

Combustion Engineering 524(g) Asbestos PI Trust

Revised and Restated Procedures for Reviewing and Liquidating TDP Claims

The Combustion Engineering 524(g) Asbestos PI Trust Distribution Procedures (“TDP”) directs that the Trustees, with the consent of the Trust Advisory Committee (“TAC”) and the Future Claimants’ Representative (FCR”), “adopt procedures for reviewing and liquidating all TDP Claims, which shall include deadlines for processing such claims.” TDP, Section 5.3. As mandated by the TDP, the Trustees adopted Procedures for Reviewing and Liquidating TDP Claims. Effective February 11, 2008, the Trustees adopt these Revised and Restated Procedures for Reviewing and Liquidating TDP Claims (the “Procedures”).

Preamble

By agreement dated June 8, 2006, the Trust retained Connecticut Valley Claim Service Company, Inc. (“Connecticut Valley” or “CVC”) as claim processor to process all TDP Claims on behalf of and under the direction of the Trust. After consulting with Connecticut Valley, the Trustees proposed and discussed claim forms, claim materials and claim processing procedures with the TAC and the FCR.

At a regular meeting of the Trust on August 1, 2006, the Trustees adopted Procedures for Reviewing and Liquidating TDP Claims, together with the claim form, an instruction letter and other claims materials, with the consent of the members of the TAC and the FCR.

For business reasons unrelated to the Trust, effective December 31, 2007, Connecticut Valley terminated its service agreement with the Trust. By agreement dated December 12, 2007, the Trust retained Verus Claims Services, LLC (“Verus”), as claims processor to process all TDP Claims on behalf of and under the direction of the Trust. After consulting with Verus and CVC, the Trustees proposed and discussed these Procedures with the TAC and FCR.

At a special Trustees meeting on February 7, 2008, the Trustees adopted these Procedures, together with the claim forms and other claim materials attached to the Procedures, effective February 11, 2008. The Trustees will present the Procedures to the members of the TAC and the FCR for consent at a regular Trust meeting on March 12, 2008.

Unless otherwise defined in these Procedures, capitalized terms shall have the meaning provided in the TDP.

Payment Directives

For 2006, the Maximum Annual Payment was \$75,000,000.

For 2007, the Maximum Annual Payment was \$75,000,000.

For 2008, the Maximum Annual Payment is \$75,000,000.

For 2009 and thereafter, see Schedule 1 attached hereto, for the Maximum Annual Payment, to be set and updated annually pursuant to TDP, Section 2.4.

The Claims Payment Ratio is 87% for TDP Determined Claims involving severe asbestosis and malignancies (Disease Levels IV-VIII) as well as allocated Disease Level I claims (“Category A Claims”) and 13% for TDP Determined Claims involving non- malignant asbestosis or pleural disease (Disease Levels II and III) as well as allocated Disease Level I claims (“Category B Claims”).

In any year, excess funds, if any, within the Maximum Annual Payment for that year as divided by the Claims Payment Ratio into Category A Claims and Category B Claims shall be carried into the next year and added to the Maximum Annual Payment for that next year as divided by the Claims Payment Ratio into Category A Claims and Category B Claims. See Schedule 1 attached hereto for the annual application of the Maximum Annual Payment and Claims Payment Ratio.

The Initial Payment Percentage is 48.33%.

These ratios and percentages will be reviewed periodically as provided by Sections 2.5 and 4.2 of the TDP.

The Initial Claims Filing Date was March 1, 2007.

Commencement (Implementation) of Claims Process

The Trust began accepting claims on September 1, 2006.

On December 17, 2007, the Trust suspended processing claims to facilitate the transition of claims administration from CVC to Verus. The Trust did not suspend the filing of claims with the Trust. On behalf of the Trust, CVC provided notice to all known plaintiffs' attorneys who historically represented persons holding asbestos-related personal injury claims of the transition. CVC provided attorneys representing claimants with pending claims a status report on their claims.

On February 11, 2008, Verus sent a notice by email to all known plaintiffs' attorneys described above of the adoption of these Procedures and that the Procedures with the related claim forms and other claim materials are available on the Trust's and on Verus' web pages.

On February 11, 2008, the Trust resumed processing claims.

Claims may be submitted by mail, by fax, by email in Excel format, by email in PDF format, or online using the Verus online claim filing system. Supporting documents may be submitted in paper or in electronic format. See Electronic Access, below.

Claims Processing Deadlines

The Trust will either reject a claim or submit an offer to the claimant within the following deadlines:

For Expedited Review, 90 days from the submission to the Trust of a fully completed claim form.

For Individual Review, 180 days from the submission to the Trust of a fully completed claim form.

For review of extraordinary claim, 180 days from the submission to the Trust of a fully completed claim form.

For review of exigent hardship claims, 90 days from the submission to the Trust of a fully completed claim form.

Other than Non-Qualified Claims, as defined in the TDP, the Trust has not set a deadline for the submission of TDP Claims to the Trust. Regardless of when submitted to the Trust, to be eligible for consideration, the TDP Claim must meet the statute of limitations provisions of the TDP at Section 5.1(a)(2). Non-Qualified Claims had to be filed with the Trust by November 30, 2006. A Non-Qualified Claimant who did not file his or her claim by that date was barred from receiving any distribution from the Trust in respect to such claim. TDP, Section 5.2(d)(1).

Other than Non-Qualified Claims, the Trust has not adopted and does not require a filing fee for the filing of a TDP Claim with the Trust. For Non-Qualified Claims, the filing fee was \$75.00, which had to be paid by November 30, 2006, or the claim would have been rejected by the Trust. TDP, Section 5.2(d)(2).

Claims Materials

The Trustees have adopted the following claims materials:

1. Proof of Claim Form, attached as Exhibit A to these Procedures.
2. Instruction Letter for Filing a Claim with the Combustion Engineering 524(g) Asbestos PI Trust, attached as Exhibit B to these Procedures.
3. Electronic Submission Format, attached as Exhibit C to these Procedures.
4. Arbitration Procedures, attached as Exhibit E to these Procedures.
5. Combustion Engineering 524(g) Asbestos PI Trust Release, attached as Exhibit H to these Procedures.
6. Electronic Filing Agreement, attached as Exhibit I to these Procedures.

The claims materials also include the TDP. TDP, Section 6.2.

Electronic Access

These Procedures together with the claims materials shall be accessible electronically at the Official Home Page of the Trust: www.cetrust.org, and at the Official Home Page of Verus Claims Services: www.verusllc.com.

Claim forms may be printed from either web page. The claim form may be completed in paper format and mailed to the Trust care of Verus at 57 Hamilton Avenue, Suite 208, Hopewell, NJ 08525, or faxed to the Trust care of Verus at 609-466-1449.

Alternatively, a claimant's law firm may request that Verus provide access to the online filing system by executing the Electronic Filing Agreement attached as Exhibit I to these Procedures. The executed agreement may be returned to Verus by fax, email or mail. Within five days of receipt of the Electronic Filing Agreement, Verus will provide the law firm with one or more user names and passwords to the electronic filing system, and instructions for submitting claims to the Trust electronically. Once a law firm has been granted access to the electronic filing system, the law firm may file subsequent claims electronically without a prior request to

Verus. Complete instructions for using the electronic filing system are available for viewing, downloading and printing from the Trust’s website at www.cetrust.org. For claims filed electronically, the law firm must maintain the original of any document signed by the claimant and the original or electronic copy in PDF format of any other document supporting the claim, as provided in the Electronic Filing Agreement.

From time to time, both the Trust and Verus will post information concerning the claims process on their respective web pages. With experience, the Trust will post answers to frequently asked questions.

Verus Personnel

Position	Name	Telephone	Fax	Email
Principal	Dan Myer	609-466-0427 ext. 1006	609-466-1449	dmyer@verusllc.com
Principal	Mark Eveland	609-466-0427, ext 1004	609-466-1449	meveland@verusllc.com
Principal (I.T. Director)	Morten Iverson	609-466-0427, ext 1010	609-466-1449	miverson@verusllc.com
Operations Manager	Carl Sonnenfeld	609-466-0427, ext 1003	609-466-1449	csonnenfeld@verusllc.com

Verus may assign a principal or staff analyst for processing claims to specific plaintiffs’ law firms. A law firm should consult with the assigned staff analyst regarding the claims process. To find out who is assigned to a law firm, a law firm may contact Dan Myer or Mark Eveland at any of the above numbers.

Data Base

Verus will maintain an electronic database for the Trust. Prior to December 31, 2007, Connecticut Valley maintained a Combustion Engineering, Inc., database of historic settled or otherwise resolved claims, a database of CE Settlement Trust claims and a database of Trust claims. Connecticut Valley transferred the Combustion Engineering data to Verus. Verus will maintain the Trust claim database carrying appropriate claim fields as provided in the claim form. As information is received, Verus will enter the information in its computer-based information management and processing system. Verus will update information in the computer-based system as additional material is received. If requested by a claimant's law firm, Verus will provide the law firm with data on the law firm's history regarding claims against Combustion Engineering, the CE Settlement Trust and the Trust to enable the law firm to reconcile its records with records in the Combustion Engineering data system as maintained by Verus.

Intake

The Verus electronic filing system will date and log claims as received. Any claims received in hard copy will also be dated and logged as received, and entered into the electronic filing system for further processing. The Verus electronic filing system will automatically review the claim form as received. If the claim form is deemed "sufficiently complete" by the electronic filing system, the claim will be dated and entered in the FIFO Processing Queue. A claim form that contains the items on Schedule 2 is deemed "sufficiently complete."

A "sufficiently complete" claim shall be assigned a position in the FIFO Processing Queue, as provided by Section 5.1(a)(1) of the TDP. For procedures for the Initial Claims Filing Date, see below. Verus will maintain, in electronic format, the FIFO Processing Queue.

Establishment of Claim File

Upon receipt of a claim form in paper or PDF format:

1. Verus will date stamp the original cover letter and attachments or note the date of the email cover letter.
2. Verus staff will scan the claim form and supporting documents and upload to the electronic filing system. A claims analyst will then enter the information from the claim form into the Combustion Engineering electronic database. The claim file is thereby established. All information and documentation related to the claim will be maintained electronically within the Combustion Engineering system, and is accessible by Verus analysts and personnel and by personnel of the filing law firm who have permission to access the electronic filing system.
3. Verus will make status reports available online which can be run at any time by personnel with access to the electronic filing system. Verus will also distribute notices of all offers and deficiencies by email alert, with copies of all releases (in the case of offers) and/or deficiency reports posted online for downloading by law firm personnel.

Claims may also be submitted in Excel format, either by direct upload to the electronic filing system, or by email. The Excel format is designed for submission of multiple claims. The format of the Excel multiple claims submission is attached as Exhibit C.

Upon receipt of a multiple claims submission in electronic format:

1. Verus will preserve the original source material by placing it in a special folder in the electronic filing system.
2. The electronic filing system will assign a new file name to a working version of the Excel file.
3. The electronic filing system will validate each column's data format and contents and will conform the data to Verus' requirements.

4. The electronic filing system will import data which passes the automated validations into the Combustion Engineering electronic claim system and individual claim numbers will be assigned. After the completion of that step, an individual claim file is thereby established for each valid record in the Excel file. Law firm users will be alerted to any records which fail to be imported due to missing data or invalid formats.

5. If claimants' counsel also submitted medical documentation by uploading PDF or TIFF files, or electronic disc, or in hard copy, Verus will link such documentation to each claim and update the medical diagnosis on each of the files when the claim is reached in the FIFO Processing Queue.

Initial Processing

To determine eligibility for the FIFO Processing Queue the following procedure will be used. Upon the establishment of an individual claim file, Verus will determine if the claim form is "sufficiently complete." The electronic system will automatically determine if a claim is "sufficiently complete" by checking for certain items listed on Schedule 2. All claims identified as "sufficiently complete" will be placed in the FIFO Processing Queue. If there are any items missing or not acceptable, the status of the claim will be designated as "Incomplete." Claimant's counsel or the claimant if filing without counsel will be notified online or by email of the outstanding documents and/or deficiencies. The claim will remain "Incomplete" and will not be placed in the FIFO Processing Queue until the missing information has been submitted. When the claim form is "sufficiently complete," Verus will annotate the date the claim form is deemed "sufficiently complete" and automatically place the claim in the FIFO Processing Queue in accordance with Section 5.1(a)(1) of the TDP.

When the claim is next in line for processing in the FIFO Processing Queue, Verus will begin processing the claim as follows: The Verus electronic filing system will compare the claimant's name and social security number with the Combustion Engineering data system which contains claimants who previously filed claims with Combustion Engineering, with the CE Settlement Trust and the Trust to ascertain if the claimant has received a payment from Combustion Engineering, the CE Settlement Trust or the Trust or if the claim had been otherwise settled or resolved by Combustion Engineering, the CE Settlement Trust or the Trust. If the Combustion Engineering data system reflects a payment from or on behalf of Combustion Engineering, the CE Settlement Trust or the Trust or a settlement or other resolution by Combustion Engineering, the CE Settlement Trust or the Trust, Verus will request further information or comments from the claimant before proceeding. Verus will either continue pursuing the claim or reject the claim depending on that information.

In particular with regard to the CE Settlement Trust, the CE Settlement Trust will certify its claims distributions data by providing Combustion Engineering Plan required lists to the Trust. With that certification, the Trust will provide Verus with a list of claimants to whom the CE Settlement Trust will make a distribution ("Identified Settlement Trust Claims"), a list of all claimants to whom the CE Settlement Trust has made a distribution, a list of claimants eligible to be paid by the CE Settlement Trust but unpaid due to lack of funds ("Certified Unpaid Settlement Trust Claims"), and a list of claimants whose claims have been rejected by the CE Settlement Trust as not eligible for payment by the CE Settlement Trust ("Non-Qualified Claims"). If a claimant matches the name of a claimant on one of these lists certified by the CE Settlement Trust, Verus will:

(1) If an Identified Settlement Trust Claim, reject the claim as not allowed under the Combustion Engineering Plan and the TDP, unless the claim paid by the CE Settlement Trust had been for a non-malignancy and the claim filed with the Trust is for a malignancy. If the exception applies, continue to process the claim.

(2) If listed as a claimant previously paid by the CE Settlement Trust, reject the claim as not allowed under the Combustion Engineering Plan and the TDP, unless the claim paid by the CE Settlement Trust had been for a non-malignancy and the claim filed with the Trust is for a malignancy. If the exception applies, continue to process the claim.

(3) If a Certified Unpaid Settlement Trust Claim, continue to process the claim.

(4) If a Non-Qualified Claim or if it appears that the claimant may be the holder of a Non-Qualified Claim, Verus will (a) if the claim was filed before November 30, 2006, continue to process the claim; (b) if the claim was filed after November 30, 2006, send a deficiency notice to the claimant. If the response to the notice does not establish that the claimant has not filed a Non-Qualified Claim or in the event of the failure of the claimant to respond to the notice, Verus will reject the claim as untimely pursuant to the TDP.

If the claimant states on the claim form that the claimant has received a prior payment from Combustion Engineering or the Trust, Verus will review the release submitted with the claim form. If a release has not been provided, Verus will contact counsel identified on the claim form to obtain a copy of the release. If the release states that the claimant has released all Combustion Engineering and/or Trust liability for asbestos-related injuries, Verus will reject the claim. If the release does not expressly release all Combustion Engineering and/or Trust liability, Verus will either continue to process the claim or request further information from the claimant. If the Combustion Engineering electronic system reflects a payment from or on behalf

of Combustion Engineering or the Trust, not covered by the CE Settlement Trust lists or the claim form identification and release review described above, Verus will request further information or comments from the claimant before proceeding. Verus will either continue pursuing the claim or reject the claim depending on that information.

The Verus electronic claim system automatically creates a log entry each time activity is generated on a claim. Verus maintains both an automated and a supplemental manual Quality Control Program, executed on a daily basis, prior to any claim being processed for liquidation. The Quality Control Program includes a review to assure no duplicate claims are processed. The review is repeated before any payment is made to the claimant. For quality control, Verus may perform a duplicate check at any time.

Verus will also review the medical evidence. If Verus has medical information in its files maintained on behalf of other clients regarding the claimant, Verus will use that medical information if the claimant authorized on the claim form the use of the medical evidence. See TDP, Section 6.2. If not authorized, Verus will consider the medical evidence submitted by the claimant. If the claimant fails to submit medical evidence within 90 days of notice of deficiency from Verus, Verus will reject the claim.

On behalf of the Trust, Verus may request further medical evidence including further diagnosis, analysis or explanation of previously submitted medical evidence.

Expedited Review

When a claim rises to first in the FIFO Processing Queue, Verus processes the claim for either expedited or individual review. For expedited review, Verus reviews the claim for required information and establishes the status of the claim. If all requirements have been established, Verus will assign a settlement offer for the claim based on the TDP. If further

information is needed, Verus will issue a deficiency notice to the claimant with a deadline for submission of the information. If the claim does not meet the TDP requirements, Verus will reject the claim.

The claim form for expedited review allows the claimant to automatically accept a settlement offer of the Scheduled Value as defined in the TDP for the disease level indicated by the claimant on the claim form or for a higher disease level. If the claimant elects this option, the claimant must file a fully executed release, see below, with the claim form. With this election, if Verus assigns a settlement offer at the Scheduled Value for the disease level on the claim form or a higher disease level, Verus will date the offer and identify the claim as ready for submission to the Trustees for approval and authorization to pay the claim. The date that Verus determines the claim is ready for submission to the Trustees for approval is deemed the liquidation date under TDP Section 5.1(c) to place the liquidated claim in the FIFO Payment Queue, discussed below.

Verus will provide real time access to “inventory” reports which will enable law firm users to generate status reports for the law firm’s inventory of claims. The reports will identify each claim, the status of each claim, any deficiencies, any applicable deadlines for submitting information and a designation of a settlement offer or a claim rejection, as applicable. Reports can also be sent to the law firm by email upon request.

If a settlement offer is made for a claim, and the claimant did not file a fully executed release with the claim form, the claimant may accept or reject the offer. Releases will automatically be generated when an offer is made, and will be posted online for download by law firm users; alternatively, law firms may generate releases on their own, provided the Trust’s form of release is used. To accept the offer, the claimant must submit an executed release to the Trust. See discussion below regarding releases. When Verus receives an executed release, Verus

will date stamp the release, consider the settlement offer accepted, assure that the claim file is otherwise complete, and electronically enter the information in the Combustion Engineering data system. The claim will then be ready for submission to the Trustees for approval and authorization to pay. Verus will date the claim when ready for submission to the Trustees. The date that Verus determines that the claim is ready for submission to the Trustees for approval is deemed the liquidation date under TDP Section 5.1(c) to place the liquidated claim in the FIFO Payment Queue, discussed below.

If the inventory report lists the claim as rejected, specific reasons for the rejection will be noted. Verus will provide the claimant with 90 days to provide the deficient information or to address the reason for the rejection. If no additional information is received, the claim file will be closed.

If the claimant informs the Trust through Verus that the claimant does not accept the Trust's decision, the claimant may request Individual Review, discussed below.

Individual Review

When a claim rises to first in the FIFO Processing Queue, Verus processes the claim for either expedited or individual review. For individual review, Verus will consider several factors in determining whether and in what amount a settlement offer should be made, including (1) claimant's age, (2) age at the time of diagnosis, (3) number of dependents, (4) disability, (5) lost wages, (6) employment status, (7) CE exposure, (8) pain and suffering, (9) special damages, (10) jurisdiction, (11) disruption of household, family or recreational activities, (12) industry of exposure, and (13) settlements, verdicts and the claimant's and other law firms' experience in the claimant's jurisdiction for similarly situated claims. With experience, Verus, in consultation with the Trustees, will develop summary information and data regarding these factors. Verus

will recommend to the Trustees guidelines for applying these factors. The Trustees will thereafter establish values and other directives for applying these factors to formulate offers to claimants.

Verus, on behalf of the Trust, may make an offer to the claimant. The Trustees will establish the parameters for offers by its responses to Verus recommendations and directives to Verus, as described above. The settlement offer will be communicated to the claimant by email or by mail. The claimant may make a counter-offer without terminating the Individual Review process. Verus, on behalf of the Trust, and the claimant may engage in continued negotiations. If the negotiations do not result in an agreement, Verus will nevertheless make a final offer to the claimant. Verus and the claimant shall use their best efforts to complete the negotiations within 30 days after Verus has made an offer, on behalf of the Trust, to the claimant. Individual Review does not end until the claimant agrees to a settlement amount or rejects a final offer in writing, as provided in the following paragraph. Before making a final offer, Verus will provide the Trustees with a schedule of proposed offers. Verus will make the final offer, on behalf of the Trust, unless the Trustees direct otherwise.

If the negotiation process results in an agreed settlement amount, the claimant may communicate the acceptance of the agreed settlement amount to Verus by email or by mail. Verus will electronically record the settlement amount and instruct the claimant to submit a fully executed release to Verus. When Verus receives an executed release, Verus will date stamp the release and electronically enter the information in the Combustion Engineering data system. Verus will determine if the claim file is otherwise complete. If the claim file is complete, the claim will then be ready for submission to the Trustees for approval and authorization to pay. Verus will date the claim when ready for submission to the Trustees. The date that Verus

determines that the claim is ready for submission to the Trustees for approval is deemed the liquidation date under TDP Section 5.1(c) to place the liquidated claim in the FIFO Payment Queue, discussed below.

Absent an agreement, Individual Review will be completed when either (a) the Trust has made a final offer on the claim, the claimant has rejected the final offer for the liquidated value resulting from Individual Review, and the claimant has notified the Trust in writing of the rejection or (b) when the Trust has rejected the claim. Verus on behalf of the Trust will provide the claimant with a notice of completion of Individual Review using the form attached as Exhibit D to these Procedures.

Initial Claims Filing Date

Claims filed beginning on September 1, 2006, and through March 1, 2007, were deemed filed with the Trust on the Initial Claims Filing Date. Those claims were and are processed in the order established by Section 5.1(a)(1) of the TDP. Between September 1, 2006, and March 1, 2007, CVC reviewed claims filed and ordered the processing of the claims pursuant to Section 5.1(a)(1).

Beginning on March 2, 2007, claims have been or will continue to be processed in the order of the date a claim was deemed “substantially complete” by the Trust, and be ranked accordingly in the FIFO Processing Queue as provided in Section 5.1(a)(1) of the TDP.

Claims are paid based on the order of the FIFO Payment Queue, which is determined on liquidation of the claim and not on the FIFO Processing Queue or priority regarding the Initial Claims Processing Date. Priority regarding the Initial Claims Processing Date and the FIFO Processing Queue determines order of processing of claims, not order of payment.

Extraordinary Claims

A claim filed as an Extraordinary Claim is processed under Individual Review, as described above. Verus will review the Disease Level of the claim. Only those claims that satisfy the medical criteria for Disease Levels IV-VIII are eligible for consideration as Extraordinary Claims. Accordingly, claims for Disease Levels I-III that are submitted to the Trust for consideration as Extraordinary Claims will be rejected as Extraordinary Claims but will continue to be processed under Individual Review.

After review of the Disease Level, Verus will consider whether the claimant has established that the claimant's exposure to asbestos was at least 75% the result of Combustion Engineering exposure and whether the claimant has established that there is little likelihood the claimant will receive a substantial recovery elsewhere. If these conditions are not established, the claim will be rejected as an Extraordinary Claim but will continue to be processed under Individual Review. If the conditions are established, Verus will complete the Individual Review process.

With experience, Verus, in consultation with the Trustees, will develop summary information and data regarding these requirements. Verus will recommend to the Trustees guidelines for determining whether a claim satisfies these requirements. The Trustees will thereafter establish values and other directives to formulate offers to claimants in accordance with the TDP.

Exigent Hardship Claims

A claim filed as an Exigent Hardship Claim will be processed by Verus without regard to the order of processing as otherwise provided under the TDP or these Procedures. Following the establishment of the claim file and the initial processing described above, Verus will proceed directly to a review of the claim. As provided in these Procedures, the Trust will either reject the

claim or submit an offer to the claimant within 90 days from the submission to the Trust of a fully completed claim form.

Only those claims that satisfy the medical/ exposure criteria of Disease Levels IV-VIII are eligible for consideration as Exigent Hardship Claims. Accordingly, claims for Disease Levels I-III that are submitted to the Trust for consideration as Exigent Hardship Claims will be rejected as Exigent Hardship Claims. Verus will notify the claimant of the rejection of the claim as an Exigent Hardship Claim. If the claimant requests, Verus will return the claim to the FIFO Processing Queue, to be scheduled in the FIFO Processing Queue in the place the claim would have occupied had it not been filed as an Exigent Hardship Claim, and to be processed under either Expedited Review or Individual Review at the claimant's option.

If the claim satisfies the medical/ exposure criteria for Disease Levels IV- VIII, Verus will determine (a) if the claimant needs immediate financial assistance based on the claimant's expenses and all sources of available income, and (b) if there is a causal connection between the claimant's financial condition and the claimant's asbestos-related disease. As provided in the claim form, the claimant may submit to the Trust an explanation and any documentation in support of the Exigent Hardship Claim. The claimant must include a verified statement of the amount the claimant has recovered in respect of the claim from other asbestos defendants and other asbestos claims resolution organizations. If explanatory information and/ or the statement of recovery from other asbestos- related sources are not submitted to the Trust, Verus will notify the claimant by email of the outstanding documentation and/ or deficiencies. If Verus determines that the claim does not meet both conditions (a) and (b), the claim will be rejected as an Exigent Hardship Claim. Verus will return the claim to the FIFO Processing Queue, to be

scheduled in the FIFO Processing Queue in the place the claim would have occupied had it not been filed as an Exigent Hardship Claim and processed accordingly under Individual Review.

If Verus determines that the claim meets the criteria, Verus will continue to process the claim under the Individual Review process.

With regard to the criteria in this section, with experience, Verus, in consultation with the Trustees, will develop summary information and data regarding these requirements. Verus will recommend to the Trustees guidelines for determining whether a claim satisfies the requirements. The Trustees will thereafter establish values and other directives to be used to formulate offers to claimants in accordance with the TDP.

The Trust may liquidate and pay Exigent Hardship Claims at any time notwithstanding any other provision of the TDP or these Procedures. Once a determination is made that the claim qualifies as an Exigent Hardship Claim and is liquidated, the claim will be placed at the head in the FIFO Payment Queue for purposes of payment. Payment will, however, be subject to the Maximum Annual Payment and Claims Payment Ratio.

Arbitration

Section 5.10 of the TDP provides for arbitration. The Trustees, with the consent of the TAC and FCR, have concluded that mediation constitutes an effective and efficient means to resolve disputed TDP Claims. Accordingly, the Trustees adopted alternative dispute resolution procedures (“ADR Procedures”) to include mediation as well as arbitration. The ADR Procedures are attached as Exhibit E to these Procedures.

The ADR Procedures shall be administered by the American Arbitration Association (“AAA”). The arbitrations and mediations shall be conducted through the offices of the AAA unless otherwise agreed by the claimant and the Trust.

Prior to arbitration, the claimant may submit the disputed TDP Claim to mediation. Alternatively, the claimant may waive mediation and choose to proceed directly to arbitration. For arbitration, the claimant may elect binding or non-binding arbitration. The Trust will pay the AAA fees.

Arbitration itself shall be governed by Section 5.10 of the TDP. Any provision of the arbitration procedures included in the ADR Procedures attached as Exhibit E or any provision of alternative arbitration procedures agreed to by the claimant and the Trust shall be subject to Section 5.10 of the TDP, and, in the event of an inconsistency, Section 5.10 of the TDP shall govern.

To be eligible for the ADR Procedures, including arbitration, the claimant must first have completed Individual Review. The claimant shall initiate the ADR process, including arbitration, by filing with the Trust a notice demanding arbitration. The demand for arbitration shall include elections by the claimant (1) of mediation or (2) a waiver of mediation with a directive to proceed directly to arbitration, and (3) for arbitration, binding or non-binding arbitration. A form of notice is attached as Exhibit F. The notice may be filed with the Trust by mail, by fax or by email as provided under Electronic Access, above. The notice shall be filed with the Trust no later than 30 days after the completion of Individual Review. Verus shall issue a notice of completion of Individual Review providing the date of completion of Individual Review. Verus shall use the notice of completion of Individual Review attached as Exhibit D.

In the case of mediation, if a settlement results, the AAA will provide notice to the claimant and the Trust as provided in the ADR Procedures at Exhibit G. The claim will be liquidated in the amount of the settlement. The claim shall be placed in the FIFO Payment Queue upon receipt of a fully executed release. If a settlement does not result, the AAA will process the claim to arbitration as provided in the ADR Procedures.

In the case of binding arbitration, the claim will be liquidated in the amount of the arbitral award. The claim shall be placed in the FIFO Payment Queue upon receipt of a fully executed release.

In the case of non-binding arbitration, if the claimant and the Trust accept an arbitral award, the claim as liquidated by the arbitral award shall be placed in the FIFO Payment Queue based on the date of the receipt of a fully executed release. The claimant shall notify the Trust of the acceptance of a non-binding arbitral award in the manner provided in Exhibit G. The notice may be mailed, faxed or emailed to the Trust using the address or number on the claim form or under Electronic Access, above. Upon receipt of the notice, the Trust will either accept or reject the award. If the Trust accepts the arbitral award, Verus will inform the claimant and instruct the claimant to submit a fully executed release.

Litigation

If a claimant elected non-binding arbitration and the claimant or the Trust rejected an arbitral award, the claimant may file a lawsuit in the Claimant's Jurisdiction as defined in the TDP and as provided in Section 7.6 of the TDP. If a claimant obtains a judgment against the

Trust, the claim as liquidated by the judgment shall be placed in the FIFO Payment Queue based on the date the judgment becomes final and no longer subject to appeal.

Payment of Liquidated Claims

Based on the FIFO Payment Queue, Verus will add liquidated claims to a schedule of claims to be paid at the end of each calendar month. Verus will also aggregate the amount of the liquidated claims by law firm.

Five days before the established payment date, Verus will email to the Trustees a payment request, which will consist of (1) a cover letter outlining the total number of claims and amount to be paid in the order determined by the FIFO Payment Queue, (2) a report listing jurisdiction, attorney, number of claims to be paid by attorney and total amount of the claims to be paid by attorney, (3) a report listing the individual claims, disease, settlement amount and type of review, and (4) the Maximum Annual Payment/Claims Payment Ratio report described below. The form of the letter and the forms of the reports are attached as Exhibit J.

Following receipt of these reports, the Trustees will schedule a conference with Verus to discuss the recommendations made by Verus. Following that conference, the Trustees will, by email, inform the Managing Trustee or his Trustee-designate whether or not they approval the claims for payment and whether they authorize payment. If a Trustee is unavailable to authorize payment, the request will be carried to the next month. If the Trustees disagree on the authorization, the payment request will be held until the matter is resolved by the Trustees. If the Trustees authorize payment, the Managing Trustee will authorize payment by email to Verus substantially in the form of authorization attached as Exhibit J. Upon receiving the Trustees' authorization, Verus will either process checks made payable to the law firms, or process wire transfers to the law firms. If a check, Verus will mail to each law firm a cover letter, check and

remittance letter, in the form attached as Exhibit J. If by wire transfer, Verus will email to the law firm a request for wire transfer instructions. Verus may process the wire transfer upon receipt of transfer instructions for the receiving financial institutions. For wire transfers, the law firm must inform Verus that it elects to have its claims paid by wire transfer to the law firm. The law firm may submit standing wire transfer instructions to Verus. The Trustees and Verus prefer payment by check and may, in their discretion, decline to pay by wire transfer. The law firms will pay claimants based on the protocols set between the law firms and their clients. In the case of a claimant not represented by counsel, Verus will send a check with a cover letter to the claimant. A copy of the request and approval email, check register and check stubs will be kept by Verus and a copy of the check register will be forwarded to the Trust, in the form attached as Exhibit J.

Liquidated claims will be paid monthly in the order established by the FIFO Payment Queue. Claims are usually paid on the fourth Friday of each month or as soon thereafter as the Trustees become available and authorize payment.

The FIFO Payment Queue for claims resolved by Expedited Review and Individual Review is established as follows:

First. Date of liquidation of claim. The date of approval by the Trustees is the date that Verus determines that the claim is ready for submission to the Trustees for approval, which will constitute the liquidation date under TDP Section 5.1(c), regardless of the administrative process employed by the Trustees to document their action to approve the claim.

Second. In the event of the same date under the first criteria, the date of diagnosis, earliest first, as provided by TDP Section 5.1(c).

Third. In the event of the same date under the second criteria, the date of birth of the claimant, oldest first, applies, as provided by TDP Section 5.1(c).

The TDP provides: “The Trustees shall have the discretion to determine the form and substance of the release to be provided to the Asbestos PI Trust. As a condition to making any payment to a claimant, the Asbestos PI 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.”

No claim will be paid until Verus receives an executed release in the form attached to these Procedures as Exhibit H.

If a release form has not been submitted to the Trust within sixty (60) days of a settlement offer under Expedited Review, an email, mail or fax acceptance of a settlement offer under Individual Review or a settlement notice under Arbitration, Verus will prepare and send by email or mail to the claimant or to the law firm a list of claims requiring executed releases. If a release is not submitted within sixty (60) days of that notice, the claim will be suspended from active process by Verus, to be activated upon receipt of an executed release. Annually, Verus will email or mail to claimant’s counsel a schedule of liquidated claims for which releases have not been received by Verus.

If an attorney for a claimant believes that a different form of release or additional or supplemental provisions would be appropriate under applicable state or other law, the attorney may submit that form of release or additional or supplemental provisions for consideration by the Trustees. The Trustees will consult with Trust counsel, who will review the request. If the

Trustees agree, the alternative form of release may be used in lieu of or as supplement to Exhibit H.

The Trustees may modify the form of release attached as Exhibit H to conform the verification requirement to the Claimant's Jurisdiction; for example, in the event the Claimant's Jurisdiction is outside the United States.

Before making a payment to a claimant, Verus will review its database to ascertain whether the Trust is entitled to an offset against the claimant. If so, Verus will provide notice to the claimant. If the claimant agrees, the offset will be applied to the payment following Section 4.5 of the TDP. If the claimant does not agree, the portion of the payment subject to the dispute will be held until the disagreement is resolved. Any amount due to the claimant not subject to the dispute will be paid to the claimant pursuant to these Procedures.

Verus will apply the Initial Payment Percentage to the liquidated value of the claim to be paid, except Disease Level I Claims which shall be paid the full amount of their Scheduled Value as set forth in Section 5.3(a)(3) of the TDP. In the case of a judgment, Verus will make a payment following the provisions of Section 7.7 of the TDP.

Verus shall develop a program to maintain running totals as claims are paid, reporting the total amount paid to date during the year, broken down by the 87%/ 13% Claims Payment Ratio. Verus will provide the report to the Trustees immediately following each payment period. Prior to the next payment period, Verus will prepare a report projecting the payments to be made and the resulting total amount that would be paid through that payment period to date during the year, with the projection broken down by the 87%/13% Claims Payment Ratio. Verus shall not issue the checks for that subject payment period until authorized by the Trustees in writing using the form attached as Exhibit J, which will be emailed by the Trustees to Verus. The Trustees

may not authorize payments that will exceed the Maximum Annual Payment or the Claims Payment Ratio limitations. In the event that the Maximum Annual Payment is reached or one or both of the Claims Payment Ratio limitations is/ are reached, the affected claim(s) will be carried into the next calendar year maintaining their respective priorities in the FIFO Payment Queue. Verus will so notify the claimant by email. Verus will follow the above procedure to obtain the Trustees' authorization to pay the claim in the subsequent year.

The TDP allows the Trustees, with the consent of the TAC and FCR, to offer a reduced payment option, Sections 2.5 and 5.1(c), and for de minimus distributions. Section 4.4. The Trust has not adopted a reduced payment option nor has the Trust provided for de minimus distributions.

Amendments/Modifications

These Procedures may be modified or amended by the Trustees, from time to time, with the consent of the TAC and the FCR. Implementation of these Procedures shall be vested in the discretion of the Trustees.

Schedule 1

Maximum Annual Payment

Year	Amount
2006	\$75,000,000
2007	\$75,000,000
2008	\$75,000,000
2009	To be determined

Note: In any year, excess funds, if any, within the Maximum Annual Payment as divided by the Claims Payment Ratio into Category A Claims and Category B Claims shall be carried into the next year and added to the Maximum Annual Payment for that next year as divided by the Claims Payment Ratio into Category A Claims and Category B Claims. For historic application by the Trust, see next page of this Schedule 1.

Schedule 1
(Page 2)

Maximum Annual Payment 2006 = \$75,000,000 per TDP
Claims Payment Ratio = Category A 87%, Category B 13%, per TDP

Category A	87% =	\$65,250,000
	Paid in 2006 =	\$14,935,903.20
	Carryover into 2007 =	\$50,314,096.80

Category B	13% =	\$9,750,000
	Paid in 2006 =	\$1,116,933.12
	Carryover into 2007 =	\$8,633,066.88

Maximum Annual Payment 2007 = \$75,000,000 + \$58,947,163.68 (carryover; \$50,314,096.80 for Category A, \$8,633,066.88 for Category B) = \$133,947,163.68

Category A	87% =	\$65,250,000
	Carryover from 2006 =	50,314,096.80
	Total for 2007 =	115,564,096.80
	Paid in 2007	\$100,006,139.46
	Carryover into 2008	15,557,957.34
Category B	13% =	\$9,750,000
	Carryover from 2006 =	8,633,066.88
	Total for 2007 =	18,383,066.88
	Paid in 2007	\$18,382,999.12
	Carryover into 2008	67.76

Maximum Annual Payment 2008 = \$75,000,000 + Carryover

Category A	87% =	\$65,250,000
	Carryover from 2007 =	15,557,957.34
	Total for 2008 =	80,807,957.34
Category B	13% =	\$9,750,000
	Carryover from 2007 =	67.76
	Total for 2008 =	9,750,067.76
	Payment Queue =	8,628,038.06
	Remaining for 2008 =	1,122,029.70

Schedule 2

Items for a Deemed “Substantially Complete” Claim Eligible for FIFO Processing Queue

1. Legal Representation
2. Claim Process (Expedited Review or Individual Review)
3. Claimant’s Name
4. Claimant’s Date of Birth
5. Claimant’s Social Security Number
6. If Applicable - Claimant’s Date of Death
7. If Applicable - Representative’s Name
8. If Applicable - Representative’s Address
9. If Applicable - Representative’s Social Security Number
10. If Applicable - Relationship to Deceased Claimant
11. Diagnosis
12. Diagnosis Date
13. Years of Exposure
14. Occupation
15. Job Site

Exhibit A

Proof of Claim Form

Exhibit B

Instructions for Filing a Claim with the Combustion Engineering 524(g) Asbestos PI Trust

Date

Attorney Name
Law Firm
Address
City, ST Zip

Subject: Instructions for Filing a Claim with the Combustion Engineering 524(g)
Asbestos PI Trust

Dear Plaintiff Counsel:

The Combustion Engineering 524(g) Asbestos PI Trust (the “Trust”) was established as a result of the bankruptcy of Combustion Engineering, Inc. The Trust is organized to process, liquidate and pay valid asbestos personal injury claims in accordance with the Combustion Engineering 524(g) Asbestos PI Trust Distribution Procedures (the “CE TDP”), which were approved by the bankruptcy court.

This memorandum provides an overview of how to file a claim with the Trust and is intended to assist claimants in filing a complete and valid claim. The legal requirements for a valid claim, however, are set forth in the CE TDP. A copy of the CE TDP is attached. This memorandum is sent on behalf of the Trust by Verus Claims Services, LLC (“Verus”), the Trust’s claims processor. The Trust’s Procedures for Reviewing and Liquidating TDP Claims (“Procedures”) may be found on the Trust’s webpage at www.cetrust.org or on Verus’ webpage at www.verusllc.com. The claim form is Exhibit A to the Procedures. Electronic filing instructions may be obtained from Verus or downloaded from www.cetrust.org.

This memorandum is divided into four parts. The first part describes the mechanics for filing a claim with the Trust. The second part addresses how a claim is processed by the Trust. The third part provides an overview of the requirements for a valid claim under the CE TDP. The fourth part explains how a claim is paid.

How do I file a claim with the Trust?

Required Paperwork

To file a claim, you must submit a completed Claim Form along with the required supporting documentation. The supporting documentation is discussed below. You may submit your claim to the Trust using either (1) the enclosed Claim Form or (2) electronic submission upload to the Trust’s electronic filing system, or (3) by email in Excel format. A sample copy of the Claim Form in Excel format is enclosed herewith. You may use or include claim materials PDF or TIFF format. All material must be sent to the Trust by mail, fax, direct upload or by email using the following address:

Combustion Engineering 524(g) Asbestos PI Trust
c/o Verus Claims Services, LLC
57 Hamilton Avenue, Suite 208
Hopewell, NJ 08525
Telephone: 609-466-0427
Fax: 609-466-1449
Email: support@verusllc.com
Webpage: www.verusllc.com

You should make every effort to submit the Claim Form and all required documentation at the same time. Questions regarding the Claim Form and the claim process may be directed to: support@verusllc.com.

Prior Claims

The Trust will review each claim to determine whether the claimant has previously filed a claim with the CE Settlement Trust. Claims filed with the CE Settlement Trust that have been or will be paid by the CE Settlement Trust may not be filed with the Trust. Claims filed with the CE Settlement Trust that are eligible for payment by the CE Settlement Trust but unpaid due to lack of funds may be filed with the Trust. The Trust will endeavor to provide notice to such claimants upon receipt of information from the CE Settlement Trust. Claims filed with the CE Settlement Trust that the CE Settlement Trust has determined do not meet the criteria for payment by the CE Settlement Trust (“Non-Qualified Claims”) could have been filed with the Trust within the deadline discussed below. Non-malignant asbestos claimants paid by the CE Settlement Trust may subsequently submit malignancy claims to the Trust. If the claimant filed a claim with the CE Settlement Trust, the Trust may request further information from the claimant to determine eligibility for compensation from the Trust.

If a claimant received a payment from Combustion Engineering, Inc., or from the CE Settlement Trust, the Trust will review any release executed by the claimant to determine eligibility for compensation from the Trust. The Claim Form requires the submission to the Trust of any previously executed release involving Combustion Engineering. Additionally, if an asbestos-related lawsuit has been filed on behalf of the injured party against any asbestos defendant, the Claim Form requires the submission to the Trust of a photocopy of the cover sheet of the complaint or other proof of filing. If the claimant submits other proof of filing, the case caption, docket number and date the complaint was filed with the court must be included. See Claim Form, Part 10.

Deadline

Other than the statute of limitations, discussed below, only the Non-Qualified Claims are subject to a deadline for filing with the Trust. Non-Qualified Claims are claims filed with the CE Settlement Trust that the CE Settlement Trust has determined do not meet the criteria for payment by the CE Settlement Trust and will not be paid by the CE Settlement Trust. Non-Qualified Claims had to have been filed with the Trust by November 30, 2006, along with a \$75.00 filing fee. See Section 5.2(d) of the CE TDP.

Statute of Limitations

All claims must be filed before the expiration of the relevant statute of limitations. See Section 5.1(a)(2) of the CE TDP for details on the application of the statute of limitations.

Disease Levels

Claims are categorized by eight asbestos-related disease levels. The Disease Levels are Mesothelioma (Level VIII), Lung Cancer 1 (Level VII), Lung Cancer 2 (Level VI), Other Cancer (Level V), Severe Asbestosis (Level IV), Asbestosis/Pleural Disease (Level III), Asbestosis/Pleural Disease (Level II), and Other Asbestos Disease (Level I). See Claim Form, Part 6. Each Disease Level has been assigned medical and exposure criteria; seven have Scheduled Values, and five have ranges of values, as well. The values have been determined with the intention of achieving a fair allocation of the Trust's funds among claimants suffering from different diseases in light of current and historical information regarding claims against Combustion Engineering.

How will my claim be processed?

Processing Order

In general, claims will be processed in the order received by the Trust on a first-in-first-out basis.

Liquidation of Claims

The claimant must choose either Expedited Review or Individual Review. Claims for Lung Cancer 2 (Level VI) must be submitted to Individual Review. See Claim Form, Part 1.

Expedited Review

Expedited review is explained at section 5.3 of the CE TDP. Under Expedited Review, the Trust will determine whether the claim presumptively meets the medical and exposure criteria for one of the seven Disease Levels eligible for Expedited Review, and will advise the claimant of its determination. If a Disease Level is determined, the Trust will assign the claim the established Scheduled Value for the claim depending on the Disease Level. The Disease Levels and Scheduled Values are set forth at section 5.3 (a) (3) of the CE TDP, and reproduced below. The Trust will tender to the claimant an offer of payment based on that value.

Because the Trust assigns the Scheduled Value to a determined Disease Level, the claimant may pre-accept a claim settlement offer with the filing of the Claim Form by checking the appropriate box on the Claim Form. (See Claim Form, Part 1). If the claimant pre-accepts a claim settlement offer, the claimant must submit an executed release with the Claim Form and the claimant accepts a settlement offer of the Scheduled Value at the Disease Level indicated on the Claim Form or at a higher Disease Level.

If the claimant does not pre-accept a claim settlement offer, a settlement offer will be tendered to the claimant for acceptance or rejection. If the claimant accepts the offer, the claim will be

placed in line for payment upon receipt of an executed release and the completion of the claim file. The claimant accepts the offer by tendering the release.

If the claimant rejects the offer, the claimant may request Individual Review.

If the Trust concludes that a claim does not meet the medical and/ or exposure criteria for one of the Disease Levels, the Trust will deny the claim. If the Trust denies the claim, the claimant may request Individual Review.

Individual Review

The Trust's Individual Review process provides a claimant with an opportunity for individual consideration and evaluation of a claim. Claimants holding claims in the more serious Disease Levels IV, V, VII and VIII will be eligible to seek, and claimants holding claims in Disease Level VI will be required to undergo, Individual Review of the liquidated value of their claims, as well as of their medical and/or exposure evidence. Claimants whose claims fail to meet the presumptive Medical and/or Exposure Criteria for Disease Levels II and III are also eligible to seek Individual Review. For Disease Levels II and III, if the Trust is satisfied that the claimant has presented a claim that would be cognizable and valid in the tort system, the Trust may offer the claimant a liquidated value amount up to the Scheduled Value for that Disease Level, unless the claim qualifies as an Extraordinary Claim as described in Section 5.4(a) of the CE TDP. If the Trust determines that the claim is deficient or does not qualify for payment, then the Trust will issue a notice of deficiency to the claimant or deny the claim, as applicable.

For Disease Levels IV – VIII, the Individual Review process is intended to result in payments equal to the full liquidated value for each claim multiplied by the Payment Percentage. The Payment Percentage is discussed below. If the Trust concludes that the claim has merit, the Trust will assign a value based on the range of values provided in section 5.3 (b) (3) of the CE TDP; however, the liquidated value of any 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 IV – VIII will not exceed the Maximum Value for the relevant Disease Level set forth in Section 5.3(b)(3) of the CE TDP, unless the claim meets the requirements of an Extraordinary Claim described in Section 5.4(a) of the CE TDP.

Because the detailed examination and valuation process pursuant to Individual Review requires substantial time and effort, claimants electing to undergo the Individual Review process will necessarily be paid the liquidated value of the claims later than would have been the case had the claimant elected the Expedited Review process. If the claimant is seeking Individual Review, Parts 12, 13, 14 and 15 of the Claim Form must be completed to the extent applicable.

Valuation Factors to be Considered in Individual Review

The Trust will liquidate the value of each claim that undergoes Individual Review based on the historic liquidated values of other similarly situated claims in the tort system for the same Disease Level. The Trust will thus take into consideration the 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; (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 CE Exposure, (for example, alternative causes, and the strength of documentation of injuries); (iv) the industry of exposure; and (v) settlements, verdicts and the claimant's and other law firms' experience in the Claimant's Jurisdiction (as that term is described below) for similarly situated claims.

The Claimant's Jurisdiction

For purposes of filing a claim pursuant to the Individual Review process, the Claimant's Jurisdiction is the jurisdiction in which the claim was filed (if at all) against CE in the tort system prior to February 17, 2003. If the claim was not filed against CE in the tort system prior to February 17, 2003, the claimant may elect as the Claimant's Jurisdiction either (i) the jurisdiction in which the claimant resides at the time of diagnosis, (ii) the jurisdiction in which the claimant resides when the claim is filed with the Trust, or (iii) any jurisdiction in which the claimant experienced CE Exposure. Notwithstanding the foregoing, if a claim is asserted by the official representative and the Claimant's Jurisdiction would be Alabama under the provisions of the preceding sentence such that the claim asserted would arise under the Alabama Wrongful Death Statute; then the Claimant's Jurisdiction will be the Commonwealth of Pennsylvania for purposes of evaluating the claim. See Claim Form, Part 14.

Negotiations

In the Individual Review process, the Trust will either deny the claim or assign a value as described above. The Trust will tender to the claimant an offer based on that assigned value.

Individual Review contemplates a negotiation process between the claimant and the Trust. The claimant may, therefore, make a counter-offer to the Trust without terminating the Individual Review process. Verus, on behalf of the Trust, and the claimant may engage in continued negotiations. If the negotiations do not result in an agreement, the Trust will nevertheless make a final offer to the claimant. The Trust and the claimant will use their best efforts to complete negotiations within thirty (30) days after the Trust has made an offer. Individual Review does not end until the claimant agrees to a settlement amount or rejects the final offer in writing.

If the claimant accepts the offer, the claim will be placed in line for payment upon receipt by the Trust of the executed release and completion of the claim file.

If the claimant rejects the offer, the claimant may request binding or non-binding arbitration. See Section 5.10 of the TDP for arbitration provisions. The Trust will issue a notice of completion of Individual Review setting a thirty (30) day deadline for the claimant to demand arbitration. For form notices and further information regarding arbitration, see the Procedures on the web pages referenced above.

Extraordinary and Exigent Hardship Claims

The CE TDP provide for Extraordinary Claims and for Exigent Hardship Claims. For details, see Sections 5.4 (a) and 5.4 (b) of the CE TDP, respectively. See also, Claim Form, Part 2.

Liquidated Claim

If the Trust and the claimant agree on the value of a claim or if the claim is determined by arbitration or court judgment, the claim has been liquidated under the CE TDP and eligible for payment. Liquidated claims will be paid on a percentage basis by application of a Payment Percentage, discussed below. No claimant shall receive a payment greater than the Payment Percentage multiplied by the liquidated value of the claim.

What are the requirements for a valid claim under the CE TDP?

General Requirements

A claimant who establishes with a medical examination that he is suffering from one of the Disease Levels listed below, and who provides evidence of Combustion Engineering exposure, may be eligible for the Scheduled Values for the relevant Disease Level.

All claimants are required to submit a complete Claim Form with the required supporting documentation. At a minimum, the supporting documentation consists of a medical report from the diagnosing physician and a death certificate, if applicable.

The following chart, used for Expedited Review, summarizes the Scheduled Values and Medical/Exposure Criteria for the various Disease Levels. This chart is intended as a general guideline for a valid claim. As stated throughout this instructional memorandum, the CE TDP must be consulted to determine whether the claim satisfies the requirements for a valid claim. See Section 5.3(a)(3) of the CE TDP.

Disease Level	Scheduled Value	Medical/Exposure Criteria
Mesothelioma (Level VIII)	\$75,000	(1) Diagnosis ¹ of mesothelioma and (2) CE Exposure ²
Lung Cancer 1 (Level VII)	\$25,000	(1) Diagnosis of a primary lung cancer plus evidence of an underlying Bilateral Asbestos-Related Nonmalignant Disease ³ , (2) six months CE Exposure, (3) Significant Occupational Exposure ⁴ , and (4) supporting medical documentation establishing asbestos exposure as a substantial contributing factor in causing the lung cancer in question.
Lung Cancer 2 (Level VI)	Subject to Individual Review	<p>(1) Diagnosis of a primary lung cancer, (2) CE Exposure, and (3) supporting medical documentation establishing asbestos exposure as a substantial contributing factor in causing the lung cancer in question. Lung Cancer 2 (Level VI) claims are claims that do not meet the more stringent medical and/or exposure requirements of Lung Cancer 1 (Level VII) claims. All claims in this Disease Level will be individually evaluated. The estimated likely average of the individual evaluation awards for this category is \$15,000.00, with such awards capped at \$50,000.00 unless the claim qualifies for Extraordinary Claim treatment.</p> <p>Level VI claims that show no evidence of either an underlying Bilateral Asbestos-Related Nonmalignant 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.⁵ In any event, no presumption of validity will be available for any claims in this category.</p>

Other Cancer (Level V)	\$6,000	(1) Diagnosis of a primary colo-rectal, laryngeal, esophageal, pharyngeal, or stomach cancer, plus evidence of an underlying Bilateral Asbestos-Related Nonmalignant Disease, (2) six months cumulative CE Exposure, (3) Significant Occupational Exposure to asbestos, and (4) supporting medical documentation establishing asbestos exposure as a substantial contributing factor in causing the other cancer in question.
Severe Asbestosis (Level IV)	\$25,000	(1) Diagnosis of asbestosis with ILO of 2/1 or greater, or asbestosis determined by pathological evidence of asbestos ⁶ , plus (a) TLC less than 65%, or (b) FVC less than 65% and FEV1/FVC ratio greater than 65%, (2) six months CE Exposure, (3) Significant Occupational Exposure to asbestos, and (4) supporting medical documentation establishing asbestos exposure as a substantial contributing factor in causing the pulmonary deficit in question.
Asbestosis/Pleural Disease (Level III)	\$4,800	Diagnosis of asbestosis with ILO of 1/0 or greater or asbestosis determined by pathology, or Bilateral Asbestos-Related Nonmalignant Disease of B2 of greater, plus (a) TLC less than 80%, or (b) FVC less than 80% and FEV1/FVC ratio greater than or equal to 65%, and (2) six months CE Exposure, (3) Significant Occupational Exposure to asbestos, and (4) supporting medical documentation establishing asbestos exposure as a substantial contributing factor in causing the pulmonary deficit in question.
Asbestosis/Pleural Disease (Level II)	\$1,800	(1) Diagnosis of a Bilateral Asbestos-Related Nonmalignant Disease, and (2) six months CE Exposure, and (3) five years cumulative occupational exposure to asbestos.
Other Asbestos Disease (Level 1) Cash discount payment	\$250 (Not subject to the Payment Percentage	(1) Diagnosis of a Bilateral Asbestos-Related Nonmalignant Disease or an asbestos-related malignancy (except mesothelioma), and (2) CE Exposure.

The following chart, used for Individual Review, summarizes the range of values for severe asbestosis (Disease Level IV) and malignancies (Disease Levels V-VIII). See Section 5.3 (b)(3) of the CE TDP.

Scheduled Disease	Scheduled Value	Average Value	Maximum Value
Mesothelioma (Level VIII)	\$75,000	\$95,000	\$400,000
Lung Cancer 1 (Level VII)	\$25,000	\$35,000	\$150,000
Lung Cancer 2 (Level VI)	Subject to Individual Review	\$15,000	\$50,000
Other Cancer (Level V)	\$6,000	\$9,000	\$75,000
Severe Asbestosis (Level IV)	\$25,000	\$40,000	\$150,000
Asbestosis (Level III)	\$4,800	Scheduled Value	Scheduled Value
Asbestosis/Pleural Disease (Level II)	\$1,800	Scheduled Value	Scheduled Value
Other Asbestos Disease (Cash Discount Payment) (Level I)	\$250	None	None

Medical Evidence

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.

In order to expedite the processing of claims and minimize expense, with the consent of the claimant, the Trust will use available results of previous reviews of medical records for other asbestos defendants by Verus for the verification of the claimed medical condition. See Claim Form, Part 6. If the claimant does not consent to the use of available previous medical reviews, medical records must be submitted with the Claim Form. Even if the claimant consents to the use of available previous medical reviews, the Trust may request further medical documentation.

For further details regarding medical evidence required for a valid claim, see Section 5.7(a) of the CE TDP.

Exposure Evidence

In General

To meet the presumptive exposure requirements for Expedited Review, the claimant must show (i) for all Disease Levels, CE Exposure (as described below); (ii) for Disease Level II, six months CE Exposure, plus five years cumulative occupational asbestos exposure; and (iii) for Disease Levels III, IV, V or VII, the claimant must show six months CE Exposure, plus Significant Occupational Exposure (as described below) to asbestos. If the claimant cannot meet the requirements of presumptive exposure for a Disease Level for Expedited Review, the claimant may seek Individual Review of his or her evidence of Combustion Engineering exposure. For further details regarding exposure evidence required for a valid claim, see Section 5.7 (b) of the CE TDP. See also, Claim Form, Part 7.

CE Exposure

In general, to qualify for any Disease Level, the claimant must demonstrate exposure to asbestos or asbestos-containing products for which Combustion Engineering has legal responsibility. The Claim Form requires the claimant to list the occupation and industry in which the claimant worked at the time the Combustion Engineering exposure occurred. See Claim Form, Part 7. Attached hereto as Exhibits A and B are the Combustion Engineering, Inc. Occupation Codes and Combustion Engineering, Inc. Industry Codes, respectively. Please use the specified codes in designating the claimant's occupation and industry for purposes of completing the Claim Form. Evidence of the Combustion Engineering exposure may be submitted by affidavit of the claimant or a family member, invoices, employment, construction or similar records, court documents or other credible evidence. Execution of a fully completed Claim Form under penalty of perjury will be considered evidence of exposure. See Claim Form, Part 9.

Significant Occupational Exposure

Claims submitted for Disease Levels III, IV, V or VII must demonstrate Significant Occupational Exposure in order to meet the presumptive exposure requirements for Expedited Review. "Significant Occupational Exposure" means employment for a cumulative period of at least five years 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) altered, repaired or otherwise worked with an asbestos-containing product such that the claimant was exposed on a regular basis to raw 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) and/or (c).

How will I receive payment if I have a valid claim?

Except for Disease Level I, once a claim is liquidated, it is placed in line for payment. The order of payment is based on the date of the liquidation of the claim. For pre-accepted Expedited Review, the date is the date Verus assigns a claim value and determines that the claim file is otherwise complete. For non-pre-accepted Expedited Review and for Individual Review, it is the date Verus determines the claim file is complete and ready for submission to the Trustees for payment after the receipt of an executed release. The claimant will receive a payment equal to the Payment Percentage multiplied by the liquidated value of the claim. Disease Level I claims receive a fixed dollar amount without application of the Payment Percentage. Prior to payment, the Trust will require that the claimant execute a release (release form attached). If the claimant is represented by an attorney, the payment shall be made to the attorney on behalf of the claimant. If the claimant is not represented by an attorney, the payment will be made directly to the claimant.

Payment Percentage

All claims, except Disease Level I, are subject to the Payment Percentage. The Payment Percentage is the percentage of the full liquidated value of a claim that claimants will receive from the Trust. The Payment Percentage is calculated based on the Trust's estimate of the number, types and values of present and future claims and the value and liquidity of the Trust's assets after considering the Trust's operating expenses. See Section IV of the CE TDP. Currently, the Payment Percentage is 48.33%. Applying this Payment Percentage, claimants with valid claims based on the Scheduled Values could expect to be paid the following amounts:

	Scheduled Value	Payment Amount
Mesothelioma (Level VIII)	\$75,000	
Lung Cancer 1 (Level VII)	\$25,000	
Lung Cancer 2 (Level VI)	Subject to Individual Review	
Other Cancer (Level V)	\$6,000	
Severe Asbestosis (Level IV)	\$25,000	
Asbestosis/Pleural Disease (Level III)	\$4,800	
Asbestosis/Pleural Disease (Level II)	\$1,800	
Other Asbestos Disease (Level (1))	\$250 (not subject to the payment percentage)	\$250

The Trustees may adjust the Payment Percentage to reflect updated estimates of the Trust's liabilities. Because there is uncertainty in the prediction of both the number and severity of future claims, and the amount of the Trust's assets, no guarantee can be made of the Payment

Percentage. If the Payment Percentage is increased over time, claimants whose claims were liquidated and paid in prior periods under the CE TDP will not receive additional payments.

Annual Limits

To assure that the Trust has adequate resources to pay similarly situated present and future claims in similar amounts, the Trust may only pay a maximum amount on all liquidated claims in any year. See Section 2.4 of the CE TDP. In addition, 87% of the maximum annual amount must be used to pay claims in Disease Levels IV-VIII and 13% to pay claims in the other Disease Levels. See Section 2.5 of the CE TDP. If the Trust has insufficient funds under the maximum annual allowance to pay all liquidated claims by category in a year, the claims will be carried over to the next year and will retain their priority in the payment line.

Very truly yours,

Dan Myer

Enclosures:

Claim Form

Release Form

CE TDP

Claim Form in Excel format (sample copy)

Exhibit C

Multiple Claims Submission Excel Format

Exhibit D

Notice of Completion of Individual Review

Notice of Completion of Individual Review

To: TDP Claimant
Attorney Name
Law Firm
Address
City, ST Zip

Re: claimant's name, social security number, CE claim file number

Date: _____

Please be advised that the Combustion Engineering 524(g) Asbestos PI Trust has completed its Individual Review of the claim filed by the above named TDP Claimant. Individual Review has not resulted in an agreed liquidated claim. The TDP Claimant has thirty (30) days from the date of this notice to demand that the claim be submitted to arbitration pursuant to Section 5.10 of the Combustion Engineering 524(g) Asbestos PI Trust Distribution Procedures ("TDP").

A form for Demand for Arbitration is available at the Trust's webpage at www.cetrust.org or at the webpage of Verus Claims Services, LLC, at www.verusllc.com.

/s/

Dan Myer on behalf of the Trust

Exhibit E

Alternative Dispute Resolution (ADR) Procedures

COMBUSTION ENGINEERING 524(g) ASBESTOS PI TRUST
ALTERNATIVE DISPUTE RESOLUTION (ADR) PROCEDURES

Pursuant to Section 5.10 of the Combustion Engineering 524(g) Asbestos PI Trust Distribution Procedures (“TDP”) and the Procedures for Reviewing and Liquidating TDP Claims (“Procedures”), the Combustion Engineering 524(g) Asbestos PI Trust (“Trust”) hereby establishes the following Alternative Dispute Resolution (ADR) Procedures for TDP Claims as defined in the TDP (“ADR Procedures”).

I. ADR ADMINISTRATION

A. As provided in the Procedures, the American Arbitration Association (“AAA”) has been retained by the Trust to administer the ADR Procedures pursuant to the TDP and the Procedures. Fees and costs charged by AAA for administering the ADR Procedures, including the mediator’s and/or arbitrator’s fee, will be paid by the Trust. No filing fee is required of the claimant.

B. AAA maintains and operates an electronic claims management system that the Trust and a TDP Claimant may use for submitting TDP Claims to the ADR Procedures, for document submission and for communication by email. The AAA will issue guidelines and directives for the use of that system, known as WebFile.

C. Using WebFile, Verus Claims Services, LLC (“Verus”), will electronically submit the claim file for each TDP Claim subject to the ADR Procedures. Once submitted in the WebFile system, the Trust, Verus and the claimant may electronically access the ADR file for the claim and monitor the status of the mediation and/or arbitration.

D. The claimant may submit position papers and communicate with AAA by mail, by email or by the use of WebFile. If by mail, AAA will scan the communication into the electronic claim file.

E. AAA may develop implementation forms, in consultation with and subject to the approval of the Trust.

F. At the direction of the Trust, AAA maintains a panel of mediators and a panel of arbitrators. The panel of mediators shall be comprised of retired judges and lawyers with experience mediating toxic tort cases or other relevant experience, to be maintained on a regional basis. The panel of arbitrators shall include persons on the panel of arbitrators for the Manville Personal Injury Settlement Trust as of April 1, 2007, who agree to serve as arbitrators for the Trust, as well as experienced arbitrators who may be added from time to time by agreement, including retired judges and other persons with experience in asbestos litigation.

G. The AAA contact person for the administration of these ADR Procedures is Deborah Miller Moore, Vice President, Online Services, Claims Programs & IFFS, American Arbitration Association, 200 S. College St., Suite 1800, Charlotte, NC 28226, Phone: 704-347-6658, Fax: 704-347-2804, moored@adr.org.

H. Acts of the Trust regarding the submission of TDP Claims under these ADR Procedures may be performed, on behalf of the Trust, by Verus.

I. Time Limits.

a. With regard to mediation, time limits established by these ADR Procedures may be extended by the AAA for cause.

b. With regard to arbitration, time limits established by these ADR Procedures may be extended by the arbitrator for cause. In the event the arbitrator extends a time

limit, the arbitrator shall include in the arbitration record an order stating the reasons supporting a finding of cause for the extension.

J. Amendments. Except as otherwise directed by the Bankruptcy Court, these ADR Procedures, as they may be amended by the Trustees, with the consent of the Trust Advisory Committee and the Future Claimants' Representative, will be binding on the parties in the form in which they are in force on the date the TDP Claimant signs the Demand for Arbitration.

II. CONFIDENTIALITY OF ADR PROCEDURES

1. Mediations and arbitrations covered by these ADR Procedures shall be deemed settlement conferences, and all submissions in connection therewith shall be treated as made in the course of settlement discussions and intended by the parties to be confidential and protected by all applicable state and federal privileges, including, but not limited to, those directly applicable to settlement discussions.

2. Rule 408 of the Federal Rules of Evidence shall apply to all aspects of mediations and arbitrations covered by these ADR Procedures, including, without limitation, all submissions made in connection therewith.

3. All mediation and arbitration proceedings conducted under these ADR Procedures are subject to the Confidentiality of Claimants' Submissions provision of Section 7.11 of the TDP.

4. Information disclosed to a mediator or arbitrator by the parties or by witnesses, if any, in the course of these ADR Procedures shall not be divulged by the mediator or arbitrator, as the case may be. All records, reports or other documents received by the mediator or arbitrator while serving in that capacity shall be confidential.

5. The mediator or arbitrator shall not be compelled to divulge such records or to testify in regard to the mediation or arbitration in any adversary proceeding or judicial forum,

except as otherwise provided in these ADR Procedures regarding the decision of the arbitrator in binding arbitration.

6. The parties and the AAA shall maintain the confidentiality of the mediation and arbitration and shall not rely on, or introduce as evidence in any arbitral, judicial or other proceeding, (i) views expressed or suggestions made by another party with respect to a possible settlement of the TDP Claim; (ii) admissions made by another party in the course of proceedings under these ADR Procedures; (iii) proposals, decisions or awards made or views expressed by the mediator or arbitrator; (iv) the fact that another party had or had not indicated a willingness to accept a proposal for settlement made by the mediator or arbitrator; or (v) the fact that mediation or arbitration was requested, undertaken and/or completed; provided, however, (a) the decision of an arbitrator in binding arbitration may be introduced as evidence in a proceeding to enforce such decision and (b) the fact (i) that mediation or arbitration was requested, undertaken and/or completed or (ii) that a party failed to request, undertake and/or complete mediation or arbitration, may be introduced as evidence to the extent necessary to establish or challenge compliance with the TDP requirements for commencement of litigation on a TDP Claim.

7. The AAA and, in the case of arbitration, the arbitrator, shall have authority to make appropriate rulings to safeguard the confidentiality provided herein, unless the parties agree otherwise.

III. RULES GOVERNING MEDIATION

A. Election by TDP Claimant

Pursuant to the Procedures, the TDP Claimant shall file with the Trust the Demand for Arbitration. Procedures, Exhibit F. The Procedures provide for mediation prior to arbitration, unless waived by the TDP Claimant. Absent waiver, the TDP Claim shall be submitted to mediation. The TDP Claimant shall either select or waive mediation at the time of filing the

Demand for Arbitration using the form provided at Exhibit F of the Procedures. Within five (5) days of filing the Demand, Verus will electronically submit the claimant's file to AAA using WebFile. On the date of submission of the claim, AAA will establish a claim file and provide notice to the claimant and the Trust.

B. Parallel Proceeding

Within three (3) days after the submission on WebFile of a claim by a TDP Claimant choosing mediation, the AAA shall retain a mediator from the panel of mediators. The AAA shall select the mediator based upon the region in which the claimant is located. Within five (5) days of the selection of the mediator, AAA shall contact the claimant, the Trust and the mediator to schedule a mediation conference. The mediation conference shall be scheduled within forty-five (45) days of the selection of the mediator. The mediation will take place at the claimant's location unless the parties agree otherwise. The appointment of the arbitrator will continue during this phase.

C. Mediation Statements

At least five (5) days prior to the mediation conference, the claimant and the Trust shall each submit to the mediator detailed written submissions consisting of a confidential statement outlining the claimant's medical condition, exposure to Combustion Engineering products, and each party's position on the overall claim value. The AAA shall provide the mediator with the Trust's file on the claimant. The parties may refer the mediator to documents and medical reports in the file that they believe are relevant to the claim. The mediator shall review the claim, referenced documents and the parties' positions prior to the mediation conference. The mediation statements shall comply with the following:

1. The statements should not exceed ten (10) double space typewritten pages exclusive of attachments.

2. Unless the parties agree otherwise or for cause shown to the mediator, the statements may not introduce factual matter not contained in the Trust's file on the claim.

D. Mediation Procedures

1. Any party may be represented by counsel at the mediation conference. The mediator shall confer with counsel for the parties and, if the claimant is present and consents, with the claimant. A representative of the Trust with settlement authority must participate in the conference. The mediator may request, but not require, that the claimant personally participate in the conference.

2. The mediator may facilitate settlement in any manner the mediator believes appropriate. The mediator will help the parties focus on their underlying interests, explore resolution alternatives and develop settlement options. The mediator will decide when to hold joint conferences, and when to confer separately with each party. The parties are expected to initiate and convey to the mediator proposals for settlement. Each party shall provide a rationale for any settlement terms proposed. If the parties fail to develop mutually acceptable settlement terms, and if the parties jointly request, before terminating the procedure, (a) the mediator may at his/her discretion submit to the parties a final settlement proposal; or (b) the mediator may at his/her discretion give the parties an evaluation of the likely outcome of the claim if it were tried to final judgment, subject to any limitations under the TDP and any applicable ethical guidelines or rules. Neither a settlement proposal nor an evaluation as described above shall be in writing unless both parties agree.

E Confidentiality of Mediation

All mediations shall be governed by Part II, above.

F. Completion of Mediation

1. At the conclusion of the mediation, if requested by the mediator and the parties agree, the mediator may require the parties to exchange written settlement offers that shall remain open for ten (10) days. If after the expiration of that ten (10) day period neither party accepts the other's written offer or the parties do not otherwise settle the matter by providing the AAA with a written statement of settlement, the AAA will continue the arbitration procedures unless the claimant informs the Trust and the AAA in writing that the claimant will no longer pursue the claim.

2. Within three (3) days of the parties providing the AAA with written statements of settlement, the AAA will issue a notice of settlement to the parties. Within three (3) days following the receipt of the notice of settlement, the Trust will send the form of release to the claimant as provided in the Procedures. The Trust will pay the claim in accordance with the Procedures.

IV. RULES GOVERNING NON-BINDING AND BINDING ARBITRATION

A. Election by TDP Claimant

Pursuant to the Procedures, the TDP claimant will have elected binding or non-binding arbitration at the time of the filing with the Trust of the Demand for Arbitration. Procedures, Exhibit F.

B. Selection of the Arbitrator

1. No more than three (3) days after the submission on WebFile of a Demand for Arbitration, AAA shall screen for conflicts and select three potential arbitrators from a rotating list kept by AAA. Unless the claimant agrees otherwise, arbitration hearings shall be conducted within the Claimant's Jurisdiction as provided by the claimant in the TDP Claim. Accordingly, assignments of arbitrators will be made by AAA on a rotating basis among the national Trust arbitrator panel with the location of the claimant taken into account for the selection of the

proposed arbitrator unless the parties agree otherwise. The parties may agree that AAA should not consider the location of the claimant. The parties may also agree to the selection of an arbitrator not on the panel. Within three (3) days of selecting the potential arbitrators, AAA shall notify the arbitrators, including notifying the arbitrators of the time frame for the arbitration under these procedures. Within six (6) days of notice, a potential arbitrator shall inform AAA of any conflicts or relationships or if the potential arbitrator is unable or unwilling to serve. If the potential arbitrator informs AAA of any conflicts or relationships or that the potential arbitrator is unable or unwilling to serve, then a replacement selection will be made prior to notifying the Trust and the claimant of the potential arbitrators selected. No more than fifteen (15) days after the submission of the claim for arbitration, AAA shall inform the Trust and the claimant of the names of the potential arbitrators. If the Trust or the claimant believes that a potential arbitrator has a conflict, the party shall inform the AAA. The AAA shall make a determination as to whether a conflict exists and, if it determines that a conflict exists, shall select a replacement and notify the Trust and the claimant.

2. Within six (6) days of receipt of the list of potential arbitrators, both the claimant and the Trust may select, and identify to AAA, one potential arbitrator to be stricken from the list. Within three (3) days of the earlier of (i) receipt of the claimant's and the Trust's strikes or (ii) the expiration of the six (6) day period for striking arbitrators, AAA shall appoint the arbitrator. If the claimant and Trust each strike a different arbitrator, the remaining arbitrator will conduct the arbitration. If either the Trust or the claimant, or both, fails to exercise the right to strike an arbitrator from the list of potential arbitrators or strike the same arbitrator, AAA shall appoint from those potential arbitrators remaining the arbitrator next in rotation on the Trust's rotating list. Within five (5) days following issuance by the AAA of a notice of the completion of mediation without settlement, the AAA shall notify the parties of the selection of the arbitrator.

In the event the claimant waived mediation, the AAA shall notify the parties of the selection of the arbitrator upon the determination of the arbitrator following the time deadlines contained in this paragraph.

3. Upon appointment, the arbitrator shall execute a formal notice of appointment and the arbitrator's oath, including, without limitation, an agreement to abide by these ADR Procedures. Immediately thereafter, the arbitrator shall provide notice to AAA, the Trust and the claimant of any circumstances likely to affect impartiality including any bias or financial or personal interest in the result of the arbitration or any past or present relationship with the parties or representatives. In addition, recognizing that the arbitrator may not learn of witnesses, examining physicians and other such information until at or after the pre-hearing conference, the arbitrator has a continuing duty to consider and provide notice of circumstances likely to affect the arbitrator's impartiality. The Trust or the claimant may within ten (10) days of such a notice submit to AAA an objection to the continued service of the arbitrator. AAA shall determine whether the arbitrator shall be disqualified and shall inform the parties of the decision, which shall be final. In the event of a disqualification, the AAA shall appoint the next remaining arbitrator, if any, of the potential arbitrators submitted to the parties or, if there is no remaining arbitrator from that list, select and submit a new list of potential arbitrators. Failure to timely object constitutes a waiver of any disclosed matter.

C. Final Offer or "Baseball Style" Binding Arbitration

The parties shall stipulate as to the issue(s) to be submitted for arbitral decision. If the issue is the amount, if any, at which a claim should be valued, then all binding arbitrations shall be conducted in the "final offer" format also known as "baseball style" arbitration as follows: In the course of submitting the arbitration materials, as explained in these ADR Procedures, the parties shall submit their final offer of settlement from the Individual Review process, which

shall also serve as the party's demand for an arbitration award. The arbitrator must choose from one of these two demands in determining the amount of the arbitration award.

D. Pre-Hearing Conference, Scheduling Hearing Date, Optional Video Conference for Arbitration Hearing

1. Within five (5) days of the appointment of the arbitrator, AAA shall contact the claimant, the arbitrator, and the Trust to schedule the pre-hearing conference. The pre-hearing conference shall be presided over by the arbitrator and held by telephone conference call. The pre-hearing conference shall be held within fifteen (15) days of the appointment of the arbitrator.

2. During the pre-hearing conference, the parties shall stipulate as to the issue(s) to be submitted for arbitral decision and the arbitrator shall schedule the date and select the location of the arbitration hearing either at the location of the claimant or a location mutually agreeable by the parties. The arbitration hearing should be scheduled as soon as feasible and mutually convenient but not more than sixty (60) days from the date of the pre-hearing conference. AAA will email or mail a confirmation notice of this date to the claimant and the Trust.

3. At the election of the claimant, the arbitration hearing may be conducted by phone or video conference. The claimant must state that election in writing prior to the pre-hearing conference. Where feasible, AAA will make appropriate arrangements for the Trust and the arbitrator to participate by phone or video conference. The Trust shall pay for phone and video conferences. For waiver of the hearing for submission on the papers, see M below.

4. The arbitrator may issue orders as necessary to govern the process.

E. Submission of Pre-Hearing Statements

Within twenty (20) days after the pre-hearing conference each party shall submit to the opposing party and to the arbitrator a written statement (not to exceed ten (10) double spaced pages excluding exhibits) containing that party's positions and arguments.

AAA will provide the arbitrator with a complete copy of the TDP.

F. No Discovery

There shall be no discovery. The purpose of the arbitration is to resolve differences between the Trust and the claimant based only on the documents that have been previously submitted to the Trust by the claimant, any other documents relied upon by the Trust to make a settlement offer to the claimant or to disallow the claim, and the written statements provided for in these ADR Procedures.

G. No record of Proceedings.

There will be no record or transcript of the proceedings.

H. Postponement of Hearing

The arbitrator for cause may postpone any hearing upon the request of a party or upon the arbitrator's own initiative.

I. Duration of Hearings

The arbitrator shall complete the hearing in one day except for cause shown. The arbitrator shall set time limits on the respective presentations, and shall enforce those limits. The parties shall request no more than three (3) hours apiece for presentation of their cases including arguments.

J. Procedure at Arbitration Hearing

1. Testimony Under Oath or Affirmation

If the claimant or any other witness testifies, the testimony shall be under oath or affirmation administered by the arbitrator.

2. Conduct of Hearing

At the opening of the arbitration hearing, the arbitrator shall make a written record of the time, place, and date of the hearing, and the presence of the parties and counsel.

3. Evidence

a. Rules of Evidence: The arbitrator is not required to apply the rules of evidence used in judicial proceedings. The arbitrator shall apply the attorney-client privilege and the work product privilege. The arbitrator shall determine the applicability of any privilege or immunity and the admissibility, relevance, materiality and weight of the evidence offered.

b. Admission of Evidence: The evidence that the arbitrator may consider shall be limited to the following:

i. The documents supplied to the Trust prior to the execution of the Notice of Completion of Individual Review.

ii. Demand for Arbitration.

iii. Testimony of the claimant, who may offer evidence regarding the nature and extent of compensable damages, including physical injuries. The Trust may cross-examine the claimant. At the claimant's option, a claimant's deposition, including videotaped testimony, shall be admissible into evidence in lieu of live testimony.

c. In addition to the evidence, the arbitrator shall consider the written statements and arguments of the claimant and the Trust. The written statements and arguments shall be limited to the evidence contained and the issues raised in the documents or testimony referred to above and shall be limited to thirty (30) minutes for each party. The arbitrator shall disregard any effort to introduce further evidence or issues in argument.

K. Arbitration in the Absence of a Party or Representative

The claimant may choose whether or not to attend the arbitration in person. The arbitration may proceed in the absence of any party or representative who, after due notice, chooses not to be present, fails to be present or fails to obtain a postponement if the claimant desires to be present but cannot attend. An award shall not be made against a party solely for the failure to appear. The arbitrator shall require the party who is present to submit such evidence as the arbitrator may require for the making of an award.

L. Conclusion of Hearing and Submission of Post-Hearing Submissions

When the parties state that they have no further evidence or witnesses to offer, and after the parties have made their closing arguments, if any, the arbitrator shall declare the hearing closed. Post-hearing submissions will be permitted only upon order of the arbitrator and shall be served on the arbitrator no later than ten (10) days after the hearing is closed. Post-hearing submissions shall be no longer than five (5) double spaced pages. The time limit within which the arbitrator is required to make the award shall commence to run upon the closing of the hearing or the submission of post-hearing submissions, whichever is later.

M. Option to Waive Oral Hearings

Oral hearings will only be waived if both parties consent.

N. Arbitration Decision

1. The arbitrator shall issue a decision no later than fifteen (15) calendar days after the date of the close of the hearing or submission of post-hearing submissions, whichever is later.

2. The decision shall decide the issue(s) submitted by the parties, state the amount of the award, if any, and the reasons for the decision and/or award in a memorandum not to exceed one page in length. An arbitrator shall not be permitted to award punitive, exemplary, trebled or other like damages or attorneys' fees, and pre-judgment and post-judgment interest and costs shall not be sought or allowed.

O. Payment of Binding Award

Within three (3) days following the issuance of a binding award, the Trust will send the form of release to the claimant, as provided in the Procedures. The Trust will then pay the claim in accordance with the Procedures.

P. Rejection of Non-Binding Award

1. A claimant in a non-binding arbitration proceeding that wishes to accept the award must notify the Trust and the AAA within thirty (30) days from the date a non-binding award is issued in the manner provided by Exhibit G, Notice of Acceptance of Arbitral Award, attached to the Procedures. Within ten (10) days from the receipt of this Notice, the Trust must either accept or reject the award. If the Trust accepts the award, the Trust will send a release to the claimant for execution, as provided in the Procedures and notify the AAA of the acceptance of the award. The Trust will pay the claim in accordance with the Procedures. If the claimant fails to accept the award within thirty (30) days from the date the non-binding award is issued, the award is deemed rejected. If the Trust fails to accept the award within ten (10) days from receipt of the claimant's notice, the award is deemed rejected.

2. Procedure for Rejected Award. If the claimant or the Trust rejects the award, the Trust will issue a Notice of Completion of Arbitration following which the claimant may file a lawsuit as provided in Section 7.6 of the TDP and the Procedures. The Trust shall issue the Notice of Completion of Arbitration within ten (10) days after the rejection of an award by the claimant or by the Trust.

V. GENERAL PROVISIONS FOR ARBITRATIONS

A. No Grouping or Bundling of Claims

As a general matter, there shall be no grouping or bundling of claims by separate claimants even if the claims are related and/or claimants have the same counsel. Each claimant

must proceed individually through the arbitration processes. This provision is intended to separate claims of different exposed persons and has no effect upon multiple claims brought by a claimant's representative, such as heirs of a deceased worker. However, the Trust, in its sole discretion, may decide that it would be expeditious to allow the conduct of arbitration proceeding with respect to more than one claim of different exposed persons, provided that the arbitrator individually values each such claim in accordance with the valuation factors set forth in the TDP, and the respective claimants' separate positions in the Trust's FIFO Processing and Payment Queues are maintained.

B. No Ex Parte Communication

There shall be no ex parte communication between the arbitrator and any counsel or party in any manner. Discussions among the AAA, the parties and the arbitrator concerning scheduling and case management do not constitute ex parte communications for purposes of these ADR Procedures.

C. Claims and Defenses

All claims and defenses under the law of the Claimant's Jurisdiction as defined in the TDP shall be available to both sides.

D. Waiver of Objection to Rules Infraction

Either party who continues with arbitration after knowing that any provision or requirement of the applicable rules has not been complied with, and who fails to state a timely objection in writing to the arbitrator, shall be deemed to have waived the right to object. A timely objection by a claimant must be stated in writing and mailed or emailed to the Trust, AAA and to the arbitrator. A timely objection by the Trust will be mailed or emailed to the claimant, AAA and the arbitrator.

E. Serving of Notices and Other Papers

Each party to the arbitration shall be deemed to have consented that any papers, notices, or processes necessary or proper for the initiation or continuation of arbitration proceedings under these rules may be served upon such party as follows:

1. By regular U.S. mail or overnight courier addressed to such party or their attorneys at their last known address;
2. By facsimile or electronic mail transmission; or,
3. By personal service, within or without the state where the arbitration is to be held, whether the party is within or without the United States of America.

F. Time Limits Triggered Upon Receipt

1. Documents sent by U.S. mail under these rules shall be deemed received three (3) business days after the date of postmark. Documents sent via overnight mail shall be deemed received on the next business day after mailing.
2. Documents sent via facsimile or electronic transmission shall be deemed received on the business day that the transmission is received.

G. Application of Procedures

These ADR Procedures shall be deemed a part of, and incorporated by reference in, every arbitration pursuant to the TDP and Procedures, and shall be binding on all parties.

H. Arbitrator Immunity

Arbitrators who serve pursuant to these ADR Procedures shall have the same immunity as judges for their official acts. Neither the AAA nor any arbitrator in a proceeding under these ADR Procedures is a necessary or proper party in judicial proceedings relating to arbitration. Parties to an arbitration under these ADR Procedures shall be deemed to have consented that neither the AAA nor any arbitrator shall be liable to any party in any action for damages or

injunctive relief for any act or omission in connection with any arbitration under these ADR Procedures.

I. Jurisdiction

Any dispute regarding the interpretation or application of these rules shall be subject to the jurisdiction of the United States Bankruptcy Court for the District of Delaware.

J. Confidentiality of Arbitration

All arbitration proceedings shall be governed by Part II, above.

Exhibit F

Arbitration Notice

**DEMAND FOR ARBITRATION
 COMBUSTION ENGINEERING 524(G) ASBESTOS PI TRUST
 ALTERNATIVE DISPUTE RESOLUTION (ADR) PROCEDURES
 AMERICAN ARBITRATION ASSOCIATION, ADMINISTRATOR**

Name of Claimant			Name of Representative (if known)		
Address			Name of Firm (if applicable)		
			Representative's Address		
City	State	Zip Code	City	State	Zip Code
Phone No.			Phone No.		
Email Address:			Email Address:		
Social Security No.					
Mediation <input type="checkbox"/>					
The Claimant Elects (Check one):					
Binding Arbitration <input type="checkbox"/>				Non-Binding Arbitration <input type="checkbox"/>	
<p>I, _____ (insert name), claimant who has filed a proof of claim with the Combustion Engineering 524(g) Asbestos PI Trust, hereby submits to the Trust this notice demanding arbitration of the claim, as provided by Section 5.10 of the Combustion Engineering 524(g) Asbestos PI Trust Distribution Procedures.</p> <p>The claimant understands that the Trust has adopted procedures for mediation as alternative dispute resolution mechanisms for use prior to arbitration. The claimant may elect to submit to mediation or proceed directly to arbitration. The claimant elects mediation by checking the box for mediation. If mediation does not result in a settlement of the claim, the claimant retains the right to arbitration. Whether of not the claimant elects to submit to mediation, the claimant must make the election of binding or non-binding arbitration when submitting this demand.</p> <p>Respectfully submitted,</p> <p>_____ Signed by Claimant or by attorney (if represented) Date _____</p>					
This Demand for Arbitration may be mailed, faxed, or e-mailed to the Trust: Combustion Engineering 524(g) Asbestos PI Trust c/o Verus Claims Services, LLC Suite 208 Hopewell, NJ 08525 FAX: 609-466-1449 E-Mail: dmyer@verusllc.com					

Exhibit G

Notice of Acceptance/ Rejection of Arbitration Award

Notice of Acceptance/Rejection of Mediation Offer

Notice of Completion of Arbitration Process

**Combustion Engineering 524(g) Asbestos Trust
Alternative Dispute Resolution (ADR) Procedures
American Arbitration Association, Administrator**

Notice of Acceptance / Rejection of Mediation Offer

To: American Arbitration Association

Re: Combustion Engineering 524(g) Asbestos PI Trust

Date: _____

_____, [insert claimant's name]

_____, [social security number, CE claim file number],
TDP Claimant, hereby

accepts

rejects

the mediation offer of \$_____ for the claim filed by the TDP Claimant. The TDP Claimant requests that the AAA record this rejection/acceptance in the claim file.

Claimant or attorney, if represented

Date: _____

The Combustion Engineering 524(g) Asbestos PI Trust hereby

accepts

rejects

the mediation offer of \$_____ for the claim filed by _____ [insert claimant's name, social security number, claim file number], the TDP Claimant.

Kenneth Kawaichi, Managing Trustee

This Notice of Acceptance or Rejection shall be filed with the American Arbitration Association as follows:

200 S. College St., Suite 1800
Charlotte, NC 28202
Phone: 704-347-6658 Fax: 704-347-2804

**Combustion Engineering 524(g) Asbestos Trust
Alternative Dispute Resolution (ADR) Procedures
American Arbitration Association, Administrator**

Notice of Acceptance / Rejection of Arbitral Award

To: Combustion Engineering 524(g) Asbestos PI Trust
To: TDP Claimant, Attorney Name / Law Firm / Address /City, ST Zip

Date: _____

_____, [insert claimant's name)

_____ social security number, CE claim file number],

TDP Claimant, hereby

accepts

rejects

the non-binding arbitral award of \$ _____ for the claim filed by the TDP Claimant. The TDP Claimant requests that the Combustion Engineering 524(g) Asbestos PI Trust record this acceptance / rejection in the claim file. If the Trust likewise accepts the award, the claimant understands that the liquidated claim will be placed on its Payment Queue as of the date of receipt of an executed release from the claimant.

Claimant or attorney, if represented

The Combustion Engineering 524(g) Asbestos PI Trust hereby

accepts

rejects

the non-binding arbitral award of \$ _____ for the claim filed by _____, [insert claimant's name, social security number, CE claim file number], TDP Claimant. The Trust will place the liquidated claim in its Payment Queue as of the date of receipt of an executed release from the claimant.

Kenneth Kawaichi, Managing Trustee

The Notice of Acceptance or Rejection of Arbitral Award may be mailed to the Trust:

Combustion Engineering 524(g) Asbestos PI Trust
c/o Verus Claims Services, LLC
Suite 208
Hopewell, NJ 08525

Or faxed to the Trust: 609-466-1449

Or emailed to the Trust: dmyer@verusllc.com

And copy to AAA: 200 S. College St., Suite 1800
Charlotte, NC 28202
Phone: 704-347-6658
Fax: 704-347-2804

**Combustion Engineering 524(g) Asbestos Trust
Alternative Dispute Resolution (ADR) Procedures
American Arbitration Association, Administrator**

Notice of Completion of Arbitration Process

To: TDP Claimant
Attorney Name
Law Firm
Address
City, ST Zip

Re: _____ [Claimant's name]
_____ [social security number, CE claim file number]

Date: _____

Please be advised that the Combustion Engineering 524(g) Asbestos PI Trust confirms that arbitration pursuant to Section 5.10 of the Combustion Engineering 524(g) Asbestos PI Trust Distribution Procedures ("TDP") has been completed without a settlement of the above referenced TDP Claim. See Section 7.6 of the TDP regarding commencement of litigation.

/s/
Dan Myer on behalf of the Trust

Exhibit H

Release

Combustion Engineering 524(G) Asbestos PI Trust
 57 Hamilton Avenue, Suite 208
 Hopewell, NJ 08525

Injured Party's Name:

Injured Party's Social Security Number:

Law Firm (if represented by counsel):

If the injured party or personal representative filed a lawsuit against Combustion Engineering, Inc. for asbestos-related injuries and the injured party's spouse is a party to the lawsuit, please provide the following additional information:

Name of Injured Party's Spouse:

Spouse's Social Security Number:

Liquidated Value of Claim: \$ _____

Payment Amount: \$ _____	=	Liquidated Value of \$ _____	X	Payment Percentage of 48.33%*
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*Strike formula if Disease Level I

The Combustion Engineering 524(g) Asbestos PI Trust ("Trust") and the undersigned injured party or personal representative, individually and on behalf of the estate of the injured party/decendent, and, the injured party's spouse, but only if the spouse is a party to the lawsuit against Combustion Engineering, Inc. (hereinafter "Releasor(s)"), agree as follows:

1. Releasor(s) have filed a claim against the Trust (the "Claim"). The Trust has reviewed the Claim to determine whether it is compensable under the terms of the Combustion Engineering 524(g) Asbestos PI Trust Distribution Procedures ("CE TDP"). The Trust has determined that the Claim is compensable. The Trust has tendered to the Releasor(s) an offer of payment based on the settlement values set forth in the CE TDP.

2. The return of this executed Release to the Trust evidences acceptance of the settlement value by Releasor(s). Subject to the payment provisions set forth in the CE TDP, the Trust will mail or electronically transfer to Releasor(s) (or Releasor(s)' counsel) an amount equal to the agreed settlement value for the Claim subject to the Payment Percentage as defined in the CE TDP, as applicable.

3. In consideration for the agreements described herein and other good and valuable consideration, Releasor(s) hereby fully release the Trust, its trustees, directors, officers, agents, consultants, financial advisors, employees, attorneys, predecessors, successors and assigns, the Trust Advisory Committee, its members and its attorneys, the Future Claimants' Representative and his attorneys and any and all persons or organizations who were entitled to benefit from the injunction entered pursuant to Combustion Engineering, Inc.'s Plan of Reorganization, as Modified Through October 7, 2005 confirmed by the United States Bankruptcy Court for the District of Delaware and the United States District Court for the District of Delaware (hereinafter "Releasee(s)") from any and all claims, causes or rights of action, demands and damages of every kind and nature whatsoever, whether

such claims are known or unknown. The released claims include any and all present claims relating to asbestos-related diseases, injuries, cancers, and/or malignancies, including, but not limited to, loss of consortium, companionship, service, support, pain and suffering, wrongful death, and injury and damage of any kind allegedly resulting from any exposure to asbestos or asbestos-containing products for which Combustion Engineering, Inc. has legal responsibility. However, if the settled Claim involves only a non-malignancy claim, then this Release is a limited release for non-malignancy claims.

4. Releasor(s) agree that this Release is to be effective not only on behalf of the Releasor(s), as husband and wife, but also for Releasor(s)' children, heirs, administrators, executors, personal representatives, beneficiaries, successors or assigns; provided, however, that this Release does not release claims for asbestos-related injuries allegedly suffered by the injured party's spouse and the Releasor(s)' children, heirs, administrators, executors, personal representatives, successors or assigns because of their personal exposure to asbestos.

5. Releasor(s) agree that this is a compromise of disputed claims and that the payment of the consideration for this Release is not to be considered as an admission of liability on the part of any person or entity released hereby. It is further understood that this Release is not intended to relinquish any claim the Releasee(s) may have against any party or the Releasor(s) have against any party that is not a Releasee. The parties further agree that this Release shall not be admissible in any suit or proceeding whatsoever as evidence or admission of any liability.

6. Releasor(s), jointly and severally, and on behalf of their children, heirs, administrators, executors, personal representatives, beneficiaries, successors and assigns agree to indemnify and hold harmless the Releasee(s) from any further payment of debts, liens, charges and/or expenses of any character arising out of any and all asbestos-related claims by Releasor(s) or their representatives, heirs and assigns up to the full extent of the compensation paid or to be paid by the Trust to the Releasor(s) on account of the Claim.

7. TO THE EXTENT APPLICABLE, RELEASOR(S) HEREBY WAIVE ALL RIGHTS UNDER CALIFORNIA CIVIL CODE SECTION 1542 AND UNDER ANY OTHER FEDERAL OR STATE LAW OF SIMILAR EFFECT. CALIFORNIA CIVIL CODE SECTION 1542 PROVIDES THAT "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR." RELEASOR(S) ACKNOWLEDGE THAT THEY HAVE BEEN ADVISED BY THEIR ATTORNEY(S) CONCERNING, AND ARE FAMILIAR WITH, THE EFFECT OF THIS WAIVER. RELEASOR(S) UNDERSTAND AND ACKNOWLEDGE THAT THIS WAIVER PREVENTS RELEASOR(S) FROM MAKING ANY CLAIM AGAINST RELEASEES FOR ADDITIONAL DAMAGES EXCEPT AS SPECIFICALLY PROVIDED HEREIN. RELEASOR(S) ACKNOWLEDGE THAT THEY INTEND THESE CONSEQUENCES.

8. This Release contains the entire agreement between the parties and supersedes all prior or contemporaneous oral or written agreements or understandings relating to the subject matter hereof between or among any of the parties hereto.

9. Releasor(s) agree that the law of the State of Delaware shall govern the construction of this Release. Releasor(s) expressly authorize the Trust to make payment under the terms of this Release to Releasor(s)' counsel (if any) for the benefit of Releasor(s) and Releasor(s)' counsel.

10. Releasor(s) further state that each of them is of legal age, with no mental disability of any kind, and is fully and completely competent to execute this Release on his or her own behalf. Releasor(s) further state that this Release has been explained to them and they know the contents as well as the effect thereof. Releasor(s) further acknowledge that they executed this instrument after consultation with their attorney or the opportunity to consult with an attorney.

Each of the undersigned hereby declares under penalty of perjury, pursuant to 28 U.S.C. § 1746, that the foregoing is true and correct.

Executed on this ___ day of _____, 20__

Signature of Injured Party or Personal Representative

Executed on this ___ day of _____, 20__

Signature of Injured Party's Spouse, if a party
to the lawsuit against Combustion Engineering, Inc

Exhibit I

Electronic Filing Agreement

ELECTRONIC FILING AGREEMENT

This Electronic Filing Agreement (the “Agreement”) is made by and between Verus Claims Services, LLC (“VERUS”), with offices at 57 Hamilton Avenue, Suite 208, Hopewell, NJ 08525, and the law firm of _____, with offices at _____ (the “Law Firm”)(Collectively, “the Parties”).

Recitals

VERUS processes asbestos personal injury claims on behalf of the Combustion Engineering 524(g) Asbestos PI Trust (the “Trust”). The Law Firm intends to file asbestos personal injury claims on behalf of the Law Firm’s clients (“Claimants”) against the Trust. VERUS, on behalf of the Trust, and the Law Firm agree that it is mutually beneficial to communicate information to each other electronically and thereby speed claim processing and lower transaction costs. At the direction of the Trust, VERUS currently accepts claims and claim documentation by email with attachments, including in Excel and PDF formats. VERUS has also developed an electronic system for online claim filing and information transmission.

Based on these recitals and in consideration of the promises and undertakings described in this Agreement, the sufficiency of which consideration the Parties hereby acknowledge, the Parties agree as follows:

1. Electronic Claims Filing

1.1 Filing Methods, Media and Format. VERUS shall accept by email transmission or upload via the online claim filing system claim information from the Law Firm using one or more electronic formats and methods that VERUS will specify from time to time. The methods, media and formats that VERUS will specify will be among those then in general use by businesses transferring information electronically. VERUS will provide instructions for electronic transmissions to the Law Firm. VERUS will also publish the instructions on the Trust’s webpage at www.cetrust.org. By entering this Agreement, the Law Firm agrees to follow the instructions issued, from time to time, by VERUS for electronic submission of claims.

1.2 Electronic Communications. The Law Firm may communicate with VERUS by email. VERUS may communicate with the Law Firm by email. The communications may include those addressed under the Procedures (as defined below). By entering this Agreement, the Law Firm and VERUS, on its behalf and on behalf of the Trust, agree to accept such communications by email.

1.3 Reliance on Law Firm Communications. VERUS is entitled to rely on communications and instructions it receives by electronic transmission from the Law Firm and from persons purporting to act on behalf of the Law Firm and, unless VERUS acts with gross negligence, it shall not be held liable for such reliance.

1.4 Continuous Access. Electronic transmission of claim information allows the filing of claims and claim information seven days a week. VERUS will notify the Law Firm by email of any temporary interruption of the electronic system for maintenance.

2. Rules and Procedures

2.1 Adherence to TDP. Electronic filing shall not affect the requirements of the Combustion Engineering 524(g) Asbestos PI Trust Distribution Procedures (“TDP”).

2.2 Payment Criteria Unchanged. This Agreement is not intended to alter and does not supersede the claim payment percentage established by the Trustees pursuant to the TDP. This Agreement does not create any rights to claim payment beyond those set forth in the TDP.

3. Claim Information

3.1 Law Firm Certification. The Law Firm hereby represents, and in connection with the submission of any claim shall certify, that it is authorized by the Claimant to submit a claim and that the information and materials submitted hereunder shall be submitted pursuant to and subject to the provisions of Rule 11 of the Federal Rules of Civil Procedure, including representations by the Law Firm to the Trust as set forth in Rule 11(b), as if the submissions were a paper presented to a court of the United States.

3.2 Complete Information. VERUS processes claims as directed by the Trust pursuant to the Trust’s Procedures for Receiving and Liquidating TDP Claims (the “Procedures”), posted on the Trust’s web page at www.cetrust.org. Electronic transmission of claims with incomplete information will be addressed as provided in the Procedures.

3.3 Filing. Eligibility of a claim transmitted electronically to VERUS for the FIFO Processing Queue as defined in the TDP shall be determined under the Procedures. The date of the receipt of an electronically transmitted claim shall constitute filing of the claim for purposes of application of the TDP.

3.4 Claimant Signature. The Law Firm shall maintain the original of any document signed by the Claimant. From time to time, the Trust may require the Law Firm to produce the original signature of the Claimant for a particular document, such as a release. Upon ten (10) days’ notice to the Law Firm, the Law Firm shall produce the hard copy of the document or an electronic image of the document.

3.5 Maintenance of Supporting Documents. The Law Firm shall maintain a copy of each document relied upon in connection with any claim electronically transmitted, whether by input into the Excel program format, scanned and submitted in PDF format, electronically copied onto an electronic disc or by any other electronic means. Copies may be maintained in either paper or electronic format. The Law Firm will timely provide copies of such documents to VERUS upon request.

3.6 Use of Claimants’ Confidential Information. Any claim information the Law Firm submits electronically pursuant to the Procedures and/ or this Agreement shall remain

confidential information in all respects and shall not be discoverable by any other person or entity without the express written consent of the Law Firm for the Claimant, the Claimant and the Trust, provided, however, that the Trust may disclose electronically submitted claim information: (1) to the extent required by any insurance settlement agreement, or insurance policy, or as required in discovery in any litigation; and/or (2) as necessary, in the Trust's sole discretion, in settlement discussions with insurers.

3.7 Forms. Forms provided by the Trust under the Procedures may be copied or printed from the Trust's web page and, after completion, submitted as an attachment to an email to VERUS as a word processing document or in PDF format.

4. Settlement Offer, Acceptance and Payment

4.1 Settlement Offers. VERUS, acting on behalf of the Trust, may electronically communicate completion of review of a claim and any settlement offer, as provided in the Procedures, to the Law Firm. VERUS will attach an electronic copy of the release form provided in the Procedures when it provides claims material in connection with this Agreement or as provided by the Procedures or as requested by the Law Firm. The release form may also be printed from the Trust's web page. Except as provided in the Procedures, the release form shall not be modified in any manner. Upon request by the Law Firm, VERUS will mail a hard copy of the release form to the Law Firm.

4.2 Release Execution. In the event a Claimant intends to accept a settlement offer, the Law Firm will obtain the execution of the release as provided in the Procedures. The Law Firm may deliver the release to VERUS in any manner provided in the Procedures. For electronic submission of the executed release, the release may be scanned into PDF format and delivered to VERUS as an email attachment. In the event that the release is electronically delivered to VERUS, (a) the Law Firm shall maintain the original, signed release as provided in Par. 3.4 of this Agreement; and (b) the Law Firm shall not be required to deliver the original, signed release as a precondition to payment.

4.3 Payment Method Options. The Procedures provide for payment of liquidated claims by wire transfer. The Law Firm must provide instructions to VERUS for payment by wire transfer, as provided in the Procedures. Also, the Procedures provide for making payment of claims either by single or group check, as directed by the Law Firm. In its discretion, the Trust may pay liquidated claims by check, notwithstanding requests for payment by wire transfer.

5. Limitation of Liability; Indemnification

5.1 Limited Damages. Except as specifically provided in this Agreement, or as otherwise required by law, neither VERUS nor any of its officers, directors, trustees, employees, contractors, or agents shall be held liable for any indirect, incidental, special or consequential damages by reason of the Law Firm's electronic submission of claims, information and/ or communications. The Trust, the Trustees of the Trust, the Combustion Engineering 524(g) Asbestos Trust Advisory Committee, the Combustion Engineering Future Claimants' Representative, and their officers, directors, trustees, employees, contractors, and agents shall

have no liability by reason of the Law Firm's electronic submission of claims, information and/or communications or otherwise under this Agreement.

5.2 DISCLAIMER. VERUS MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY KIND TO THE LAW FIRM OR TO CLAIMANT'S COUNSEL OF RECORD, ANY CLAIMANT OR ANY THIRD PARTY, AND EXPRESSLY DISCLAIMS ALL WARRANTIES, WHETHER IMPLIED OR STATUTORY OR ARISING OUT OF CUSTOM OR COURSE OF DEALING OR USAGE OF OR USAGE IN THE TRADE, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

6. Miscellaneous

6.1 No Assignment. Neither Party may assign or otherwise transfer in any way any of its rights and obligations arising out of this Agreement without the prior written consent of the other party, except VERUS, in its sole discretion, may assign or otherwise transfer this Agreement to another entity that processes claims on behalf of the Trust, provided such entity agrees to be bound by the terms of the Agreement.

6.2 Termination. Either Party may terminate this Agreement upon written notice to the other Party. Termination of the Agreement will not relieve the Law Firm of its obligations under Par. 3.4 of this Agreement. On the effective date of the termination of this Agreement, the Law Firm may no longer electronically transmit claims to the Trust, notwithstanding any provision in the Procedures.

6.3 Disputes. Any dispute between the Parties relating to the claim process will be resolved pursuant to the TDP and the Procedures.

6.4 Force Majeure. Neither party will be liable for any failure or delay in its performance under this Agreement due to any cause beyond its reasonable control, including acts of God, embargo, riot, sabotage, labor shortage or dispute, government act, or failure of Internet service, provided that the delaying party: (a) gives the other party prompt notice of such cause, and (b) uses reasonable efforts to promptly correct such failure or delay in performance.

6.5 Applicable Law. This Agreement shall be interpreted, construed and enforced according to the law of the State of New Jersey, without reference to the choice of law provisions thereof.

6.6 Binding Effect. Each of the undersigned persons represents and warrants that they are authorized to sign this Agreement on behalf of the Party they represent, and that they have the full power and authority to bind such Party to each and every provision of this Agreement. The person executing this Agreement on behalf of the Law Firm is a licensed, practicing attorney who is a partner or other principal of the Law Firm. A signature on a copy of this Agreement transmitted as a scanned, PDF attachment to an email or by facsimile machine will have the force of an original signature.

6.7 Third Party Beneficiaries. The Trust shall be a third party beneficiary of this Agreement. Except as provided in the preceding sentence, this Agreement is not intended, and shall not be construed, deemed, or interpreted, to confer on any party that is not a Party to this Agreement any rights or remedies under this Agreement.

6.8 Severability. If any term or provision of this Agreement shall be declared invalid or unenforceable by a court of competent jurisdiction or by operation of law, the remaining terms and provisions of this Agreement shall remain in full force and effect.

6.9 Entire Agreement and Waiver. This Agreement constitutes the entire agreement and understanding between and among the Parties concerning the matters set forth herein. This Agreement may not be amended or modified except by another writing signed by the Parties. Any failure of either party to exercise or enforce rights under this Agreement shall not act as a waiver of subsequent breaches.

VERUS CLAIMS SERVICES, LLC

By: _____
Dan Myer, Principal

LAW FIRM

By: _____

Exhibit J

Claimant Summary Sheet Form

Request to Pay Claims

Payment Reports to Trustees

Authorization to Pay Claims

Payment Letter, Check and Remittance Listing Format

Check Register Format

Authorization to Pay Claims

To: Verus Claims Services, LLC (“Verus”)

From: Combustion Engineering 524(g) Asbestos PI Trust (“Trust”)

Verus has submitted a report dated _____ of liquidated TDP Claims ready for payment on _____ based on the FIFO Payment Queue, pursuant to the Combustion Engineering 524(g) Asbestos PI Trust Distribution Procedures (“TDP”). In conjunction with that report, Verus has also submitted a report to the Trust of the amount of the Maximum Annual Payment distributed to date with a breakdown by the Claims Payment Ratio. The Trustees hereby approve the liquidation of the claims on the report, and, applying the Payment Percentage, authorizes Verus to pay the liquidated TDP Claims on the report, subject to the following exceptions:

_____ [Insert instructions, such as, excluded payments, or directions if collar or Maximum Annual Payment will be reached]

Prior to making the payment, Verus must have received a release of the Trust from the TDP claimant.

Dated: _____

Ken Kawaichi, Managing Trustee

cc: Trustees

