Execution Version

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, *et al.,*	)	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

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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.

Disease Level	Scheduled Value	Medical/Exposure Criteria
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:

Scheduled Disease	Scheduled Value	Overall Average Value[8]	Maximum Value
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 time[10]; 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-workers[11] 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.

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TRUSTEES:

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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
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Richard B. Schiro
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Mark M. Gleason
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Ken M. Kawaichi
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Richard B. Schiro
Current Term Expiration Date: 12/31/25

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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

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FUTURE CLAIMANTS REPRESENTATIVE:

Lawrence Fitzpatrick

Lawrence Fitzpatrick