TAC shall be full and complete authorization and protection in support of any action taken or not taken by the NARCO Asbestos TAC in good faith and in accordance with the written opinion of or information provided by the NARCO Asbestos TAC Professional. Compensation and reimbursement to the NARCO Asbestos TAC Professional employed by the NARCO Asbestos TAC pursuant to this Section 6.5(a) shall be considered Trust Expenses of the NARCO Asbestos Trust ~~compensable only from the Trust Expense Fund as part of the Final Administrative Budget proposed and approved in accordance with Section 3.3.~~

(b) The NARCO Asbestos Trust shall promptly reimburse, or may pay directly by agreement, the NARCO Asbestos TAC for all reasonable fees and costs associated with the NARCO Asbestos TAC's employment of legal counsel in connection with the NARCO Asbestos TAC's performance of its duties hereunder. The Trust shall also promptly reimburse, or pay directly by agreement, the NARCO Asbestos TAC for all reasonable fees and costs associated with the employment of any other NARCO Asbestos

TAC Professional in connection with the NARCO Asbestos TAC's performance of their duties hereunder; provided, however, that (i) the NARCO Asbestos TAC has first submitted to the NARCO Asbestos Trust a written request for such reimbursement setting forth the reasons (A) why the NARCO Asbestos TAC desires to employ the NARCO Asbestos TAC Professional, and (B) why the NARCO Asbestos TAC cannot rely on the experts retained by the NARCO Asbestos Trust to meet the need of the NARCO Asbestos TAC for such expertise or advice, and (ii) the NARCO Asbestos Trust has approved the NARCO Asbestos TAC's request for reimbursement in writing. If the NARCO Asbestos Trust agrees to pay for the NARCO Asbestos TAC Professional, such reimbursement shall be treated as a Trust Expense. If the NARCO Asbestos Trust declines to pay for the NARCO Asbestos TAC Professional, it must set forth its reasons in writing. If the NARCO Asbestos TAC still desires to employ the NARCO Asbestos TAC Professional at the expense of the NARCO Asbestos Trust, the NARCO Asbestos TAC and/or the Trustees shall resolve their dispute pursuant to Section 8.14 below.

6.6 ~~6.6.~~ Compensation and Expenses of NARCO Asbestos TAC Members. To reduce the Trust Expenses of the NARCO Asbestos Trust, ~~only three~~the members of the NARCO Asbestos TAC shall not receive compensation from the NARCO Asbestos Trust ~~at the rate of \$550 per hour for attendance at NARCO Trust related meetings or other conduct of NARCO Asbestos Trust business. It shall be the responsibility of the full for their service as~~ NARCO Asbestos TAC membership to allocate in their sole discretion this compensation among themselves. members However, all members of the NARCO Asbestos TAC shall be reimbursed promptly for all reasonable out-of-pocket expenses incurred by the NARCO Asbestos TAC members in connection with the performance of their duties hereunder. Such NARCO Asbestos TAC ~~compensation, reimbursement or direct payment shall be deemed a Trust Expense. The hourly rate of compensation hereunder shall be increased annually by the Trustees proportionately with any increase in the All Items Consumer Price Index for all Urban Consumers (CPI-U) for the corresponding annual period.~~ The NARCO Asbestos Trust shall include a description of the amounts paid under this Article 6 in the accounts to be filed with the Bankruptcy Court and provided to the Trustees, the NARCO Asbestos Future Claimants Representative, ~~and Honeywell~~ pursuant to Section 3.3.

ARTICLE VII

FUTURE CLAIMANTS REPRESENTATIVE

7.1 ~~7.1.~~ Duties. The initial NARCO Asbestos Future Claimants Representative shall be Lawrence Fitzpatrick, Esquire. He shall serve in a fiduciary capacity, representing the interests of the holders of NARCO Asbestos Trust Claims yet to accrue for the purpose of protecting the rights of such persons. The Trustees must consult with the NARCO Asbestos Future Claimants Representative on matters identified in Section 3.1(c) above and on certain other matters provided herein, and must obtain the consent of the NARCO Asbestos Future Claimants Representative on matters identified in Section 3.2(d) above and on certain other matters provided herein. Where provided in the NARCO Asbestos

TDP, certain other actions by the Trustees are also subject to the consent of the NARCO Asbestos Future Claimants Representative.

7.2 ~~7.2.~~ Term of Office.

(a) The NARCO Asbestos Future Claimants Representative shall serve until the earlier of (i) his or her death, (ii) his or her resignation pursuant to Section 7.2(b) below, (iii) his or her removal pursuant to Section 7.2(c) below, or (iv) the termination of the NARCO Asbestos Trust.

(b) The NARCO Asbestos Future Claimants Representative may resign at any time by written notice to the Trustees, ~~Honeywell~~, and the NARCO Asbestos TAC. Such notice shall specify a date when such resignation shall take effect, which shall not be less than ninety (90) days after the date such notice is given, where practicable.

(c) The NARCO Asbestos Future Claimants Representative may be removed by the Bankruptcy Court on a petition for removal by the NARCO Asbestos Trustees or on motion for removal, but after notice and hearing, in the event he or she becomes unable to discharge his or her duties hereunder due to accident, or physical or mental deterioration, or for other good cause. Good cause shall be deemed to include, without limitation, a breach of the NARCO Asbestos Future Claimants Representative's duties hereunder, a consistent pattern of neglect and failure to perform or to participate in performing the duties hereunder, or repeated non-attendance at scheduled meetings.

7.3 ~~7.3.~~ Appointment of Successor. A vacancy caused by death or resignation shall be filled with an individual nominated prior to the effective date of the resignation or the death by the resigning or deceased NARCO Asbestos Future Claimants Representative. A vacancy caused by the removal of the NARCO Asbestos Future Claimants Representative shall be filled with an individual nominated by the Trustees in consultation with the NARCO Asbestos TAC ~~and Honeywell~~, subject to the approval of the Bankruptcy Court. In the event a majority of the Trustees cannot agree, or a nominee ~~bashas~~ not been pre-selected, the successor shall be chosen by the Bankruptcy Court.

7.4 ~~7.4.~~ NARCO Asbestos Future Claimants Representative's Employment of Professionals.

(a) The NARCO Asbestos Future Claimants Representative shall receive compensation from the NARCO Asbestos Trust. The NARCO Asbestos Future Claimants Representative may but is not required to retain and/or consult counsel, accountants, appraisers, auditors, forecasters, experts, and financial and investment advisors, and such other parties deemed by the NARCO Asbestos Future Claimants Representative to be qualified as experts on matters submitted to the NARCO Asbestos Future Claimants Representative (the "**FCR Professionals**"). The NARCO Asbestos Future Claimants Representative and the FCR Professionals shall at all times have complete access to the NARCO Asbestos Trust's officers, employees and agents, as well as to the experts retained by the NARCO Asbestos Trust, and shall also have complete access to all information generated by them or otherwise available to the Trustees. In the absence of gross negligence, the written opinion of or information provided by any FCR

Professional deemed by the NARCO Asbestos Future Claimants Representative to be qualified as an expert on the particular matter submitted to the NARCO Asbestos Future Claimants Representative shall be full and complete authorization and protection in support of any action taken or not taken by the NARCO Asbestos Future Claimants Representative in good faith and in accordance with the written opinion of or information provided by the FCR Professional.

(b) The Trust shall promptly reimburse, or may pay directly by agreement, the NARCO Asbestos Future Claimants Representative for all reasonable fees and costs associated with the NARCO Asbestos Future Claimants Representative's employment of legal counsel pursuant to this provision in connection with the NARCO Asbestos Future Claimants Representative's performance of his or her duties hereunder. The Trust shall also promptly reimburse, or pay directly by agreement, the NARCO Asbestos Future Claimants Representative for all reasonable fees and costs associated with the NARCO Asbestos Future Claimants Representative's employment of any other FCR Professional pursuant to this provision in connection with the NARCO Asbestos Future Claimants Representative's performance of his or her duties hereunder; provided, however, that (i) the NARCO Asbestos Future Claimants Representative has first submitted to the Trust a written request for such reimbursement setting forth the reasons (A) why the NARCO Asbestos Future Claimants Representative desires to employ the FCR Professional, and (B) why the NARCO Asbestos Future Claimants Representative cannot rely on the experts retained by the Trust to meet the need of the NARCO Asbestos Future Claimants Representative for such expertise or advice, and (ii) the Trust has approved the NARCO Asbestos Future Claimants Representative's request for reimbursement in writing. If the Trust agrees to pay for the FCR Professional, such reimbursement shall be treated as a Trust Expense. If the Trust declines to pay for the FCR Professional, it must set forth its reasons in writing. If the NARCO Asbestos Future Claimants Representative still desires to employ the FCR Professional at Trust expense, the NARCO Asbestos Future Claimants Representative and/or the Trustees shall resolve their dispute pursuant to Section 8.14 below.

7.5 ~~7.5.~~ Compensation and Expenses of the NARCO Asbestos Future Claimants Representative. The NARCO Asbestos Future Claimants Representative shall receive compensation from the NARCO Asbestos Trust at the rate of ~~\$550~~683 per hour. The NARCO Asbestos Trust will promptly reimburse the NARCO Asbestos Future Claimants Representative for all reasonable out-of-pocket costs and expenses incurred by the NARCO Asbestos Future Claimants Representative in connection with the performance of his or her duties hereunder. Such reimbursement or direct payment shall be deemed a NARCO Asbestos Trust Administrative expense. The hourly rate of compensation hereunder shall be increased annually by the Trustees proportionately with any increase in the All Items Consumer Price Index for all-Urban Consumers (CPI-U) for the corresponding annual period. The NARCO Asbestos Trust shall include a description of the amounts paid under this Section 7.5 in the accounts to be filed with the Bankruptcy Court and provided to the Trustees; and the NARCO Asbestos TAC; ~~and Honeywell~~ pursuant to Section 3.3.

ARTICLE VIII

GENERAL PROVISIONS

8.1 ~~8.1.~~ Procedure for Consulting With or Obtaining Consent of ~~Honeywell,~~ the NARCO Asbestos TAC and/or the NARCO Asbestos Future Claimants Representative.

(a) Consultation Process.

(i) In the event the Trustees are required to consult with ~~Honeywell,~~ the NARCO Asbestos TAC, and/or the NARCO Asbestos Future Claimants Representative pursuant to this NARCO Asbestos Trust Agreement, the NARCO Asbestos TDP or on other matters, the Trustees shall provide ~~Honeywell,~~ the NARCO Asbestos TAC, and the NARCO Asbestos Future Claimants Representative with written advance notice of the matter under consideration, and with all relevant information concerning the matter as is reasonably practicable under the circumstances. The Trustees shall also provide ~~Honeywell,~~ the NARCO Asbestos TAC, and the NARCO Asbestos Future Claimants Representative with such reasonable access to the experts retained by the Trustees as ~~Honeywell,~~ the NARCO Asbestos TAC, and the NARCO Asbestos Future Claimants Representative may reasonably request during the time that the Trustees are considering such matters, and shall also provide to ~~Honeywell,~~ the NARCO Asbestos TAC, and the NARCO Asbestos Future Claimants Representative the opportunity, at reasonable times and for reasonable periods of time, to discuss and comment on such matter with the Trustees.

(ii) The Trustees shall take into consideration the time required for ~~Honeywell,~~ the NARCO Asbestos TAC, and the NARCO Asbestos Future Claimants Representative, if desirable to those Parties, to engage and consult with their own experts as to such matters.

(b) Consent Process.

(i) In the event the Trustees are required to obtain the consent of ~~Honeywell,~~ the NARCO Asbestos TAC, or the NARCO Asbestos Future Claimants Representative pursuant to this NARCO Asbestos Trust Agreement, the NARCO Asbestos TDP, or otherwise, the Trustees shall provide ~~Honeywell,~~ the NARCO Asbestos TAC, and the NARCO Asbestos Future Claimants Representative with a written notice stating that their consent is being sought pursuant to the Trustees' proposal, describing in detail the nature and scope of the action the Trustees propose to take, and explaining in detail the reasons why the Trustees desire to take such action. The Trustees shall provide to ~~Honeywell,~~ the NARCO Asbestos TAC, and the NARCO Asbestos Future Claimants Representative as much relevant additional information concerning the proposed action as is reasonably practicable under the circumstances. The Trustees shall also provide

to ~~Honeywell,~~ the NARCO Asbestos TAC, or the NARCO Asbestos Future Claimants Representative such reasonable access to the experts retained by the Trustees as ~~Honeywell,~~ the NARCO Asbestos TAC, and the NARCO Asbestos Future Claimants Representative may reasonably request during the time that the Trustees are considering such action, and shall also provide to ~~Honeywell,~~ the NARCO Asbestos TAC, or the NARCO Asbestos Future Claimants Representative the opportunity, at reasonable times and for reasonable periods of time, to discuss and comment on such action with the Trustees.

(ii) ~~Honeywell, the~~ The NARCO Asbestos TAC, and the NARCO Asbestos Future Claimants Representative must each consider in good faith and in a timely fashion any request for its consent by the Trustees, and must in any event, advise the Trustees in writing of its consent or its objection to the proposed action within sixty (60) days of receiving the original request for consent from the Trustees. This sixty (60) day period may be extended with the consent of the Trustees. This sixty (60) day period may be reduced or waived in writing by ~~Honeywell,~~ the NARCO Asbestos TAC or the NARCO Asbestos Future Claimants Representative. ~~Honeywell, the~~ The NARCO Asbestos TAC, and the NARCO Asbestos Future Claimants Representative may not withhold consent unreasonably. If ~~Honeywell,~~ the NARCO Asbestos TAC, or the NARCO Asbestos Future Claimants Representative decides to withhold its consent, it must explain in detail in writing its objections to the proposed action. If ~~Honeywell,~~ the NARCO Asbestos TAC, or the NARCO Asbestos Future Claimants Representative does not advise the Trustees in writing of consent or objections to the action within sixty (60) days of receiving notice regarding such request, or such other time as provided hereunder, the consent of ~~Honeywell,~~ the NARCO Asbestos TAC, or the NARCO Asbestos Future Claimants Representative to the proposed actions shall be deemed to have been affirmatively granted.

(iii) If, after following the procedures specified in this Section 8.1(b), ~~Honeywell,~~ the NARCO Asbestos TAC, or the NARCO Asbestos Future Claimants Representative continues to object to the proposed action and to withhold consent to the proposed action, the Trustees and/or ~~Honeywell,~~ the NARCO Asbestos TAC, or the NARCO Asbestos Future Claimants Representative shall resolve their dispute pursuant to Section 8.14. However, the burden of proof with respect to the validity of the objection of ~~Honeywell,~~ the NARCO Asbestos TAC, or the NARCO Asbestos Future Claimants Representative shall be on the objecting party.

8.2 ~~8.2.-Irrevocability.~~ The NARCO Asbestos Trust is irrevocable, but is subject to amendment as provided in Section 8.4.

8.3 ~~8.3.-Termination.~~

(a) The NARCO Asbestos Trust shall automatically terminate on the date (the “**Termination Date**”) ninety (90) days after the first occurrence of any of the following events:

(i) the Trustees in their sole discretion decide to terminate the NARCO Asbestos Trust because (A) they deem it unlikely that new NARCO Asbestos Trust Claims will be filed against the NARCO Asbestos Trust and (B) all NARCO Asbestos Trust Claims duly filed with the NARCO Asbestos Trust have been liquidated and satisfied and twelve consecutive months have elapsed during which no new valid NARCO Asbestos Trust Claim has been filed with the NARCO Asbestos Trust;

(ii) if the Trustees have procured and have in place irrevocable insurance policies and have established claims handling agreements and other necessary arrangements with suitable third parties adequate to discharge all expected remaining obligations and expenses of the NARCO Asbestos Trust in a manner consistent with this NARCO Asbestos Trust Agreement and the NARCO Asbestos TDP, the date on which the Bankruptcy Court enters an order approving such insurance and other arrangements and such order becomes final;

(iii) if in the judgment of two-thirds of the Trustees, with the consent of ~~Honeywell~~, the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative (which consent shall not be unreasonably withheld), the continued administration of the NARCO Asbestos Trust is uneconomical or inimical to the best interests of the persons holding NARCO Asbestos Trust Claims, and the termination of the NARCO Asbestos Trust will not expose or subject Reorganized NARCO, any other Reorganized Debtor, Honeywell or any Honeywell Affiliate, or any of their successors in interest to any increased or undue risk of having any NARCO Asbestos Trust Claims asserted against it or them or will not in any way jeopardize the validity or enforceability of the NARCO Channeling Injunction; or

(iv) 21 years less 90 days pass after the death of the last survivor of all the descendants of Joseph P. Kennedy, Sr. of Massachusetts living on the date hereof.

(b) During the ninety (90) day period after the occurrence of an event provided for in Section 8.3(a), but prior to the Termination Date, any ~~New Debtor Common Stock, remaining within~~ HWI Interest held by the NARCO Asbestos Trust ~~Assets~~, shall be sold and liquidated by the Trustees, subject to the terms of the Buyout Agreement. The proceeds of any such sale of stock or securities shall be applied ~~to the payment of NARCO Asbestos Trust Claims, as appropriate~~ pursuant to the Buyout Agreement and/or the Buyout Order, as applicable.

(c) On the Termination Date, after payment of all the NARCO Asbestos Trust’s liabilities has been provided for, all monies remaining in the NARCO Asbestos Trust estate shall be transferred to ~~Honeywell, if such transfer does not jeopardize the NARCO Asbestos Trust’s status as a qualified settlement trust under the Internal~~

~~Revenue Code, or, if such status would be jeopardized, to~~ charitable organization(s) exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, which tax-exempt organization(s) shall be selected by the Trustees using their reasonable discretion; provided, however, that (i) if practicable, the tax-exempt organization(s) shall be related to treatment of, research in the cure of, or relief of individuals suffering from asbestos-caused disorders, and (ii) the tax-exempt organization(s) shall not bear any relationship to Reorganized NARCO within the meaning of Section 468(d)(3) of the Internal Revenue Code.

8.4 ~~8.4. Amendments.~~ The Trustees, after consultation with ~~Honeywell,~~ the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative, and subject to the consent of ~~Honeywell,~~ the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative, may modify or amend this NARCO Asbestos Trust Agreement and the Trust Bylaws. The Trustees, after consultation with ~~Honeywell,~~ the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative, and subject to the consent of ~~Honeywell,~~ the NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative, may modify or amend the NARCO Asbestos TDP; provided, however, that no amendment to the NARCO Asbestos TDP shall be inconsistent with the limitations on amendments provided therein, and, in particular, the provisions limiting amendment of the Clams Payment Ratio set forth in Section 2.4 of the NARCO Asbestos TDP or the Payment Percentage provisions of Section 2.5 of the NARCO Asbestos TDP. Any modification or amendment made pursuant to this Article 8 must be done in writing, and must be described in the Annual Report to be filed by the NARCO Asbestos Trust with the Bankruptcy Court pursuant to Section 3.3. ~~No amendment to this NARCO Asbestos Trust Agreement, the NARCO Asbestos TDP, or the Trust Bylaws may be made that will in any manner increase the amount of Honeywell's funding obligation to the NARCO Asbestos Trust (either to the Trust Expense Fund, the Annual Contribution Claims Fund, or the Pre-Established Claims Fund) without Honeywell's consent, which Honeywell may withhold in its sole and exclusive discretion.~~ Notwithstanding anything contained in this NARCO Asbestos Trust Agreement to the contrary, neither this NARCO Asbestos Trust Agreement, the ~~NARCO Asbestos~~ Trust Bylaws, the NARCO Asbestos TDP, nor any document annexed to the foregoing shall be modified or amended in any way that could jeopardize, impair, or modify the applicability of Section 524(g) of the Bankruptcy Code, the efficacy or enforceability of the injunction entered thereunder, or the NARCO Asbestos Trust's qualified settlement fund status under Section 468B of the Internal Revenue Code. No consent from the Settlor~~s~~, ~~other than Honeywell,~~ shall be required to modify or amend this NARCO Asbestos Trust Agreement or any document annexed to it. Any modification or amendment made pursuant to this Section 8.4 must be done in writing. Notwithstanding anything contained herein to the contrary, neither this NARCO Asbestos Trust Agreement nor the NARCO Asbestos TDP shall be modified or amended in any way that would (a) jeopardize the efficacy or enforceability of the NARCO Channeling Injunction or (b) conflict with the terms of the Buyout Agreement.

8.5 ~~8.5-~~Meetings.

(a) ~~Honeywell, the~~The NARCO Asbestos Future Claimants Representative and the NARCO Asbestos TAC shall have the right to attend all meetings of the Trustees. Attendance may be in person, by telephone, or by video. ~~Honeywell, the~~The NARCO Asbestos TAC and the NARCO Asbestos Future Claimants Representative shall be provided five (5) days' advance notice in writing whenever meetings are scheduled to be held. The number of meetings of the Trustees per year and the procedure for setting the time, place and manner of conducting the meetings shall be set pursuant to the ~~NARCO Asbestos~~ Trust Bylaws.

(b) Notwithstanding the foregoing, the Trustees shall have the right to meet in executive session.

(c) Notwithstanding the foregoing, the Trustees shall have the right to meet with any person as the Trustees deem necessary to fulfill their duties, in executive session or otherwise.

(d) The Delaware Trustee shall not be required nor permitted to attend meetings relating to the NARCO Asbestos Trust.

8.6 ~~8.6-~~Severability. If any provision in this NARCO Asbestos Trust Agreement is determined to be unenforceable, such determination shall in no way limit or affect the enforceability and operative effect of any and all other provisions of this NARCO Asbestos Trust Agreement.

8.7 ~~8.7-~~Notices.

(a) Notices to persons asserting claims shall be given by first class mail, postage prepaid, at the address of such person, or, where applicable, such person's legal representative; in each case as provided on such person's claim form submitted to the NARCO Asbestos Trust with respect to his or her NARCO Asbestos Trust Claim, or by such other means, including electronic notice, as may be agreed between the NARCO Asbestos Trust and the NARCO Asbestos Trust Claimant or, where applicable, such person's legal representative.

(b) Any notices or other communications required or permitted hereunder to the following Parties shall be in writing and delivered at the addresses designated below, or sent by electronic mail or facsimile pursuant to the instructions listed below, or mailed by registered or certified mail, return receipt requested, postage prepaid, addressed as follows, or to such other address or addresses as may hereafter be furnished by any of Reorganized NARCO, Post-Effective ANH, ~~Honeywell~~HWI, the Trustees, the NARCO Asbestos TAC, or the NARCO Asbestos Future Claimants Representative to the others in compliance with the terms hereof.

To the NARCO Asbestos Trust or
the Trustees:

Hon. Ken M. Kawaichi (Ret.)
14 Mesa Avenue
Piedmont, California 94611

Facsimile: (510) 601-9254

Email:

kkawaichi@sbeglobal.net**k.m.kawaichi@gmail.com**

Richard B. Schiro
3710 Rawlins Street, Suite 1350
Dallas, Texas 75219
Facsimile: (214) 521-3838
Email: rbschiro@schirrolaw.com

Mark M. Gleason & Associates
One Gateway Center, Suite 525
420 Fort Duquesne Blvd.
Pittsburgh, PA 15222-1402
Facsimile: (412) 391-1790
Email: **mgleason@gleason-epa.com****mgleason@gleasonexperts.com**

Sander L. Esserman
Steven A. Felsenthal
Stutzman, Bromberg, Esserman & Plifka
2323 Bryan Street, Suite 2200
Dallas, Texas 75201
Facsimile: (214) 969-4999
Email: Esserman@sbep-law.com
Email: Felsenthal@sbep-law.com

To the NARCO Asbestos TAC:

Joseph F. Rice
John **[A.](#)** Baden **[IV](#)**
Motley Rice LLC
28 Bridgeside Blvd.
Mt. Pleasant, South Carolina **[2946529464](#)**
Facsimile: (843) 216-9290
Email: jrice@motleyrice.com
Email: jbaden@motleyrice.com

Perry Weitz
Lisa Nathanson Busch
Weitz & Luxenberg, PC
700 Broadway
New York, New York 10003
Facsimile: (212) 344-5461
Email: pweitz@weitzlux.com
Email: lbusch@weitzlux.com

Steven Kazan

Kazan, McClain, Satterley, ~~Lyons,~~ & Greenwood ~~&~~
~~Oberman~~, A Professional Law Corporation
Jack London Market
55 Harrison Street, Suite 400
Oakland, California 94607
Facsimile: (510) 835-4913
Email: skazan@lcazanlaw.com

Steven T. Baron
Baron & Budd, P.C.
3102 Oak Lawn, Suite 1100
Dallas, Texas 75219
Facsimile: (214) 824-8100
Email: sbaron@baronbudd.com

Bruce Mattock
Goldberg, Persky & White, P.C.
~~1030 Fifth Avenue, 3rd Floor~~
~~11 Stanwix Street, Suite 1800~~
Pittsburgh, Pennsylvania ~~15219~~ 15222
Facsimile: (412) 471-8308
Email: bmattock@gpwlaw.com

John D. Cooney
Cooney & Conway, LLP
120 N. LaSalle Street, Suite 3000
Chicago, Illinois 60602
~~Elihu Inselbuch~~
~~Caplin & Drysdale, Chartered~~
~~600 Lexington Avenue, 21st Floor~~
~~New York, New York 10022~~
~~Facsimile: (212) 379-6001~~
Email: ~~ei@capdale.com~~ jcooney@cooneyconway.com

~~Peter Van N. Lockwood~~
Ann C. McMillan
James P. Wehner
Caplin & Drysdale, Chartered
One Thomas Circle, N.W.
Washington, DC 20005
Facsimile: (202) 429-3301
Email: ~~pvn1@capdale.com~~ amcmillan@capdale.com
Email: ~~aem@capdale.com~~ jwehner@capdale.com

To Reorganized
NARCO ~~and~~

North American Refractories Company
Attention: General Counsel

Post-Effective ANH and HWI:

Cherrington Corporate Center
400 Fairway Drive
Moon Township, PA 15108
Facsimile: (412) 375-6957
Email: mschalk@anbrefractories.com

Michael T. Wolf
Jenner & Block LLP
53 N. Clark Street
Chicago, IL 60654-3456
Facsimile: (312) 527-0484
Email: mwolf@jenner.com

To Honeywell:

Honeywell International Inc.
101 Columbia Road
Morristown, New Jersey 07962
Attention: Katherine L. Adams, Senior Vice
President and General Counsel
Faeximile: (973) 455-4217
Email: kate.adams@honeywell.com

and

Craig H. Zimmennan
Ellen Tenenbaum
McDermott, Will & Emery
340 Madison Avenue
New York, New York 10173-1922
Faeximile: (202) 756-8087
Email: czimmerman@mwe.com
etenenbaum@mwe.com

To NARCO Asbestos Future
Claimants Representative:

Lawrence Fitzpatrick
~~100~~200 American Metro Blvd.
Suite ~~108~~129
Hamilton, New Jersey 08619
Facsimile: (609) 620-1466
Email:
~~lfitzpatrick@theecr.com~~Larry.Fitzpatrick@pace-
claims.com

James L. Patton, Jr.
Edwin J. Harron
Sharon M. Zieg
Young Conaway Stargatt & Taylor, LLP
Rodney Square

1000 North King Street
Wilmington, Delaware 19801
Facsimile: (302) 571-1253
Email: jpatton@ycst.com
Email: ~~ebarron@ycst.com~~ eharron@ycst.com
Email: Szieg@ycst.com

All such notices and communications shall be effective when delivered at the designated addresses or, if electronically transmitted, when the communication is received at the designated addresses and confirmed by the recipient by return transmission or by electronic delivery confirmation.

8.8 ~~**8.8.**~~ Counterparts. This NARCO Asbestos Trust Agreement may be executed in any number of counterparts, each of which shall constitute an original, but such counterparts shall together constitute but one and the same instrument. Delivery of a counterpart hereof by facsimile transmission or by e-mail transmission of an Adobe portable document format file (also known as a “PDF” file) shall be effective as delivery of a manually executed counterpart hereof.

8.9 ~~**8.9.**~~ Successors and Assigns. The provisions of this NARCO Asbestos Trust Agreement shall be binding upon and inure to the benefit of ~~Honeywell,~~ the Debtors, the Reorganized Debtors, the NARCO Asbestos Trust, and the Trustees and their respective successors and assigns, except that neither ~~Honeywell nor~~ the Debtors, nor the Reorganized Debtors, nor the NARCO Asbestos Trust, nor any Trustee may assign or otherwise transfer any of its, or his or her rights or obligations under this NARCO Asbestos Trust Agreement except, in the case of the NARCO Asbestos Trust and the Trustees, as contemplated by Section 3.1.

8.10 ~~**8.10.**~~ Limitation on Claim Interests for Securities Laws Purposes. NARCO Asbestos Trust Claims, and any interests therein, (a) shall not be assigned, conveyed, hypothecated, pledged or otherwise transferred, voluntarily or involuntarily, directly or indirectly, except by will or under the laws of descent and distribution; (b) shall not be evidenced by a certificate or other instrument; (c) shall not possess any voting rights; and (d) shall not be entitled to receive any dividends or interest; provided, however, that the foregoing shall not apply to the holder of an Indirect Asbestos Trust Claim that is subrogated to an NARCO Asbestos Trust Claim as a result of its satisfaction of such NARCO Asbestos Trust Claim.

8.11 ~~**8.11.**~~ Entire Agreement; No Waiver. The entire agreement of the Parties relating to the subject matter of this NARCO Asbestos Trust Agreement is contained herein and in the documents referred to herein, and this NARCO Asbestos Trust Agreement and such documents supersede any prior oral or written agreements concerning the subject matter hereof. No failure to exercise or delay in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege hereunder preclude any further exercise thereof or of any other

right, power or privilege. The rights and remedies herein provided are cumulative and are not exclusive of rights under law or in equity.

8.12 ~~8.12.~~ Headings. The headings used in this NARCO Asbestos Trust Agreement are inserted for convenience only and neither constitute a portion of this NARCO Asbestos Trust Agreement nor in any manner affect the construction of the provisions of this NARCO Asbestos Trust Agreement.

8.13 ~~8.13.~~ Governing Law. This NARCO Asbestos Trust Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware.

8.14 ~~8.14.~~ Dispute Resolution. Any disputes that arise under this NARCO Asbestos Trust Agreement or under the NARCO Asbestos TDP among the Parties hereto, other than the Delaware Trustee, shall be resolved by submission of the matter to an alternative dispute resolution (“ADR”) process mutually agreeable to the Parties involved. Any Party to the ADR process dissatisfied with the decision of the arbitrator(s) may apply to the Bankruptcy Court for a judicial determination of the matter. Any review conducted by the Bankruptcy Court shall be de novo. In either case, if the dispute arose pursuant to the consent provision set forth in Section 8.1(b) above, the burden of proof shall be on the Party or Parties who withheld consent to show that the objection was valid. If the dispute is not resolved by the ADR process within thirty (30) days after submission, the Parties are relieved of the requirement to pursue ADR prior to application to the Bankruptcy Court. Notwithstanding anything else herein contained, to the extent any provision of this NARCO Asbestos Trust Agreement is inconsistent with any provision of the Plan or the NARCO Asbestos TDP, the Plan or the NARCO Asbestos TDP shall control.

8.15 ~~8.15.~~ Enforcement and Administration. The Parties acknowledge the Bankruptcy Court’s continuing exclusive jurisdiction to interpret and enforce the terms of the NARCO Asbestos TDP, this NARCO Asbestos Trust Agreement and the annexes hereto, pursuant to Article 11 of the Plan.

8.16 ~~8.16.~~ Effectiveness. ~~The~~This NARCO Asbestos Trust ~~shall not come into existence until the Certificate of Trust has been filed with the Delaware Secretary of State. The Agreement and the~~ Parties’ duties and obligations under this NARCO Asbestos Trust Agreement shall ~~not~~ become binding and effective until on the Effective Date ~~of the Plan, provided the Plan includes an injunction in favor of Honeywell entered pursuant to Section 524(g) of the Bankruptcy Code that channels all asbestos-related personal injury claims arising out of the NARCO Product Line to the~~as set forth in Paragraph 1 of this NARCO Asbestos Trust Agreement.

[Signatures to follow.]

IN WITNESS WHEREOF, the Parties have executed this Second Amended and Restated NARCO Asbestos Trust Agreement ~~this 30th day of April, 2013~~ as of _____, 2023.

TRUSTEES:

Ken M. Kawaichi

Current Term Expiration Date: 12/31/24

Richard B. Schiro

Current Term Expiration Date: 12/31/25

Mark M. Gleason

Current Term Expiration Date: 12/31/25

~~IN WITNESS WHEREOF, the Parties have executed this NARCO Asbestos Trust Agreement this 30th day of April, 2013.~~

~~HONEYWELL INTERNATIONAL INC.~~

~~By:~~ _____

~~Name: Katherine L. Adams~~

~~Title: Senior Vice President and General Counsel~~

~~IN WITNESS WHEREOF, the Parties have executed this NARCO Asbestos Trust Agreement this 30th day of April, 2013.~~

TRUST ADVISORY COMMITTEE:

~~Joseph F. Rice~~
John A. Baden IV
~~Four-Year~~Current Term Expiration Date: 4/30/27

Perry Weitz
~~Three-Year~~Current Term Expiration Date: 4/30/26

Steven Kazan
~~Four-Year~~Current Term Expiration Date: 4/30/27

Steven T. Baron
~~Five-Year~~Current Term Expiration Date: 4/30/23

Bruce E. Mattock
~~Five-Year Term~~Current Term Expiration Date:
4/30/23

John D. Cooney
Current Term Expiration Date: 4/30/26

~~IN WITNESS WHEREOF, the Parties have executed this NARCO Asbestos Trust Agreement this 30th day of April, 2013.~~

FUTURE CLAIMANTS REPRESENTATIVE:

~~Laurence~~Lawrence Fitzpatrick

~~IN WITNESS WHEREOF, the Parties have executed this NARCO Asbestos Trust Agreement this 30th day of April, 2013,~~

DELAWARE TRUSTEE:
Wilmington Trust, National Association

By _____
Name: David B. Young
Title: Vice President

| Summary report: Litera® Change-Pro for Word 10.8.2.11 Document comparison done on 11/20/2022 4:28:53 PM | |
|---|-----|
| Style name: Standard | |
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| Original DMS: iw://NYCDMS/NewYork/58131519/1 | |
| Modified DMS: iw://NYCDMS/NewYork/58131519/31 | |
| Changes: | |
| <u>Add</u> | 241 |
| Delete | 336 |
| Move From | 20 |
| <u>Move To</u> | 20 |
| <u>Table Insert</u> | 0 |
| Table Delete | 2 |
| <u>Table moves to</u> | 0 |
| Table moves from | 0 |
| Embedded Graphics (Visio, ChemDraw, Images etc.) | 0 |
| Embedded Excel | 0 |
| Format changes | 8 |
| Total Changes: | 627 |

Exhibit C

**NORTH AMERICAN REFRACTORIES COMPANY
ASBESTOS PERSONAL INJURY SETTLEMENT TRUST**

AMENDED AND RESTATED BYLAWS

ARTICLE I

OFFICES

SECTION 1: Principal Office: The principal office of the North American Refractories Company Asbestos Personal Injury Settlement Trust¹ (the “Trust”) shall be 1105 North Market Street, Wilmington, Delaware 19890, Attention: Corporate Trust Administration. The Trustees may from time to time change the location of the principal office.

SECTION 2: Other Offices: The Trust may have other offices at other places as the Trustees may from time to time determine to be necessary for the efficient and cost-effective administration of the Trust.

ARTICLE II

TRUSTEES

SECTION 1: Conduct of Business: To the extent not inconsistent with the terms of the NARCO Asbestos Trust Agreement, these Trust Bylaws shall govern the affairs of the Trust and each Trustee shall act in accordance with these Trust Bylaws. In the event of an inconsistency between these Trust Bylaws and the NARCO Asbestos Trust Agreement, the NARCO Asbestos Trust Agreement shall govern. In the event of an inconsistency between these Trust Bylaws and the TDP, the TDP shall govern.

SECTION 2: Quorum and Manner of Acting: A majority of the Trustees shall constitute a quorum. In the absence of a quorum, the Trustee present may adjourn the meeting from time to time until a quorum is present.

The act of a majority of the Trustees, on behalf of the Trust, constitutes the act of the Trust. Any person, firm or corporation dealing with the Trust shall be entitled to rely upon the signatures of two of the Trustees, on behalf of the Trust, to any document or instrument as having been validly authorized by the Trust.

SECTION 3: Attendance at Meeting with TAC and FCR; Consent: Attendance by a member of the TAC and the FCR may be in person, by telephone or by video.

¹ Capitalized terms used herein shall have the meaning ascribed to them in the Second Amended and Restated North American Refractories Company Asbestos Personal Injury Settlement Trust Agreement (the “NARCO Asbestos Trust Agreement”) or the Definitions for the Combined Disclosure Statement to Accompany the Third Amended Plan of Reorganization, dated December 28, 2005, of the North American Refractories Company and its Subsidiaries and Global Industrial Technologies, Inc., and its Subsidiaries. All capitalized terms not defined therein, but defined in the Bankruptcy Code or Bankruptcy Rules, shall have the meaning ascribed to them by the Bankruptcy Code or Bankruptcy Rules, and such definitions are incorporated herein by reference.

The attendance of at least a majority of the members of the TAC at a Trustees' meeting constitutes the attendance of the TAC at that meeting. Notwithstanding the foregoing, the Trustees shall be deemed to have complied with the requirement of sections 3.2 and 8.5 of the NARCO Asbestos Trust Agreement to meet with the TAC if each member of the TAC has been provided notice of a meeting of the Trustees even if the member of the TAC does not attend the meeting. Each TAC member may designate in writing any person to attend and participate on behalf of the TAC member at any meeting at which the attendance of the TAC is required or permitted. The FCR may designate in writing any person to attend and participate on behalf of the FCR at any meeting at which the attendance of the FCR is required or permitted. Electronic transmission (e-mail) to the Trustees may be used by each TAC member and the FCR for the written designation.

In the event the consent of the TAC and the FCR on any matter is required pursuant to the terms of the NARCO Asbestos Trust Agreement or these Trust Bylaws, notice of the matter in question shall be provided to the members of the TAC and the FCR, and their respective counsel, as provided in sections 8.1 and 8.7 of the NARCO Asbestos Trust Agreement. The consent of a majority of the members of the TAC on a matter constitutes the consent of the TAC on that matter. Each TAC member may designate in writing any person to vote as the TAC member's proxy on any matter on which the consent of the TAC is required or permitted. Electronic transmission (e-mail) to the Trustees may be used for the written designation.

SECTION 4: Meetings: At all meetings of the Trustees, the Managing Trustee shall preside as chair, and in the absence of a Managing Trustee, a chair shall be chosen by the Trustees present. If the Trustees have appointed a Secretary of the Trust, the Secretary shall act as secretary of all meetings of the Trustees. In the absence of a Secretary, unless otherwise directed by the Trustees, counsel to the Trust shall act as secretary of the meeting for the purpose of maintaining Trust minutes and records.

Meetings of the Trustees may be held at a time and place as shall from time to time be determined by the Trustees, with five days' notice to the TAC and the FCR.

The provision of section 3.2 of the NARCO Asbestos Trust Agreement that the Trustees meet no less frequently than quarterly shall be satisfied by the Trustees meeting at least four times each calendar year with the TAC and the FCR. At the beginning of each calendar year, after consultation with the TAC and the FCR, the Trustees shall schedule the year's quarterly meetings, and deliver the schedule to those entitled to receive notice.

Special purpose meetings of the Trustees shall be held, upon request of a Trustee, the TAC, or the FCR, whenever called by one or more of the Trustees. Notice of an additional or special purpose meeting shall be given five days before the day on which the meeting is to be held. The notice shall state the place, date, and hour of the meeting, provide instructions for attending by telephone and specify the purposes of the meeting.

In lieu of providing notice of meetings in the manner specified in section 8.7 of the NARCO Asbestos Trust Agreement, attendance at the meeting or a waiver of notice in writing signed by the person entitled to receive the notice, whether signed before or after the meeting, shall be deemed equivalent to adequate notice for purposes of the NARCO Asbestos Trust Agreement and these Trust Bylaws.

To the extent possible, matters shall be presented at a meeting based on written agenda prepared by the Trustees. Any member of the TAC or the FCR may request that a matter be added to the agenda or brought before the Trustees for their attention.

Trust meetings shall not be open to persons other than the Trustees, members of the TAC, the FCR, and their respective professionals, agents, employees and designated representatives; provided, however, that the Trustees may, for limited purposes, invite or permit other persons to attend.

SECTION 5: Action Without a Meeting: Any action not subject to section 8.1 of the NARCO Asbestos Trust Agreement required or permitted to be taken at any meeting of the Trustees may be taken without a meeting if all Trustees, after notice to the TAC and the FCR as may be required by the NARCO Asbestos Trust Agreement, consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the Trustees. Electronic transmission (e-mail) may be used by the Trustees for the notice and consent provided in this section 5.

SECTION 6: Participation by Telephone: The Trustees in their sole discretion may take any action required or permitted to be taken at any meeting by means of conference by telephone, or similar communication equipment, among all attendees. Any Trustee, any member of the TAC and the FCR may participate by telephone or similar communication equipment in any meeting they are required or permitted to attend. Participation in a meeting pursuant to this section shall constitute attendance in person at the meeting.

SECTION 7: Executive Session Meetings: Notwithstanding any other provision of these Trust Bylaws and pursuant to section 8.5(b) of the NARCO Asbestos Trust Agreement, the Trustees in their sole discretion may conduct executive session meetings of the Trustees with the attendance of professional persons or others not Parties designated by the Trustees to attend. The members of the TAC and the FCR, and their professional representatives, shall have no right to attend executive session meetings of the Trustees.

SECTION 8: Minutes and Other Records: Minutes of all meetings of the Trustees (whether or not the members of the TAC and the FCR are required or permitted to attend) shall be prepared. The Trustees shall approve and adopt minutes of meetings attended by the Trustees, the members of the TAC and the FCR after review and approval by the TAC and the FCR. Minutes of executive session meetings of the Trustees shall be approved and adopted by the Trustees. The minutes, all documents evidencing the consent of the TAC and the FCR, and all documents evidencing actions taken under article II, section 5 of these Trust Bylaws shall be maintained in the records of the Trust, along with the Certificate of Trust, the NARCO Asbestos Trust Agreement, these Trust Bylaws, the reports required by the NARCO Asbestos Trust Agreement to be prepared, the records required by the NARCO Asbestos Trust Agreement to be kept, and any other records the Trustees may determine are appropriate. The records of the Trust shall be maintained at the offices of the Trust's counsel, Stutzman, Bromberg, Esserman & Plifka, a Professional Corporation, 2323 Bryan Street, Suite 2200, Dallas, Texas 75201.

ARTICLE III

OFFICERS

SECTION 1: **Officers:** The Trustees may choose from among themselves a Managing Trustee, who will serve as principal officer of the Trust. If the Trustees choose a Managing Trustee, the Trustees shall by motion recorded in the minutes of the Trust or by resolution designate matters on which the Managing Trustee may act on behalf of the Trust. The Trust may also appoint other officers as the Trustees determine in their discretion are advisable or necessary in order to carry out the terms of, or promote the efficient and cost-effective administration of, the Trust.

SECTION 2: **Election and Term of Office:** The Trustees may establish by resolution a term of office for each officer. In the absence of a term, each officer of the Trust shall hold office until his or her successor shall have been duly chosen and qualified or until the earlier of his or her death, resignation, retirement, or removal.

SECTION 3: **Removal:** The Managing Trustee or any other Trust officer may be removed from his or her Trust office with or without cause, at any time, by resolution adopted by the Trustees at any regular meeting of the Trustees, or at any special meeting of the Trustees called for that purpose.

SECTION 4: **Resignation:** Any Trust officer may resign from his or her Trust office at any time by giving written notice to the Trustees. The resignation of any officer shall take effect on the date specified in the notice, and unless otherwise specified therein the acceptance of the resignation shall not be necessary to make it effective.

SECTION 5: **Powers and Duties:** The officers of the Trust shall have the powers and perform the duties as may be conferred upon or assigned to them by the Trustees.

SECTION 6: **Managing Trustee:** Notwithstanding anything contained to the contrary herein, in the event that the Trustees choose a Managing Trustee, any person, firm or corporation dealing with the Trust shall be entitled to rely upon the signature of the Managing Trustee or the Trustee acting as the Managing Trustee designee, on behalf of the Trust, to any document or instrument as having been validly authorized by the Trust.

SECTION 7: **Agents and Employees:** In addition to the officers enumerated in section 1 of this article III, the Trust may have other agents and employees as the Trustees, in their discretion, may deem advisable or necessary to carry out the terms of, or for the efficient and cost-effective administration of, the Trust, each of whom shall hold his or her position or office for such period, have such authority, and perform such duties as the Trustees may from time to time determine. The Trustees may delegate to any officer the power to appoint and to remove any agents or employees.

ARTICLE IV

AMENDMENTS

SECTION 1: **Amendments:** These Trust Bylaws may be amended by the Trustees at any meeting of the Trustees, provided that notice of the proposed amendment is contained in the notice of the meeting, and with notice to and consent of the TAC and the FCR. Any amendment to the Trust Bylaws that affects the rights, duties and obligations of the Delaware Trustee shall require the prior written consent of the Delaware Trustee.

ARTICLE V

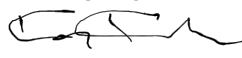
EFFECTIVENESS

SECTION 1: **Effectiveness:** These Trust Bylaws shall become effective upon the effectiveness of the NARCO Asbestos Trust Agreement. These Trust Bylaws may be executed in any number of counterparts, each of which shall constitute an original, but such counterparts shall together constitute but one and the same instrument. Delivery of a counterpart hereof by facsimile transmission or by e-mail transmission of an Adobe portable document format file (also known as a "PDF" file) shall be effective as delivery of a manually executed counterpart hereof.

[signature pages to follow]

IN WITNESS WHEREOF, the parties have executed this “North American Refractories
Asbestos Personal Injury Settlement Trust Amended and Restated Bylaws” this _____ day of
_____, 2022.

TRUSTEES:

DocuSigned by:


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HON. KEN M. KAWAICHI (retired)

RICHARD B. SCHIRO

MARK M. GLEASON

[Bylaws]

IN WITNESS WHEREOF, the parties have executed this "North American Refractories
Asbestos Personal Injury Settlement Trust Amended and Restated Bylaws" this ____ day of
_____, 2022.

TRUSTEES:

HON. KEN M. KAWAICHI (retired)



RICHARD B. SCHIRO

MARK M. GLEASON

[Bylaws]

IN WITNESS WHEREOF, the parties have executed this “North American Refractories Asbestos Personal Injury Settlement Trust Amended and Restated Bylaws” this _____ day of _____, 2022.

TRUSTEES:

HON. KEN M. KAWAICHI (retired)

RICHARD B. SCHIRO

DocuSigned by:

Mark M. Gleason

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MARK M. GLEASON

[Bylaws]

IN WITNESS WHEREOF, the parties have executed this "North American Refractories
Asbestos Personal Injury Settlement Trust Amended and Restated Bylaws" this ____ day of
_____, 2022.

TRUST ADVISORY COMMITTEE:



STEVEN BARON



STEVEN KAZAN



BRUCE MATTOCK

JOHN A. BADEN IV

PERRY WEITZ



JOHN COONEY

[Bylaws]

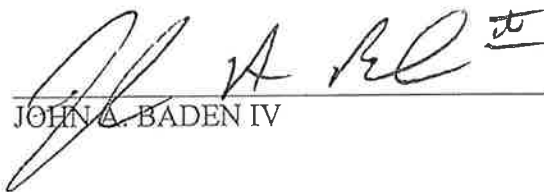
IN WITNESS WHEREOF, the parties have executed this "North American Refractories
Asbestos Personal Injury Settlement Trust Amended and Restated Bylaws" this ____ day of
_____, 2022.

TRUST ADVISORY COMMITTEE:

STEVEN BARON

STEVEN KAZAN

BRUCE MATTOCK



JOHN A. BADEN IV

PERRY WEITZ

JOHN COONEY

[Bylaws]

IN WITNESS WHEREOF, the parties have executed this "North American Refractories
Asbestos Personal Injury Settlement Trust Amended and Restated Bylaws" this ____ day of
_____, 2022.

TRUST ADVISORY COMMITTEE:

STEVEN BARON

STEVEN KAZAN

BRUCE MATTOCK

JOHN A. BADEN IV



PERRY WEITZ

JOHN COONEY

[Bylaws]

IN WITNESS WHEREOF, the parties have executed this “North American Refractories
Asbestos Personal Injury Settlement Trust Amended and Restated Bylaws” this ____ day of
_____, 2023.

FUTURE CLAIMANTS’ REPRESENTATIVE:

DocuSigned by:

0F3496B374E64C2...
LAWRENCE FITZPATRICK¹

¹ FCR, NARCO Trust Bylaws.

Exhibit B

November 21, 2022

NOTICE REGARDING MOTION FOR COURT APPROVAL OF NARCO ASBESTOS TRUST AMENDED BUYOUT AGREEMENT

On November 20, 2022, the North American Refractories Company Asbestos Personal Injury Settlement Trust (the “NARCO Asbestos Trust”), Honeywell International Inc. (“Honeywell”), the NARCO Asbestos Trust Advisory Committee (the “NARCO Asbestos TAC”), and the NARCO Asbestos Future Claimants’ Representative (the “FCR,” and collectively, the “Parties”) entered into an “Amended and Restated Buyout Agreement” (the “Amended Buyout Agreement”) under which Honeywell has agreed to make a lump-sum cash payment of \$1.325 billion to the NARCO Asbestos Trust, subject to certain adjustments set forth in the Amended Buyout Agreement, in exchange for the elimination of, and Honeywell’s full release from, any future obligations to fund (i) claims against the NARCO Asbestos Trust, and (ii) the NARCO Asbestos Trust’s annual operating expenses. The Amended Buyout Agreement also provides that the NARCO Asbestos Trust will retain its equity ownership in HarbisonWalker International Holdings, Inc., (“HWI”); *provided, that*, any net cash proceeds received by the NARCO Asbestos Trust from a sale of HWI before the Closing (as defined in the Amended Buyout Agreement) shall reduce the \$1.325 billion lump-sum cash payment and, from and after the Closing, any economic value received by the NARCO Asbestos Trust from its interests in HWI will accrue to the benefit of Honeywell and be delivered to Honeywell, all as set forth in Section 3 of the Amended Buyout Agreement. In addition, from the period through and including April 1, 2023 until the Closing, the \$1.325 billion is subject to certain deductions for claim payments and HWI Net Dividends received by the NARCO Asbestos Trust, all as further explained in the Amended Buyout Agreement. The Amended Buyout Agreement also contemplates certain other amendments to and modifications of the North American Refractories Company Asbestos Personal Injury Settlement Trust Agreement, North American Refractories Company Asbestos Personal Injury Settlement Trust Distribution Procedures, and North American Refractories Company Asbestos Personal Injury Settlement Trust Bylaws (collectively, and as amended, the “Amended Agreements”), as well as mutual general releases among the Parties of all claims related to the NARCO Asbestos Trust, as set forth in the Amended Buyout Agreement.

The NARCO Asbestos Trust has filed a motion (the “Motion”) with the United States Bankruptcy Court for the Western District of Pennsylvania (the “Bankruptcy Court”) requesting (i) court approval of the Amended Buyout Agreement and Amended Agreements attached thereto, and (ii) ***a declaration that the Amended Buyout Agreement is consistent with the Plan and Confirmation Order, and does not modify, dissolve, terminate, or affect the NARCO Channeling Injunction, which remains in full force and effect.*** See *Honeywell Int’l Inc. v. N. Am. Refractories Co. Asbestos Personal Injury Settlement Trust*, Adversary Proceeding No. 21-02097-TPA (Bankr. W.D. Pa.) (Doc. No. 449).

The Motion, which attaches as exhibits the Amended Buyout Agreement and the Amended Agreements, is attached to this Notice and is available on the NARCO Asbestos Trust’s website at <https://www.claimsres.com/documents/narco/>. If you would like paper copies of the Motion

and its attachments, please email NARCOAsbestos@stretto.com or call 1-720-465-6458 (toll-free) or 1-888-465-5418 (international).

To the extent any holders of NARCO Asbestos Trust Claims believe their rights are being affected in any way, please take notice of the opportunity to file an objection and be heard in connection with the hearing on the Motion:

THE HEARING ON THE MOTION (THE “HEARING”) WILL BE HELD ON DECEMBER 7, 2022, AT 2:00 P.M. (EASTERN TIME) VIA ZOOM. TO PARTICIPATE IN AND JOIN THE ZOOM HEARING, PLEASE ACCESS THE FOLLOWING LINK OR MEETING ID:

Zoom Link: <https://www.zoomgov.com/j/16021303488/>
Meeting ID: 160 2130 3488

ANY OBJECTIONS OR RESPONSES TO ENTRY OF AN ORDER ON THE MOTION MUST BE FILED ON OR BEFORE 5:00 P.M. (EASTERN TIME) ON DECEMBER 5, 2022, AND SERVED ON AT LEAST THE FOLLOWING PARTIES:

- (a) the Office of the United States Trustee, Suite 960, Liberty Center, 1001 Liberty Avenue, Pittsburgh, PA 15222 (Attn: Jodi Hause (Jodi.Hause@usdoj.gov));
- (b) the NARCO Asbestos Trust, 1105 North Market Street, Suite 1300, Wilmington, DE 19801;
- (c) Willkie Farr & Gallagher LLP, 787 Seventh Avenue, New York, NY 10019 (Attn: Rachel C. Strickland (rstrickland@willkie.com), Daniel I. Forman (dforman@willkie.com), Stuart R. Lombardi (slombardi@willkie.com), Philip F. DiSanto (pdisanto@willkie.com)), counsel to the NARCO Asbestos Trust;
- (d) Stutzman Bromberg Esserman & Plifka, P.C., 2323 Bryan St #2200, Dallas, TX 75201 (Attn: Sander L. Esserman (esserman@sbep-law.com); Steven A. Felsenthal (felsenthal@sbep-law.com)), counsel to the NARCO Asbestos Trust;
- (e) Bernstein-Burkley, P.C., 601 Grant Street, 9th Floor, Pittsburgh, PA 15219 (Attn: David W. Ross (dross@bernsteinlaw.com)), co-counsel to the NARCO Asbestos Trust;
- (f) Honeywell International Inc., 855 South Mint Street, Charlotte, NC 28202 (Attn: Lynn Dummett (lynn.dummett@honeywell.com));
- (g) Kirkland & Ellis LLP, 601 Lexington Avenue, New York, NY 10022 (Attn: Nicole L. Greenblatt (Nicole.Greenblatt@kirkland.com)) and 1301 Pennsylvania Avenue, N.W., Washington, D.C. 20004 (Attn: Craig S. Primis (Craig.Primis@kirkland.com), Ronald K.

Anguas, Jr. (Ronald.Anguas@kirkland.com), Ross Powell (Ross.Powell@kirkland.com)),
counsel to Honeywell;

- (h) Quinn, Buseck, Leemhuis, Toohey & Kroto, Inc., 2222 W. Grandview Blvd., Erie, PA 16506 (Attn: Michael P. Kruszewski (mkruszewski@quinnfirm.com), Arthur D. Martinucci (amartinucci@quinnfirm.com)), co-counsel to Honeywell;
- (i) Caplin & Drysdale, Chartered, One Thomas Circle, NW, Suite 1100, Washington, DC 20005 (Attn: Ann C. McMillan (amcmillan@capdale.com), James P. Wehner (jwehner@capdale.com)), counsel to the NARCO Asbestos TAC;
- (j) Stonecipher Law Firm, 125 First Avenue, Pittsburgh, PA 15222 (Attn: George T. Snyder, Esq. (gsnyder@stonecipherlaw.com)), co-counsel to the NARCO Asbestos TAC;
- (k) Young Conaway Stargatt & Taylor, LLP, Rodney Square, 1000 North King Street, Wilmington, Delaware 19801 (Attn: Edwin J. Harron (eharron@ycst.com), James L. Higgins (jhiggins@ycst.com)), counsel for the NARCO Asbestos FCR; and
- (l) Sherrard, German & Kelly, P.C., 535 Smithfield Street, Suite 300, Pittsburgh, PA 15222 (Attn: Gary Philip Nelson (gpn@sgkpc.com), Jennifer P. Richnafsky (jpr@sgkpc.com)), co-counsel for the NARCO Asbestos FCR.

**IN THE EVENT NO OBJECTIONS TO ENTRY OF AN ORDER ON THE MOTION ARE
TIMELY RECEIVED, THE BANKRUPTCY COURT MAY ENTER SUCH ORDER
WITHOUT NEED FOR THE HEARING.**

**UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

IN RE:

ALL MATTERS RELATED TO NORTH
AMERICAN REFRACTORIES
COMPANY, et al. in Case No. 02-20198, as
affected by the May 24, 2013 Order
Entering Final Decree entered at Doc. No.
7940
Debtors

Misc. Case No. 15-00204-TPA

Chapter 11

HONEYWELL INTERNATIONAL INC.,
Plaintiff,
v.

Adv. No. 21-02097

NORTH AMERICAN REFRACTORIES
COMPANY ASBESTOS PERSONAL
INJURY SETTLEMENT TRUST,
Defendant

**DECLARATION OF MARK M. GLEASON IN SUPPORT OF
THE NARCO ASBESTOS TRUST AMENDED BUYOUT AGREEMENT**

Pursuant to 28 U.S.C. Section 1746, I, Mark M. Gleason, declare the following:

1. I am the current Managing Trustee of the North American Refractories Company Asbestos Personal Injury Settlement Trust (the “NARCO Asbestos Trust” or the “Trust”). I am submitting this declaration in support of the Trust’s *Motion for Entry of an Order (I) Approving the NARCO Asbestos Trust Amended Buyout Agreement and Amended Agreements, (II) Declaring the Amended Buyout Agreement is Consistent with the Plan and Does Not Affect the NARCO Channeling Injunction, and (III) Approving the Form and Manner of Notice of the Amended Buyout Agreement* (the “Motion”), filed contemporaneously herewith and with the consent of Honeywell International Inc. (“Honeywell”), the NARCO Trust Advisory Committee

(the “NARCO Asbestos TAC”), and Lawrence Fitzpatrick, in his capacity as the NARCO Asbestos Future Claimants Representative (the “FCR”) (collectively, the “Parties”).

2. I have over 20 years of experience with asbestos trust administration and claims processing. As a court-appointed trustee, I have overseen the processing of over one million asbestos personal injury claims and the payment of claims with an aggregate value of over \$4.1 billion. In addition to my experience managing asbestos personal injury settlement trusts, I have more than 35 years of experience in accounting, finance, business planning, financial reorganizations, litigation support, fraud investigations, and business valuations. I am also the founder and president of Gleason & Associates, P.C., a specialized financial consulting and economic advisory firm headquartered in Pittsburgh, Pennsylvania.

3. The NARCO Asbestos Trust is a Delaware statutory trust established in connection with NARCO’s Third Amended Plan of Reorganization, filed on December 28, 2005 (the “Plan”). An essential component of the Plan was the entry of the NARCO Channeling Injunction, which channeled all personal injury claims arising from exposure to NARCO asbestos-containing products to the Trust for payment and enjoined past, present, and future holders of such claims from seeking to recover from NARCO, Honeywell, and certain of their affiliates. In exchange for the NARCO Channeling Injunction’s protection, Honeywell agreed to fund the Trust’s annual claim payments and operating expenses on an evergreen basis, subject only to certain annual caps that are set forth in the Trust Agreement. In addition to receiving an evergreen funding commitment from Honeywell, the Trust received 79% of the common stock of Reorganized NARCO, which is known today as HarbisonWalker International Holdings, Inc. (“HWI”).

4. The Trust became effective on April 30, 2013 (the “Effective Date”). The

Trust is governed by the First Amended NARCO Asbestos Trust Agreement (the “Trust Agreement”), the Second Amended NARCO Asbestos Trust Distribution Procedures (the “TDP”), and the Trust Bylaws (together with the Trust Agreement and the TDP, the “Trust Documents”). The Trust Agreement states that the Trust’s purpose is to “use the NARCO Asbestos Trust Assets and income to promptly pay holders of valid NARCO Asbestos Trust Claims in such a way that holders of similar NARCO Asbestos Trust Claims are paid in substantially the same manner” and to “otherwise comply in all respects with the requirements of a trust set forth in Section 524(g)(2)(B)(i) of the Bankruptcy Code.”

5. The Trust is administered by three experienced trustees: The Honorable Ken M. Kawaichi (Ret.), Richard B. Schiro, Esq., and me (the “Trustees”). On May 1, 2022, I began a one-year term as Managing Trustee. The Trustees are fiduciaries to the Trust and charged with administering the Trust in accordance with the Trust Documents. The Trust has also retained professionals and experts to advise the Trustees on matters affecting the Trust’s administration and claims processing.

6. On November 18, 2022, the Trust and Honeywell entered into a “Buyout Agreement” that was conditioned upon the NARCO Asbestos TAC and the FCR agreeing to its terms. On November 20, 2022, the Parties entered into an “Amended and Restated Buyout Agreement,” which is attached to the Motion as Exhibit A (the “Amended Buyout Agreement”), which now has the full support of all Parties, including the NARCO Asbestos TAC and the FCR. Under the Amended Buyout Agreement, Honeywell has agreed to make a lump-sum cash payment of \$1,325,000,000 to the Trust (the “Buyout Amount”) (subject to adjustment as set forth in the Amended Buyout Agreement) in exchange for the Trustees amending the Trust Documents to eliminate Honeywell’s evergreen funding obligation. The Amended Buyout Agreement also

contemplates certain other agreed-to amendments to the Trust Documents, which are reflected in the exhibits to the Amended Buyout Agreement, and the exchange of mutual general releases among the Parties.

7. The Trustees entered into the Amended Buyout Agreement following extensive arm's-length negotiations among the Parties. I personally participated in numerous meetings with the Parties' principals and counsel to negotiate the terms of a potential buyout. The Trustees' paramount goal was to ensure that any agreed-to buyout would provide the Trust sufficient cash funding to pay every current and future NARCO Asbestos Trust Claim its liquidated value and to continue to value and pay similar claims in substantially the same manner.

8. To evaluate whether the Amended Buyout Amount met those criteria, the Trustees weighed, among other factors, claim projections prepared by experts retained by the Trust and Honeywell, as well as recent observable trends in the Trust's claims data; the reduced operating costs the Trust is reasonably likely to incur absent Honeywell's involvement in the Trust's operations; the estimated nominal funds that the Trust is reasonably likely to have available to pay claimants if the Buyout Amount is invested using a conservative asset allocation; and the benefits to the Trust's administration and claims process of eliminating long-term disputes with Honeywell.

9. The Trustees retained Charles E. Finch, an economist and claim projection expert with Alvarez & Marsal ("A&M"), to evaluate whether the Amended Buyout Agreement provides reasonable assurances that the Trust will be in a financial position to pay all claimants the liquidated value of their claims and continue to value and pay similar claims in substantially the same manner. As set forth in greater detail in Mr. Finch's declaration, which the Trust has also submitted in support of approving the Amended Buyout Agreement, Mr. Finch has evaluated the

terms of the Amended Buyout Agreement, the proposed Second Amended Trust Agreement, and the proposed Third Amended TDP, and concluded that the Amended Buyout Agreement provides reasonable assurances that the Trust will be in a financial position to pay current and future NARCO Asbestos Trust Claimants the liquidated value of their claims and continue to value and pay similar claims in substantially the same manner.

10. In addition to considering Mr. Finch's opinion, the Trustees understand that Honeywell's claim projection expert, Dr. Jessica Horewitz, is providing a declaration in support of approving the Amended Buyout Agreement on the basis that, in her expert opinion, the Buyout Amount will be sufficient to cover the Trust's future claims liability, and that a representative of the NARCO Asbestos TAC and the FCR will attest that the Amended Buyout Agreement is in the best interests of their constituencies. As such, I have concluded that entering into the Amended Buyout Agreement is a reasonable decision for the Trust that ensures the purposes and intent of the Plan and the Trust will continue to be carried out.

[Remainder of this page intentionally left blank.]

I declare under penalty of perjury that the foregoing is true and correct.

Executed this 20th day of November, 2022.

DocuSigned by:

Mark M. Gleason

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Mark M. Gleason

Managing Trustee

**UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

IN RE:

ALL MATTERS RELATED TO NORTH
AMERICAN REFRACTORIES
COMPANY, et al. in Case No. 02-20198, as
affected by the May 24, 2013 Order
Entering Final Decree entered at Doc. No.
7940
Debtors

Misc. Case No. 15-00204-TPA

Chapter 11

HONEYWELL INTERNATIONAL INC.,
Plaintiff,
v.

Adv. No. 21-02097

NORTH AMERICAN REFRACTORIES
COMPANY ASBESTOS PERSONAL
INJURY SETTLEMENT TRUST,
Defendant

**DECLARATION OF CHARLES E. FINCH IN SUPPORT OF
THE NARCO ASBESTOS TRUST AMENDED BUYOUT AGREEMENT**

Pursuant to 28 U.S.C. Section 1746, I, Charles E. Finch, of Alvarez & Marsal,
declare the following:

1. I am an economist and a Managing Director with Alvarez & Marsal's
Disputes and Investigations practice. I have earned a Bachelor of Arts in Mathematics, an MBA
with a concentration in finance, and a Master of Arts in Economics. Additionally, I am a Certified
Valuation Analyst with the National Association of Certified Valuators and Analysts. I have been
an adjunct instructor in Avila University's MBA program for over 20 years, and have been valuing
businesses and economic assets for over 30 years. My experience includes significant work in
estimating current and future liabilities related to asbestos claims, both within the bankruptcy arena

and for solvent publicly traded companies. A copy of my CV is attached to this declaration as Exhibit 1.

2. I have been asked by Willkie Farr & Gallagher LLP and Stutzman, Bromberg, Esserman & Plifka, PC (together, “Trust Counsel”), on behalf of the North American Refractories Company Asbestos Personal Injury Settlement Trust (the “NARCO Asbestos Trust” or the “Trust”), to analyze the “Amended and Restated Buyout Agreement” among the Trust, Honeywell International Inc. (“Honeywell”), the NARCO Trust Advisory Committee (the “NARCO Asbestos TAC”), and Lawrence Fitzpatrick, in his capacity as the NARCO Asbestos Future Claimants Representative (the “FCR”) (collectively, the “Parties”), dated November 20, 2022 (the “Amended Buyout Agreement”). The Amended Buyout Agreement is attached as Exhibit A to the *Motion for Entry of an Order (I) Approving the NARCO Asbestos Trust Amended Buyout Agreement and Amended Agreements, (II) Declaring the Amended Buyout Agreement is Consistent with the Plan and Does Not Affect the NARCO Channeling Injunction, and (III) Approving the Form and Manner of Notice of the Amended Buyout Agreement*, filed contemporaneously herewith.

3. Trust Counsel have asked me to consider two specific issues in connection with the Amended Buyout Agreement. First, whether replacing Honeywell’s “evergreen” funding commitment with a lump-sum cash payment of \$1,325,000,000 to the Trust, subject to certain adjustments set forth in the Amended Buyout Agreement (the “Buyout Amount”) will provide reasonable assurances that the Trust will continue to be in a position to pay all current pending and future NARCO Asbestos Trust claimants the full liquidated value of their claims. And second, whether the “Overall Average Values” contemplated by the Third Amended NARCO Trust Distribution Procedures (the “Amended NARCO Asbestos TDP”) provide reasonable assurances

that the Trust will continue to be in a financial position to value and pay similar claims in substantially the same manner.

I. BACKGROUND.

4. The NARCO Trust was established by the North American Refractories Company Third Amended Plan of Reorganization (the “Plan”), dated December 28, 2005, as supplemented, and the Trust Agreement. The Plan established an “evergreen” trust, where qualifying claimants are expected to receive 100% of the value of their claim, which was funded by Honeywell and subject only to certain annual funding caps. The effective date of the Trust was April 30, 2013. The Trust began accepting “Pre-Established Claims” as defined by footnote 1 of the North American Refractories Company Asbestos Personal Injury Settlement Trust Distribution Procedures (“TDP”), on October 15, 2013. The Initial Claims Filing Date for all other non-pre-established claims, i.e., “Annual Contribution Claims,” was April 1, 2014.

5. The TDP governs the Trust’s processing of claims. The TDP permits claimants to elect either Expedited Review (“ER”), which is “designed primarily to provide an expeditious, efficient, and inexpensive method for liquidating” claims, or Individual Review (“IR”), which “provides claimant[s] with an opportunity for individual consideration and evaluation” when the claimant believes the claim’s liquidated value to be above the applicable Scheduled Value, but can result in “payments equal to . . . or less than the Scheduled Value . . . under Expedited Review.” (TDP at 19, 25-26.)

6. I understand that the Parties have agreed to replace the Trust’s “evergreen” funding from Honeywell with “a lump-sum, one-time payment in the amount of \$1,325,000,000”, subject to certain adjustments, as reflected in the Amended Buyout Agreement. I further understand that the Amended Buyout Agreement contemplates the Trust amending the TDP to:

(1) determine the yearly “Maximum Annual Payment” amount by modeling the Trust’s assets over the life of the Trust with the anticipated flow of claims and expenses to ensure funds are available to treat all present and future NARCO Asbestos Trust Claims as similarly as possible (“Trust Cash Flow”); (2) cause ER Scheduled Values and IR settlements (excluding Foreign and Extraordinary Claims) to approximate the Overall Average Values as set forth in the proposed Third Amended TDP; and (3) eliminate all of Honeywell’s rights, obligations, and involvement with the Trust.

II. ANALYSIS OF OPINIONS.

7. As part of my work on behalf of the Trust, I considered various sources of information concerning the Trust’s potential liability for current pending and future asbestos claims, including but not limited to (i) the Expert Report of Charles E. Finch, dated February 28, 2022 (the “Finch Report”), (ii) the Declaration and Expert Report of Dr. Francine F. Rabinovitz, dated May 19, 2006 (the “Rabinovitz Report”), (iii) Gnarus Advisors LLC’s Exposure Analysis of Pending and Future Asbestos Claims for the NARCO Trust, dated January 2022 (the “Gnarus Report”), and (iv) NARCO Trust Claims Data as of December 31, 2021. I also reviewed and am generally familiar with the terms and provisions of the First Amended North American Refractories Company Asbestos Personal Injury Trust Agreement (the “Trust Agreement”), the Second Amended NARCO TDP, and the Amended Buyout Agreement, as well as the proposed Second Amended NARCO Trust Agreement (the “Amended NARCO Trust Agreement”) and the Amended NARCO Asbestos TDP.

8. As discussed more fully below, and based on what is known and knowable at this time, I have reached two opinions in connection with this assignment. *First*, the Amended Buyout Agreement provides reasonable assurances that the Trust will continue to be in a financial position to pay all current and future NARCO Asbestos Trust Claimants the full liquidated value

of their claims. *Second*, the Overall Average Values contemplated by the Amended NARCO Asbestos TDP provide reasonable assurances that the Trust will continue to be in a financial position to value and pay similar claims in substantially the same manner.

(a) Sufficient Funding to Pay All Post-Buyout Claimants the Full Liquidated Value of Their Claims.

9. To determine whether the Amended Buyout Agreement provides reasonable assurances the Trust will have sufficient funding for the Trust to pay all future claimants the full liquidated value of their claims, I first considered the Finch Report, which I prepared earlier this year for the purpose of comparing the value of the Trust's current pending and future claims liability to the liability projection in the Rabinovitz Report, which Honeywell submitted to this Court to support Plan confirmation more than 15 years ago. Based on my analysis of Trust claims data as of December 31, 2021, the Rabinovitz Report, and the additional information reflected in the Finch Report's materials considered, I concluded in the Finch Report that the value of the Trust's total estimated claim liability as of December 31, 2021, likely ranged from \$0.64 billion to \$1.13 billion and was therefore consistent with the Rabinovitz Report. I have also considered the Gnarus Report, which was prepared for and submitted by Honeywell to this Court in May 2022. The Gnarus Report projected that the value of the Trust's total estimated claim liability as of November 30, 2021, ranged from \$0.66 billion to \$0.91 billion.

10. There are inherent uncertainties in making long-term projections. Future results can and will be different from current estimates, and such differences may be material. However, given what is currently known and knowable, considering conservative annual returns on the Trust's corpus, estimated outflows from claim payments, and reasonable operating expenses, it is my opinion that the Amended Buyout Agreement provides the Trust with reasonable assurances that it will be able to pay all current and future NARCO Asbestos Trust Claimants the

full liquidated value of their claims.

(b) Comparison of Claim Values Under the Second Amended TDP with Claim Values Under the Amended NARCO Asbestos TDP.

11. To determine whether the Amended Buyout Agreement provides the Trust with reasonable assurances that the Trust will continue be in a financial position to value and pay similar claims in substantially the same manner under the proposed Amended NARCO Asbestos TDP, I compared the Scheduled and Average Values under the TDP with the Scheduled and Overall Average Values in the Amended NARCO Asbestos TDP. In addition, I analyzed the Trust's historical claim payments to determine whether the proposed Overall Average Values in the Amended NARCO Asbestos TDP approximate the combined historical average values actually paid to ER and IR claimants.

12. The Scheduled Values for ER claims in the Amended NARCO Asbestos TDP are the same as in the current TDP. The Maximum Values for IR claims in the Amended NARCO Asbestos TDP are the same inflation-adjusted values that are in effect under the current TDP.

13. The Overall Average Values proposed in the Amended NARCO Asbestos TDP are substantially similar to the combined historical average values paid to ER and IR claimants under the current TDP. The current TDP has Average Values applicable to IR claims. The Amended NARCO Asbestos TDP replaces those Average Values with Overall Average Values that are calculated across all IR and ER claims for each Disease Level. I have compared, for each Disease Level, the Overall Average Value set forth in the Amended NARCO Asbestos TDP to the historical average value of claims paid under the current TDP. That comparison shows that the Overall Average Values for each Disease Level are substantially similar to the combined historical average values for ER and IR claims that the Trust has paid under the current TDP.

For the reasons discussed herein, it is my opinion, given what is currently known and knowable, that the Overall Average Values contemplated by the Amended NARCO Asbestos TDP provide reasonable assurances that the Trust will continue be in a financial position to value and pay similar claims in substantially the same manner.

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I declare under penalty of perjury that the foregoing is true and correct.

Executed this 20th day of November, 2022.

DocuSigned by:

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Charles E. Finch, CVA

Exhibit 1



Resume of: **Charles E. Finch, CVA**

Position: Managing Director
Alvarez & Marsal

Experience
Includes:

Mr. Finch's business experience includes business valuation, construction, statistical analysis, municipal bonds, commodities, futures and options trading, acquisition and divestiture, and cash flow analysis. Prior to joining Alvarez & Marsal, he was President and co-founder of a commodities trading and storage company and served as a Partner/Principal with PricewaterhouseCoopers and with Grant Thornton.

Mr. Finch has been involved in numerous consulting engagements including securities and minority shareholder disputes, breach of non-compete, mass torts (asbestos, opioid and sexual abuse claims), intellectual property, econometric analysis, business interruption, economic impact/feasibility studies, personal injury/wrongful death/wrongful termination, complex database management, lost profits, business valuations, insurance claims, environmental, corporate veil and breach of contract. He has testified at deposition, trial, arbitration, mediation and before State and City Legislative bodies as an economic expert and has served as a court-appointed receiver. He served on the Alternate Dispute Resolution team for the derivatives unwind effort in the Lehman Brothers bankruptcy and previously led the hedge fund and equity derivative teams for the Lehman estate. Mr. Finch also has significant experience in public sector economic development and public finance as well as class action environmental matters as an economic expert.

Industries in which Mr. Finch has consulting, lost profits and business interruption experience include:

- | | | |
|----------------|--------------------|----------------------------|
| ▪ Agribusiness | ▪ Sports & Leisure | ▪ Financial Services |
| ▪ Health Care | ▪ Local Government | ▪ Retail/Wholesale |
| ▪ Construction | ▪ Manufacturing | ▪ Telecom/Energy/Utilities |
| ▪ Insurance | ▪ Real Estate | ▪ Hospitality |

Education: University of Kansas
Masters of Economics

University of Missouri-Kansas City
MBA in Finance
Bachelors in Mathematics

Avila University - Kansas City, Missouri
Adjunct instructor of economics and quantitative analysis in the MBA program.

Licenses and Professional Affiliations: Certified Valuation Analyst (CVA) with the National Association of Certified Valuators and Analysts (NACVA).

Associate member American Bar Association

Former associate member of the Government Finance Officers Association (GFOA), served on the National Standing Committee on Economic Development and Capital Planning.

Presentations Given: "Derivatives in Litigation", "Environmental PVD Issues," "Environmental Liabilities: What the Future Holds," "Managing Litigation Risk," "Understanding Financial Statements," "Valuations for Business and Loss Claims," "Statistics in Litigation", and "The Cost/Benefit Analysis of Arbitration." Seminars to private and governmental finance officers on economic development.

CHARLES E. FINCH
RECENT PREVIOUS EXPERT TESTIMONY

| Case Name | Party | Venue |
|---|--------------|---|
| Country Visions v ADM and United Co-op | Defendant | Wisconsin State Court, Fond Du Lac County |
| United Cellular v Sprint Solutions | Respondent | AAA |
| Allied Business Group, Inc, et al.. v Mariner Holdings, LLC, et al. | Claimant | AAA |
| Shenandoah Personal Communications, LLC v. Sprint Spectrum L.P., et al. | Respondent | Arbitration |
| Darmar Farms, Inc. v Syngenta Canada, Inc. | Defendant | Ontario Superior Court of Justice |
| UUSC v. HTL | Defendant | Kansas State Court, Johnson County |
| Edelman Financial Engines v Visionary Wealth Advisors, et al. | Plaintiff | Kansas State Court, Johnson County |
| Edelman Financial Engines v Susi, et al. | Plaintiff | Kansas State Court, Johnson County |
| Edelman Financial Engines v Prime Capital, et al. | Plaintiff | Kansas State Court, Johnson County |
| USA v Paul Mashni, et al. | Defendant | Federal Court District of South Carolina |
| Lewis, et al. v Quintana Corp, et al. | Defendant | Louisiana State Court, Cameron Parish |
| Hernandez, et al. v United States Steel | Defendant | Pennsylvania State Court, Allegheny County |
| Logantree v. Garmin | Defendant | Federal Court District of Kansas |
| Zimmerman v. 3M Co, et al. | Defendant | Federal Court District of Michigan, Southern Division |

**UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

IN RE:

ALL MATTERS RELATED TO NORTH
AMERICAN REFRACTORIES
COMPANY, et al. in Case No. 02-20198, as
affected by the May 24, 2013 Order
Entering Final Decree entered at Doc. No.
7940
Debtors

Misc. Case No. 15-00204-TPA

Chapter 11

HONEYWELL INTERNATIONAL INC.,
Plaintiff,
v.

Adv. No. 21-02097

NORTH AMERICAN REFRACTORIES
COMPANY ASBESTOS PERSONAL
INJURY SETTLEMENT TRUST,
Defendant

**DECLARATION OF LYNN A. DUMMETT IN SUPPORT OF
THE NARCO ASBESTOS TRUST AMENDED BUYOUT AGREEMENT**

Pursuant to 28 U.S.C. Section 1746, I, Lynn A. Dummett, declare the following:

1. I submit this Declaration in support of the *Motion for Entry of an Order* (I) *Approving the NARCO Asbestos Trust Amended Buyout Agreement and Amended Agreements*, (II) *Declaring the Amended Buyout Agreement is Consistent with the Plan and Does Not Affect the NARCO Channeling Injunction*, and (III) *Approving the Form and Manner of Notice of the Amended Buyout Agreement*, which the North American Refractories Company Asbestos Personal Injury Settlement Trust (the “NARCO Asbestos Trust” or the “Trust”) is filing contemporaneously and with the consent of Honeywell International Inc. (“Honeywell”), the NARCO Trust Advisory Committee (the “NARCO Asbestos TAC”), and Lawrence Fitzpatrick, in his capacity as the

NARCO Asbestos Future Claimants Representative (the “FCR”) (collectively, the “Parties”).

2. I am Vice President and General Counsel, Litigation at Honeywell. In this capacity, I have reviewed and am generally familiar with the terms and provisions of the North American Refractories Company’s Third Amended Plan of Reorganization, the First Amended North American Refractories Company Asbestos Personal Injury Settlement Trust Agreement, the Second Amended North American Refractories Company Asbestos Personal Injury Settlement Trust Distribution Procedures, and the Amended Buyout Agreement, dated as of November 20, 2022 (the “Amended Buyout Agreement”).

3. In my role at Honeywell, I am responsible for managing Honeywell’s overall relationship with the NARCO Asbestos Trust, including by reviewing the NARCO Asbestos Trust’s budgets, operating expenses, and claims-related activities. I have been in this role for two years, since September 2020. Through my work at Honeywell, I am generally familiar with the NARCO Asbestos Trust’s operations and claims-processing activity.

4. I have been an active participant on behalf of Honeywell in negotiations to release, relinquish, and extinguish the NARCO Asbestos Trust’s right to “evergreen” funding from Honeywell in exchange for a lump-sum cash payment of \$1.325 billion, subject to certain adjustments set forth in the Amended Buyout Agreement. As such, I have personal knowledge of the negotiation process for and the terms and conditions of the Amended Buyout Agreement.

5. The Amended Buyout Agreement was negotiated between Honeywell, the Trust, the NARCO Asbestos TAC, and the FCR, at arm’s length over an extended period. In my view, the Amended Buyout Agreement is the product of careful and thorough negotiations between the Parties, all of whom were diligently and adequately represented by experienced legal counsel.

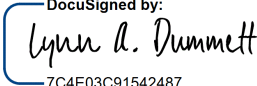
6. Based on my experience with the NARCO Asbestos Trust and my

consideration of relevant information, including expert opinions offered by Honeywell and the NARCO Asbestos Trust, I believe that the Amended Buyout Agreement and the payment contemplated thereby will allow the NARCO Asbestos Trust to pay all current and future NARCO Asbestos Trust Claims and to cover the NARCO Asbestos Trust's related operating expenses.

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I declare under penalty of perjury that the foregoing is true and correct.

Executed on this 20th day of November, 2022.

DocuSigned by:

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Lynn A. Dummett
Vice President and General Counsel,
Litigation, Honeywell International Inc.

**UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

IN RE:

ALL MATTERS RELATED TO NORTH
AMERICAN REFRACTORIES
COMPANY, et al. in Case No. 02-20198, as
affected by the May 24, 2013 Order
Entering Final Decree entered at Doc. No.
7940
Debtors

Misc. Case No. 15-00204-TPA

Chapter 11

HONEYWELL INTERNATIONAL INC.,
Plaintiff,
v.

Adv. No. 21-02097

NORTH AMERICAN REFRACTORIES
COMPANY ASBESTOS PERSONAL
INJURY SETTLEMENT TRUST,
Defendant

**DECLARATION OF DR. JESSICA HOREWITZ IN SUPPORT OF
THE NARCO ASBESTOS TRUST AMENDED BUYOUT AGREEMENT**

Pursuant to 28 U.S.C. Section 1746, I, Jessica B. Horewitz, declare the following:

1. I submit this Declaration in support of the *Motion for Entry of an Order* (I) *Approving the NARCO Asbestos Trust Amended Buyout Agreement and Amended Agreements*, (II) *Declaring the Amended Buyout Agreement is Consistent with the Plan and Does Not Affect the NARCO Channeling Injunction*, and (III) *Approving the Form and Manner of Notice of the Amended Buyout Agreement*, which the North American Refractories Company Asbestos Personal Injury Settlement Trust (the “NARCO Asbestos Trust” or the “Trust”) is filing contemporaneously and with the consent of Honeywell International Inc. (“Honeywell”), the NARCO Trust Advisory Committee (the “NARCO Asbestos TAC”), and Lawrence Fitzpatrick, in his capacity as the

NARCO Asbestos Future Claimants Representative (the “FCR”) (collectively, the “Parties”).

2. I am a Principal at Gnarus Advisors LLC (“Gnarus”), and I serve as its President. Gnarus provides analytic and expert services to clients facing complex challenges arising from uncertainty, potential litigation, or disputes.

3. I have Master’s and Ph.D. degrees in economics from the University of Virginia. I have held faculty appointments at the University of Virginia, Duquesne University and The George Washington University.

4. For more than 25 years, I have focused my practice on using analytical and statistical tools to assist clients with a variety of analyses concentrating on product liability. I have been involved in mass tort matters such as asbestos, pharmaceutical, environmental toxins, faulty equipment, and sex abuse. I work with over twenty companies and trusts on an annual basis (and several others periodically) to forecast and understand product liability for financial reporting and internal business purposes. I have served as an expert in numerous matters, and my work also has been leveraged in settlement negotiations, insurance disputes, bankruptcy court, international arbitration, and government and regulatory hearings.

5. For the past five years, I and others at Gnarus and its predecessor, Nathan Associates, have provided Honeywell with analysis and estimates of the NARCO Asbestos Trust’s future claims liability, given Honeywell’s role to date as a principal funding source of the NARCO Asbestos Trust.

6. My methodology for estimating the NARCO Asbestos Trust’s future claims liability uses NARCO Asbestos Trust-specific claims information relative to a labor-force based projection of future disease incidence in an epidemiological model. The model analyzes data on the incidence of asbestos disease and the number of claims previously filed against the NARCO

Asbestos Trust to estimate the number of claims that are forecast to be filed against the NARCO Asbestos Trust in the future. Using the NARCO Asbestos Trust claims resolution experience, the model then estimates the portion of claims the NARCO Asbestos Trust will pay and the amount the NARCO Asbestos Trust will pay for those claims in the future.

7. I most recently analyzed the NARCO Asbestos Trust's future liability in the January 2022 Exposure Analysis of Pending and Future Asbestos Claims for the NARCO Trust (the "January 2022 Liability Estimate"), which looked back at the NARCO Asbestos Trust's historical experience through November 2021.

8. I submitted an Expert Report dated March 18, 2022 (the "Horewitz Expert Report") in *Honeywell International Inv. v. North American Refractories Company personal Injury Settlement Trust*, Adv. Proc. No. 21-02097-TPA ("*Honeywell v. NARCO Trust*"). The January 2022 Liability Estimate was attached to the Horewitz Expert Report as Exhibit 1. The January 2022 Liability Estimate explains in detail the methodology that I applied to estimate the NARCO Asbestos Trust's future claims liability.

9. I have reviewed the expert report of Charles Finch, which was also submitted in *Honeywell v. NARCO Trust*. Based on my review of that expert report, I understand Mr. Finch and I have reached reasonably similar estimates of the NARCO Asbestos Trust's future liability range as the result of our respective analyses.

10. I understand that the Parties have agreed to a buyout amount of \$1.325 billion, subject to certain adjustments set forth in the relevant agreements and transaction documents. It is my expert opinion based on what is currently known and knowable that the buyout amount is sufficient to cover the NARCO Asbestos Trust's future claims liability.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on this 20th day of November, 2022.



Dr. Jessica Horewitz
Gnarus Advisors LLC

**UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

IN RE:

ALL MATTERS RELATED TO NORTH
AMERICAN REFRACTORIES
COMPANY, et al. in Case No. 02-20198, as
affected by the May 24, 2013 Order
Entering Final Decree entered at Doc. No.
7940
Debtors

Misc. Case No. 15-00204-TPA

Chapter 11

HONEYWELL INTERNATIONAL INC.,
Plaintiff,
v.

Adv. No. 21-02097

NORTH AMERICAN REFRACTORIES
COMPANY ASBESTOS PERSONAL
INJURY SETTLEMENT TRUST,
Defendant

**DECLARATION OF LAWRENCE FITZPATRICK IN SUPPORT OF
THE NARCO ASBESTOS TRUST AMENDED BUYOUT AGREEMENT**

Pursuant to 28 U.S.C. § 1746, I, Lawrence Fitzpatrick, declare the following to the best of my knowledge, information and belief:

1. I submit this declaration in support of the *Motion for Entry of an Order (I) Approving the NARCO Asbestos Trust Amended Buyout Agreement and Amended Agreements, (II) Declaring the Amended Buyout Agreement is Consistent with the Plan and Does Not Affect the NARCO Channeling Injunction, and (III) Approving the Form and Manner of Notice of the Amended Buyout Agreement*, which the North American Refractories Company Asbestos Personal Injury Settlement Trust (the “NARCO Asbestos Trust” or the “Trust”) is filing contemporaneously and with the consent of Honeywell International Inc. (“Honeywell”), the NARCO Trust Advisory

Committee (the “NARCO Asbestos TAC”), and me, in my capacity as the NARCO Asbestos Future Claimants Representative (the “FCR”) (collectively, the “Parties”).

2. I have reviewed and am generally familiar with the terms and provisions of the North American Refractories Company Asbestos Personal Injury Third Amended Plan of Reorganization (the “Plan”), Trust Agreement (the “Trust Agreement”), the Trust Distribution Procedures (the “TDP”), and the Amended Buyout Agreement (as defined in the Motion). The Amended Buyout Agreement, among other things, provides for releasing, relinquishing, and extinguishing the Trust’s right to “evergreen” funding from Honeywell in exchange for a lump-sum cash payment of \$1.325 billion, subject to certain adjustments set forth in the Amended Buyout Agreement. It is my opinion that the Amended Buyout Agreement will enable the Trust to value and pay future NARCO Asbestos Trust Claimants in substantially the same manner as the Trust has valued and paid similar claims to date, and is fair and equitable to the future holders of NARCO Asbestos Trust Claims.

3. I have more than 40 years of experience in dealing with asbestos-related matters. Beginning in 1980, I was an attorney for Owens Illinois, a relatively prominent asbestos defendant. As counsel for Owens Illinois, I became involved in negotiations between 35 asbestos defendants and 16 asbestos insurers to resolve the then-pending insurance coverage litigation over asbestos losses and set up a centralized claims handling organization to handle asbestos claims on behalf of the negotiating parties. Those negotiations ultimately led to the signing of a document known as the Wellington Agreement and the establishment of the Asbestos Claims Facility, an organization formed to handle all asbestos claims against its members to save costs associated with the defense of claims.

4. In 1985, I went to work for the Asbestos Claims Facility as a borrowed or

seconded employee because it had no permanent staff at that point. In February 1986, I joined the Asbestos Claims Facility full time as its vice president of law, and I also was its acting chief executive officer during most of its existence. In October 1988, the Asbestos Claims Facility was dissolved, primarily because of disputes among the members over their shares of facility settlements.

5. I helped found the Center for Claims Resolution (the “CCR”), an organization formed to handle asbestos claims centrally on behalf of its twenty member companies. From 1988 through 1998, as the president and chief executive of the CCR, I oversaw the resolution of more than 270,000 asbestos claims and the billing, collection, and dispersal of over \$2 billion in payments. I resigned from my positions with the CCR in January 1999, but returned in November 2001 as executive director to assist with the winding down of affairs after the CCR ceased operations during my absence.

6. I served as the legal representative for future asbestos personal injury claimants pursuant to section 524(g) of the Bankruptcy Code in the chapter 11 cases of *In re Duro Dyne National Corp.*, Case No. 18-27963 (MBK) (Bankr. D.N.J.), *In re Rapid-American Corporation*, No. 13-10687 (SMB) (Bankr. S.D.N.Y.), *In re Kaiser Gypsum Company, Inc.*, Case No. 16-31602 (JCW) (Bankr. W.D.N.C.), *In re Pittsburgh Corning Corporation*, No. 00-22876 (JKF) (Bankr. W.D. Pa.), *In re ACandS, Inc.*, No. 02-12687 (JKF) (Bankr. D. Del.), *In re Global Industrial Technologies, Inc.*, No. 02-21626 (JKF) (Bankr. W.D. Pa.), *In re Durabla Manufacturing Company*, No. 09-14415 (MFW) (Bankr. D. Del.), *In re Metex Mfg. Corporation*, No. 12-14554 (BRL) (Bankr. S.D.N.Y.), and *In re SEPCO Corporation*, No. 16-50058 (Bankr. N.D. Ohio), and continue to serve as the legal representative for future asbestos personal injury claimants with respect to settlement trusts that were established pursuant to Section 524(g) of the

Bankruptcy Code in eight of those cases.

7. I was appointed by an Order, dated January 13, 2003, *nunc pro tunc* to December 9, 2002, to act as the FCR in the North American Refractories Company chapter 11 case, *In re North American Refractories Company*, Case No. 02-20198 (JKF) (W.D. Pa.), and continue to serve as the FCR to this day pursuant to Section 12.3 of the Plan. Among other things, in my role as the FCR I have consulted and advised on issues relating to the administration of the Trust, and have represented the interests of future holders of NARCO Asbestos Claims in both litigations filed by Honeywell against the Trust. I also participated in negotiations among the Parties at arms-length culminating in the Parties' reaching agreement on the Amended Buyout Agreement.

8. In order to assist with the fulfillment of my fiduciary duties as the FCR, I retained Young Conaway Stargatt & Taylor, LLP, Sherrard, German & Kelly P.C., and Ankura. I reviewed information concerning the Trust's potential liability for current pending and future asbestos claims, including but not limited to (i) the Declaration and Expert Report of Dr. Francine F. Rabinovitz, dated May 19, 2006, (ii) Gnarus Advisors LLC's Exposure Analysis of Pending and Future Asbestos Claims for the NARCO Trust, dated January 2022, (iii) the Expert Report of Charles E. Finch, dated February 28, 2022, and (iv) NARCO Trust Claims Data as of December 31, 2021. In addition, I carefully analyzed the terms of the First Amended NARCO Asbestos Trust Agreement, the Second Amended NARCO Asbestos Trust Distribution Procedures, the proposed Second Amended NARCO Asbestos Trust Agreement, the proposed Third Amended NARCO Asbestos Trust Distribution Procedures (the "Amended NARCO Asbestos TDP"), and the Amended Buyout Agreement.


9. Based on my consideration of this information and my experience, I

conclude that the Amended Buyout Agreement will enable the Trust to value and pay current and future NARCO Asbestos Trust Claimants who have similar claims in substantially the same manner and that the Amended Buyout Agreement is therefore fair and equitable to future NARCO Asbestos Trust Claimants and in their best interest. I reach this conclusion after considering whether the Scheduled Values and Overall Average Values that will be available to claimants under the Amended NARCO Asbestos TDP are substantially similar to the Scheduled Values and Average Values currently available to similar claimants under the TDP, and whether the Amended Buyout Agreement provides reasonable assurance that the Trust will value and be in a financial position to pay all current and future NARCO Asbestos Trust Claimants 100% of the full liquidated value of their claims.

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I certify under penalty of perjury that, based upon my knowledge, information and belief,
the foregoing is true and correct.

Executed this 20th day of November, 2022.

DocuSigned by:

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Lawrence Fitzpatrick
Future Claimants Representative

**UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

IN RE:

ALL MATTERS RELATED TO NORTH
AMERICAN REFRACTORIES
COMPANY, et al. in Case No. 02-20198, as
affected by the May 24, 2013 Order
Entering Final Decree entered at Doc. No.
7940
Debtors

Misc. Case No. 15-00204-TPA

Chapter 11

HONEYWELL INTERNATIONAL INC.,
Plaintiff,
v.

Adv. No. 21-02097

NORTH AMERICAN REFRACTORIES
COMPANY ASBESTOS PERSONAL
INJURY SETTLEMENT TRUST,
Defendant

**DECLARATION OF STEVEN T. BARON IN SUPPORT OF
THE NARCO ASBESTOS TRUST AMENDED BUYOUT AGREEMENT**

Pursuant to 28 U.S.C. Section 1746, I, Steven T. Baron, declare the following:

1. I submit this Declaration in support of the *Motion for Entry of an Order (I) Approving the NARCO Asbestos Trust Amended Buyout Agreement and Amended Agreements, (II) Declaring the Amended Buyout Agreement is Consistent with the Plan and Does Not Affect the NARCO Channeling Injunction, and (III) Approving the Form and Manner of Notice of the Amended Buyout Agreement*, which the North American Refractories Company Asbestos Personal Injury Settlement Trust (the “NARCO Asbestos Trust” or the “Trust”) is filing contemporaneously and with the consent of Honeywell International Inc. (“Honeywell”), the NARCO Trust Advisory Committee (the “NARCO Asbestos TAC”), and Lawrence Fitzpatrick, in his capacity as the

NARCO Asbestos Future Claimants Representative (the “FCR”) (collectively, the “Parties”).

2. I am a member of the NARCO Asbestos TAC. Pursuant to the provisions of the NARCO Asbestos Trust Agreement, the NARCO Asbestos TAC serves in a fiduciary capacity representing all holders of present NARCO Asbestos Trust Claims.

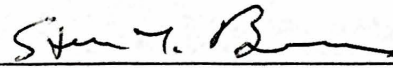
3. I have reviewed the Amended Buyout Agreement (as defined in the Motion) which, among other things, provides for releasing, relinquishing, and extinguishing the Trust’s right to “evergreen” funding from Honeywell in exchange for a lump-sum cash payment of \$1.325 billion, subject to certain adjustments set forth in the Amended Buyout Agreement. In my capacity as a NARCO Asbestos TAC member, I also participated in negotiations among the Parties at arms-length culminating in the Parties’ reaching agreement on the proposed buyout.

4. I believe that the Amended Buyout Agreement and the payment contemplated thereby will allow the Trust to pay present NARCO Asbestos Trust Claims in accordance with the Trust’s governing documents and to cover the Trust’s related operating expenses.

[Remainder of this page intentionally left blank.]

I declare under penalty of perjury that the foregoing is true and correct.

Executed on this 20th day of November, 2022.



Steven T. Baron
TAC Member

**UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

IN RE:

ALL MATTERS RELATED TO NORTH
AMERICAN REFRACTORIES
COMPANY, et al. in Case No. 02-20198, as
affected by the May 24, 2013 Order
Entering Final Decree entered at Doc. No.
7940
Debtors

Misc. Case No. 15-00204-TPA

Chapter 11

Adv. No. 21-02097

HONEYWELL INTERNATIONAL INC.,
Plaintiff,
v.

NORTH AMERICAN REFRACTORIES
COMPANY ASBESTOS PERSONAL
INJURY SETTLEMENT TRUST,
Defendant

ORDER OF COURT

AND NOW, this ____ day of _____, 2022, on consideration of the North American Refractories Company Asbestos Personal Injury Settlement Trust's (the "NARCO Asbestos Trust") *Motion for Entry of an Order (I) Approving the NARCO Asbestos Trust Amended Buyout Agreement and Amended Agreements, (II) Declaring the Amended Buyout Agreement is Consistent With the Plan and Does Not Affect the NARCO Channeling Injunction, and (III) Approving the Form and Manner of Notice of the Amended Buyout Agreement* (the "Motion") (Doc. No. 449), filed on November 21, 2022, with the consent and full support of Honeywell International Inc. ("Honeywell"), the NARCO Asbestos Trust Advisory Committee (the "NARCO Asbestos TAC"), and the NARCO Asbestos Future Claimants Representative (the "FCR"), it is

hereby **ORDERED, ADJUDGED AND DECREED** as follows:

1. The relief requested in the Motion is GRANTED.
2. Any objections to the Motion with respect to entry of this order (this “Order”) that have not been withdrawn, waived, or settled, and all reservations of rights included therein, are hereby denied and overruled on the merits.
3. The Notice attached to the Motion as **Exhibit B** is hereby approved in all respects. Notice of the Motion, the Amended Buyout Agreement, and the Amended Agreements was appropriate under the circumstances and sufficient and proper to provide timely notice of the Motion, the Amended Buyout Agreement, and the Amended Agreements, and no other or further notice is required.
4. The Amended Buyout Agreement and the Amended Agreements, attached to the Motion as **Exhibit A**, are approved in all respects, including for avoidance of doubt the releases contemplated by Section 8 of the Amended Buyout Agreement. The Parties shall implement the terms of the proposed Amended Buyout Agreement and the Amended Agreements according to their terms.
5. The Court declares that the Amended Buyout Agreement and the Amended Agreements are consistent in all respects with NARCO’s Third Amended Plan of Reorganization (the “Plan”), which was filed on December 28, 2005, confirmed by the Bankruptcy Court on November 13, 2007, and affirmed by the District Court on December 18, 2007.
6. The Court finds that entering into the Amended Buyout Agreement and Amended Agreements is a reasonable decision by the Trustees that ensures that the purposes and intent of the Plan and the NARCO Asbestos Trust will continue to be carried out.

7. The Court further finds that the Amended Buyout Agreement and Amended Agreements provide reasonable assurances that the NARCO Asbestos Trust will be in a financial position to pay current and future NARCO Asbestos Trust claimants the full liquidated value of their claims and to value and pay similar claims in substantially the same manner.

8. The Court further declares that (i) the Amended Buyout Agreement and the Amended Agreements, and the transactions contemplated therein, do not modify, dissolve, terminate, or affect in any manner the NARCO Channeling Injunction effective as of April 30, 2013, the Effective Date of the Plan, and (ii) upon and after the closing of the transactions contemplated by the Amended Buyout Agreement, the NARCO Channeling Injunction, which is a permanent injunction that stayed, restrained, and enjoined all past, present, and future holders of NARCO Asbestos Trust Claims or NARCO Asbestos Demands from taking any action for the purpose of directly or indirectly collecting, recovering, or receiving payments, satisfaction, or recovery from the NARCO Protected Parties (as defined in the Plan) (including Honeywell) with respect to such Claims or Demands, will remain in full force and effect without modification, dissolution, or termination.

9. Notwithstanding any applicable Federal Rules of Bankruptcy Procedure, the terms and conditions of this Order are immediately effective and enforceable upon its entry.

10. This Court retains exclusive jurisdiction with respect to all matters arising from or related to this Order.

11. The *Conditional Stipulation of Dismissal with Prejudice* filed in Adversary Proceeding No. 21-02097 (Doc. No. 450) is immediately effective upon entry of this Order.

12. The Parties are directed to file a notice with this Court within five (5) business days of the closing of the transactions contemplated by the Amended Buyout Agreement.

Thomas P. Agresti, Judge
United States Bankruptcy Court