

THE STATE OF NEW HAMPSHIRE

MERRIMACK, SS.

SUPERIOR COURT

Docket No. 03-E-0106

**In the Matter of the Liquidation of
The Home Insurance Company**

**LIQUIDATOR'S MOTION FOR APPROVAL OF
SETTLEMENT AGREEMENT WITH THE AWI ASBESTOS TRUST**

Roger A. Sevigny, Insurance Commissioner for the State of New Hampshire, as Liquidator ("Liquidator") of The Home Insurance Company ("Home"), moves that the Court enter an order in the form submitted herewith approving a Settlement Agreement and Mutual Release ("Settlement Agreement") between the Armstrong World Industries, Inc. Asbestos Personal Injury Settlement Trust (the "Trust"), successor to Armstrong World Industries, Inc. ("AWI"), formerly known as Armstrong Cork Company, and the Liquidator. As reasons therefor, the Liquidator states as follows:

1. The Settlement Agreement was negotiated under the supervision of the Special Deputy Liquidator. Affidavit of Peter A. Bengelsdorf in Support of Motion for Approval of Settlement Agreement with AWI Asbestos Trust ("Bengelsdorf Aff.") ¶ 2. A copy of the Settlement Agreement is attached hereto as Exhibit A.

2. Home issued eight insurance policies to AWI for various policy periods between January 1, 1969 and January 1, 1979. Settlement Agreement, ¶ B. Bengelsdorf Aff. ¶ 3.

3. In 1986, Home and AWI entered into a settlement agreement concerning, among other things, Home's coverage obligations to AWI under the policies for asbestos bodily injury claims. Settlement Agreement, ¶ C. Bengelsdorf Aff. ¶ 4.

4. On or about December 6, 2000, AWI filed a Petition for Reorganization under Chapter 11 of the United States Bankruptcy Code in the United States District Court for the District of Delaware (the "Bankruptcy Court"). Settlement Agreement, ¶ D. Bengelsdorf Aff. ¶ 5.

5. Upon Home's placement in liquidation, AWI filed a proof of claim in the Home liquidation proceeding regarding claims under the policies, including coverage for asbestos bodily injury claims and for claims under other coverages under the policies. Settlement Agreement, ¶ E. Bengelsdorf Aff. ¶ 6.

6. AWI's Fourth Amended Plan for Reorganization, as Modified (the "Plan"), confirmed by the Bankruptcy Court, provides for the creation of the Trust to administer and pay asbestos bodily injury claims against AWI. Settlement Agreement, ¶ F and G. The Plan also provides that the Trust receives the proceeds under the policies with respect to asbestos bodily injury claims. Settlement Agreement, ¶ H. Under the Plan, the Trust succeeded to the rights of AWI with respect to asbestos bodily injury claims. Settlement Agreement, ¶ I. Bengelsdorf Aff. ¶ 7.

7. The Liquidator and the Trust have negotiated a Settlement Agreement, which will become effective upon approval by this Court and allowance by this Court of the recommended amount, as defined below. Settlement Agreement ¶ 1. Bengelsdorf Aff. ¶ 8.

8. The Settlement Agreement provides that the Liquidator will recommend allowance of the proof of claim with respect to asbestos bodily injury claims in the aggregate amount of \$22,500,000 (the "recommended amount") as a Class II priority claim of the Trust under RSA 402-C:44. Settlement Agreement ¶ 2(A). The Liquidator agrees not to seek reimbursement of the recommended amount from any person or entity other than its reinsurers. Settlement Agreement ¶ 2(B). Approval of the Settlement Agreement and allowance of the

recommended amount as a Class II claim will fully and finally resolve the asbestos bodily injury claims and any other claims the Trust has under the policies. Id. ¶2(C). The Trust agrees that it will not deny or reduce asbestos bodily injury claims asserted against it on the grounds that an asbestos bodily injury claimant has submitted or could submit a proof of claim in the Home proceeding. Id. ¶2(D). Distributions to the Trust based on the allowance of the recommended amount will be made at the same intervals and at the same percentages as distributions to other Class II creditors of Home. Id. ¶ 2(E). Bengelsdorf Aff. ¶ 9.

9. The Settlement Agreement is intended to resolve the asbestos bodily injury claims and all other claims the Trust has under the policies. See Settlement Agreement ¶¶ 2(C), 6. To that end, the Settlement Agreement provides for mutual releases of claims under the proof of claim among the Liquidator, Home and the Trust. Id. ¶¶ 3-5. The releases extend only to the asbestos bodily injury claims and any other claims for which the Trust is the successor of AWI. Id. ¶ 5. The Liquidator also releases any contribution claims for AWI's asbestos bodily injury losses against AWI's other insurers that agree not to pursue such claims against Home. Settlement Agreement, ¶ 8. Bengelsdorf Aff. ¶ 10.

10. If the Trust reopens the AWI bankruptcy case in the future, the Trust agrees to seek to designate the Liquidator and Home as protected parties under the asbestos bodily injury permanent channeling injunction approved by the Bankruptcy Court. Settlement Agreement, ¶ 9. Bengelsdorf Aff. ¶ 11.

11. The Liquidator is not aware of any third party claimants who have asserted claims under the policies. The Trust represents that it is not aware of any claims asserted by any person other than the Trust for insurance coverage under the policies for asbestos bodily injury claims other than those being resolved by the Settlement Agreement. Settlement Agreement, ¶ 7. However, in resolving matters relating to the asbestos bodily injury claims under the policies, the

Settlement Agreement contemplates denial of any third party claimants' asbestos bodily injury claims in the Home liquidation without prejudice to their claims against the Trust. Bengelsdorf Aff. ¶ 12.

12. The denial of any third party claimants' proofs of claim, without prejudice to their claims against the Trust, will not harm the third party claimants because their claims have been channeled by the Bankruptcy Plan from AWI to the Trust, which will continue to be subject to such claims. The Trust has agreed that it will not deny or reduce asbestos bodily injury claims asserted against it on the grounds that an asbestos bodily injury claimant has submitted or could submit a proof of claim in the Home proceeding. Settlement Agreement, ¶2(D). Third party claimants' proofs of claim against the insolvent Home, if not denied with this agreement, would release the Trust from those claims up to the limits of the policies but only entitle the third party claimants (assuming their claims were allowed) to a presently undetermined percentage distribution at the future date when a distribution is made. See RSA 402-C:40, I; Gonya v. Commissioner, New Hampshire Insurance Dept., 153 N.H. 521, 535 (2006) (noting the "inherent uncertainty of any creditor's recovery in a liquidation"). It is not expected that the allowed claims of any third party claimants (or other Class II creditors) will be paid in full. Bengelsdorf Aff. ¶ 12.

13. The Settlement Agreement reflects a compromise of the asbestos bodily injury claims asserted in the proof of claim. It is the result of negotiations involving the Claims Department, under the supervision of the Special Deputy Liquidator, which has extensive experience in assessing the exposure presented by claims for asbestos bodily injury under Home's insurance policies. The agreed settlement amount is based on careful evaluation and negotiation of coverage obligations under Home's policies respecting the underlying liabilities of the Trust. The Liquidator accordingly recommends approval of the Settlement Agreement and

allowance of the \$22,500,000 settlement amount as a Class II claim of the Trust in accordance with RSA 402-C:45 and RSA 402-C:44. Bengelsdorf Aff. ¶ 13.

14. The Court has previously approved similar settlement agreements. See, e.g., Order Approving Settlement Agreement with Wisconsin Energy (March 18, 2010); Order Approving Settlement Agreement with Straits Steel (May 3, 2009); Order Approving Settlement Agreement with Georgia-Pacific (April 3, 2008); Order Approving Commutation Agreement with Northwestern National Insurance Company and Settlement Agreement and Assignment of Distribution with AK Steel Corporation (March 10, 2006). The Liquidator's negotiation and the Court's approval of such agreements are authorized by the broad authority of the Liquidator to "compound, compromise or in any other manner negotiate the amount for which claims will be recommended to the court," RSA 402-C:45, I, and the authority of the Court to "approve, disapprove or modify any report on claims by the liquidator." RSA 402-C:45, II. It is also an appropriate exercise of the Liquidator's authority ("[s]ubject to the court's control") to "do such other acts . . . as are necessary or expedient for the accomplishment of or in aid of the purpose of liquidation." RSA 402-C:25, XXII.

15. In his Motion for Approval of Commutation with Northwestern National Insurance Company and Settlement Agreement and Assignment of Distribution with AK Steel Corporation ¶¶ 19-23 (February 16, 2006), the Liquidator provided his analysis of New Hampshire law, including RSA 402-C:40 III, as it applies to this type of comprehensive policy coverage compromise and settlement in an insurer liquidation context. That analysis also applies to the proposed Settlement Agreement with the Trust.

16. The Liquidator submits that the Settlement Agreement is fair and reasonable and in the best interests of the policyholders and creditors of Home. See Bengelsdorf Aff. ¶ 14.

WHEREFORE, the Liquidator respectfully requests that this Court:

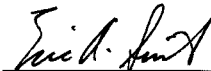
- A. Grant this Motion;
- B. Enter an Order in the form submitted herewith approving the Settlement Agreement, approving the Liquidator's claim recommendation, and allowing the Trust's claim as a Class II claims in the aggregate amount of \$22,500,000; and
- C. Grant such other and further relief as justice may require.

Respectfully submitted,

ROGER A. SEVIGNY, INSURANCE
COMMISSIONER OF THE STATE OF
NEW HAMPSHIRE SOLELY AS
LIQUIDATOR OF THE HOME
INSURANCE COMPANY,

By his attorneys,
MICHAEL A. DELANEY
ATTORNEY GENERAL

J. Christopher Marshall
NH Bar ID No. 1619
Civil Bureau
New Hampshire Department of Justice
33 Capitol Street
Concord, NH 03301-6397
(603) 271-3650



J. David Leslie
NH Bar ID No. 16859
Eric A. Smith
NH Bar ID No. 16952
Rackemann, Sawyer & Brewster P.C.
160 Federal Street
Boston, MA 02110
(617) 542-2300

July 16, 2012

Certificate of Service

I hereby certify that a copy of the foregoing Liquidator's Motion for Approval of Settlement Agreement with the AWI Asbestos Trust, the Affidavit of Peter A. Bengelsdorf, and the Proposed Order, were sent, this 16th day of July, 2012, by first class mail, postage prepaid to all persons on the attached service list.



Eric A. Smith

NH Bar ID No. 16952

THE STATE OF NEW HAMPSHIRE

MERRIMACK, SS.

SUPERIOR COURT

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Docket No. 03-E-0106

SERVICE LIST

Lisa Snow Wade, Esq.
Orr & Reno
One Eagle Square
P.O. Box 3550
Concord, New Hampshire 03302-3550

Gary S. Lee, Esq.
James J. DeCristofaro, Esq.
Kathleen E. Schaaf, Esq.
Morrison & Foerster
1290 Avenue of the Americas
New York, New York 10104-0050

Pieter Van Tol, Esq.
Hogan Lovells US LLP
875 Third Avenue
New York, New York 10022

Peter G. Callaghan, Esq.
Preti, Flaherty, Beliveau, Pachos
& Haley, PLLP
57 North Main Street
P.O. Box 1318
Concord, New Hampshire 03302-1318

George T. Campbell, III, Esq.
Robert A. Stein, Esq.
Robert A. Stein & Associates, PLLC
One Barberry Lane
P.O. Box 2159
Concord, New Hampshire 03302-2159

David M. Spector, Esq.
Dennis G. LaGory, Esq.
Schiff Hardin LLP
6600 Sears Tower
Chicago, Illinois 60606

Michael Cohen, Esq.
Cohen & Buckley, LLP
1301 York Road
Baltimore, Maryland 21093

David H. Simmons, Esq.
Mary Ann Etzler, Esq.
Daniel J. O'Malley, Esq.
deBeaubien, Knight, Simmons,
Mantzaris & Neal, LLP
332 North Magnolia Avenue
P.O. Box 87
Orlando, Florida 32801

Martin P. Honigberg, Esq.
Suloway & Hollis, P.L.L.C.
9 Capitol Street
P.O. Box 1256
Concord, New Hampshire 03302-1256

Richard Mancino, Esq.
Willkie Farr & Gallagher, LLP
787 Seventh Avenue
New York, New York 10019

Joseph G. Davis, Esq.
Willkie Farr & Gallagher, LLP
1875 K Street, N.W.
Washington, DC 20006

Albert P. Bedecarre, Esq.
Quinn Emanuel Urguhart Oliver & Hedges, LLP
50 California Street, 22nd Floor
San Francisco, California 94111

Jeffrey W. Moss, Esq.
Morgan Lewis & Bockius, LLP
225 Franklin Street
16th Floor
Boston, Massachusetts 02110

Gerald J. Petros, Esq.
Hinckley, Allen & Snyder LLP
50 Kennedy Plaza, Suite 1500
Providence, Rhode Island 02903

Christopher H.M. Carter, Esq.
Hinckley, Allen & Snyder LLP
11 South Main Street, Suite 400
Concord, New Hampshire 03301

Robert M. Horkoviceh
Robert Y. Chung
Anderson Kill & Olick, P.C.
1251 Avenue of the Americas
New York, New York 10020

Andrew B. Livernois
Ransmeier & Spellman, P.C.
One Capitol Street
P.O. Box 600
Concord, New Hampshire 03302-0600

John A. Hubbard
615 7th Avenue South
Great Falls, Montana 59405

Adebowale O. Osijo
2015 East Pontiac Way, Suite 209
Fresno, California 93726

Jim Darnell, Esq.
Jim Darnell, P.C.
310 N. Mesa Street, Suite 212
El Paso, Texas 79901

Edmond J. Ford, Esq.
Ford & Weaver, P.A.
10 Pleasant Street, Suite 400
Portsmouth, New Hampshire 03801

Paul W. Kalish, Esq.
Ellen M. Farrell, Esq.
Kristine E. Nelson, Esq.
Crowell & Moring
1001 Pennsylvania Avenue, N.W.
Washington, DC 20004-2595

Harry L. Bowles
306 Big Hollow Lane
Houston, Texas 77042

Michael S. Olsan, Esq.
Christine G. Russell, Esq.
Brendan D. McQuiggan, Esq.
Gregory T. LoCasale, Esq.
White and Williams, LLP
One Liberty Place, Suite 1800
Philadelphia, Pennsylvania 19103-7395

Kyle A. Forsyth, Esq.
Commercial Litigation Branch
Civil Division
United States Department of Justice
P.O. Box 875
Washington, D.C. 20044-0875

SETTLEMENT AGREEMENT AND MUTUAL RELEASE

This Settlement Agreement and Mutual Release (the "Settlement Agreement") is made this 19th day of June 2012, by and between the Armstrong World Industries, Inc. Asbestos Personal Injury Settlement Trust (the "Trust"), successor to Armstrong World Industries, Inc. ("AWI"), formerly known as Armstrong Cork Company, on the one hand, and Roger A. Sevigny, Commissioner of Insurance of the State of New Hampshire, solely in his capacity as Liquidator ("Liquidator") of the Home Insurance Company ("Home"), on the other hand (the Trust and the Liquidator are referred to collectively as the "Parties").

RECITALS

A. Home is being liquidated pursuant to the June 13, 2003 Order of the Merrimack County Superior Court (the "Liquidation Court"), pursuant to which the Liquidator was appointed as the Liquidator of Home.

B. Home issued the following insurance policies to AWI:

<u>Policy Number</u>	<u>Policy Period</u>
HEC9304912	1/1/69 – 4/1/69
HEC9305223	4/1/69 – 4/1/72
HEC4356186	4/1/72 – 4/1/74
HEC4764460	4/1/74 – 1/1/77
HEC4495654	4/1/74 – 1/1/77
HEC9328956	1/1/77 – 1/1/78
HEC9631556	1/1/78 – 1/1/79
HEC9631555	1/1/78 – 1/1/79

which, together with all other insurance policies that Home may have issued to AWI, are hereinafter defined collectively as the "Policies."

C. In 1986, Home and AWI entered into a settlement agreement concerning, among other things, Home's coverage obligations to AWI under the Policies for asbestos-related bodily injury claims (the "1986 Settlement Agreement"). In the 1986 Settlement Agreement, Home and AWI agreed that Home policy HEC4764460 provides for two separate aggregate limits for asbestos-related bodily injury claims: an aggregate limit of \$30 million for asbestos-related bodily injury claims within the "products and completed operations" hazards of the policy ("asbestos-related bodily injury products claims"), and a separate aggregate limit of \$30 million for asbestos-related bodily injury claims not within the "products and completed operations" hazards of the policy ("asbestos-related bodily injury non-products claims").

D. On or about December 6, 2000, AWI filed a Petition for Reorganization under Chapter 11 of the United States Bankruptcy Code in the United States District Court for the District of Delaware (the "Bankruptcy Court").

E. In 2004, AWI submitted a proof of claim in the Home liquidation estate (together with any other proof of claim filed by AWI in the Home liquidation estate, the "Proof of Claim"), seeking \$30 million in coverage for asbestos-related bodily injury claims under Home policy HEC4764460 (the "Asbestos BI Coverage Claim"), as well as other amounts for other coverage under the Home Policies (the "Other Coverage Claims"). Home assigned the Proof of Claim the identifying number INSU391545.

F. On or about August 18, 2006, the Bankruptcy Court confirmed AWI's Fourth Amended Plan for Reorganization, as Modified (the "Plan"), and the Plan became effective on October 2, 2006.

G. The Plan and related documents provide for, among other things, the creation of the Trust to administer, approve, and pay qualifying asbestos-related bodily injury claims.

H. The Plan and related documents further provide that the Trust receives rights to proceeds available under certain insurance policies, including the Policies, solely with respect to asbestos-related bodily injury claims.

I. In accordance with the Plan, the Trust succeeded to the rights of AWI with respect to, and is now the holder of, the Asbestos BI Coverage Claim.

J. The Parties are desirous of fully and finally compromising and resolving all obligations, disputes, and issues that now exist or might exist in the future between them relating to or arising from the Asbestos BI Coverage Claim.

K. In consideration of all the respective transactions contemplated by this Settlement Agreement and the mutual covenants and representations herein contained, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

AGREEMENT

1. Effectiveness. This Settlement Agreement is subject to and conditioned upon its approval by the Liquidation Court and allowance by the Liquidation Court of the Recommended Amount (as defined below) as an allowed claim against the Home liquidation estate. In the event that the Liquidation Court declines to approve the Settlement Agreement and allow the Recommended Amount, this Settlement Agreement shall be null and void and without any force or effect, and the Parties shall return to their positions *status quo ante* this Settlement Agreement as if no such agreement (except for paragraph 1) was ever reached, with this Settlement Agreement thereafter being inadmissible for any purpose in any dispute between the Parties.

The date on which the Liquidation Court approves this Settlement Agreement and allows the Recommended Amount shall be deemed the "Effective Date" for purposes of this Settlement Agreement.

2. Recommendation, Allowance, and Classification of Claims.

A. Subject to all the terms of this Settlement Agreement, and with the agreement of the Trust, which by the Trust's execution hereof is hereby granted, the Liquidator, promptly following the execution of this Settlement Agreement by both Parties, shall move at his expense for approval of this Settlement Agreement and shall recommend pursuant to N.H. RSA 402-C:45 that the Asbestos BI Coverage Claim be allowed by the Liquidation Court in the amount of \$22,500,000 (the "Recommended Amount") as a Class II priority claim under N.H. RSA 402-C:44.

B. The Liquidator shall not seek reimbursement of the Recommended Amount or any part thereof, directly or indirectly, from any person or entity, whether by way of a Claim for contribution, indemnification, subrogation, retrospective premium, deductible, or otherwise; provided that nothing in this paragraph 2B shall preclude the Liquidator from seeking reimbursement of such amounts from its reinsurers, solely in their capacities as such, nor shall anything in this paragraph 2B preclude the Liquidator from raising the Settlement Agreement and the Recommended Amount as a defense to any claim for contribution, indemnification, subrogation, retrospective premium, deductible, or otherwise made by another insured under the Policies.

C. Approval of the Settlement Agreement and allowance of the Recommended Amount as a Class II claim by the Liquidation Court shall fully and finally resolve the Asbestos BI Coverage Claim and shall finally resolve any claim of whatever nature the Trust has under the Policies.

D. The Trust agrees that it will not deny or reduce asbestos-related bodily injury claims asserted against it on the grounds that an asbestos-related bodily injury claimant has submitted or could submit a claim in the Home liquidation estate. The Liquidator and the Trust acknowledge that the Trust's current trust distribution procedures, pursuant to which the Trust processes and pays asbestos-related bodily injury claims, a copy of which was provided to the Liquidator's counsel on April 3, 2012, are consistent with this provision.

E. If and when the Liquidation Court approves this Settlement Agreement and allows the Recommended Amount as a Class II claim, the Trust will become a Class II creditor in the Home liquidation estate pursuant to N.H. RSA 402-C:44, and the Trust shall, subject to this Settlement Agreement, receive distributions on the allowed amount at the same intervals and at the same percentages as other Class II creditors of Home. All payments shall be made to the Trust.

3. Release by the Trust. Upon the Effective Date and without the necessity of any further action by either Party, the Trust, for itself and on behalf of its trustees, officers, directors, employees, agents, attorneys, subsidiaries, affiliates, predecessors, and their successors and assigns, all in their capacities as such (collectively, the "Trust Releasing Parties"), irrevocably and unconditionally releases and discharges the Liquidator and Home and each of their respective officers, directors, employees, agents, attorneys, subsidiaries, affiliates, predecessors,

successors, and assigns (including any trustee or other statutory successor), all in their capacities as such (the "Liquidator Released Parties"), from any and all actions, causes of action, liabilities, adjustments, obligations, offsets, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, premiums, losses, salvage, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, extents, executions, claims, and/or demands, whether in law, admiralty, or equity, and whether known or unknown, suspected or unsuspected, fixed or contingent (collectively, "Claims"), which the Trust Releasing Parties ever had, now have, or hereafter may have against the Liquidator Released Parties.

4. Release by Liquidator. Upon the Effective Date and without the necessity of any further action by either Party, the Liquidator, in his capacity as such, and on behalf of Home and each of their respective officers, directors, employees, agents, attorneys, subsidiaries, affiliates, predecessors, and their successors and assigns, all in their capacities as such (the "Liquidator Releasing Parties"), irrevocably and unconditionally releases and discharges the Trust and its trustees, officers, directors, employees, agents, attorneys, subsidiaries, affiliates, predecessors, and their successors and assigns, all in their capacities as such (the "Trust Released Parties"), from any and all Claims which the Liquidator Releasing Parties ever had, now have, or hereafter may have against the Trust Released Parties.

5. Release Does Not Extend to Other Coverage Claims Asserted By AWI. Notwithstanding anything in this Settlement Agreement to the contrary, including, but not limited to paragraphs 3 and 4 above, and for the avoidance of doubt, this Settlement Agreement resolves the Proof of Claim only to the extent of the Asbestos BI Coverage Claim and any Claims for which the Trust, pursuant to the Plan, is the successor of AWI. This Settlement

Agreement does not resolve, release or discharge, without limitation: (1) the Other Coverage Claims asserted by AWI in the Proof of Claim, for which the Trust did not receive the rights to proceeds pursuant to the Plan and related documents; (2) any other Claims with respect to coverage under the Policies as to which the Trust did not receive the rights to proceeds pursuant to the Plan and related documents; or (3) any Claims with respect to coverage retained by AWI under the Plan and related documents.

6. Resolution of Matters. The Parties acknowledge that this Settlement Agreement is intended to resolve all matters as between them arising out of or relating to any rights or obligations that they ever had, now have, or hereafter may have under the Policies.

7. Trust's and Liquidator's Warranties and Representations Regarding Other Claims. The Parties hereby warrant and represent that they are not aware of any actual or contemplated claims, asserted or unasserted, by any person or entity other than the Trust for insurance coverage under the Policies for asbestos-related bodily injury claims other than those being resolved and released pursuant to this Settlement Agreement.

8. Mutual Release of Settling Carriers. The Trust agrees to use reasonable commercial efforts to cause any settlement agreement concerning insurance coverage for asbestos-related bodily injury claims that it enters into with any other insurance company after the Effective Date to include a waiver or release by that other insurance company of any claim, whether for contribution, apportionment, indemnification, subrogation, equitable subrogation, allocation, recoupment, or otherwise ("Contribution Claim"), that such other insurance company may have against Home regarding Home's coverage obligations for asbestos-related bodily injury claims involving AWI. Any such insurer that enters into a settlement agreement with the

Trust that contains such a waiver or release is referred to hereinafter as an "Other Settling Insurer." The Liquidator, on his own behalf and on behalf of the Home liquidation estate, hereby waives, relinquishes and releases any Contribution Claim that the Liquidator may have against an Other Settling Insurer regarding such Other Settling Insurer's coverage obligations for asbestos-related bodily injury claims involving AWI.

9. Bankruptcy Court Approval, Injunction. In the event that, at any point in the future, the Trust reopens the AWI bankruptcy case for any reason, the Trust will seek, at that time, to designate the Liquidator and Home as protected parties under the asbestos bodily injury permanent channeling injunction approved by the Plan (the "Channeling Injunction"). Should this event occur, the Liquidator shall pay all expenses incurred by the Trust, including the costs of notice, in connection with efforts to seek the approval order and the designation of the Liquidator and Home as protected parties under the Channeling Injunction ("Home Settlement Approval Order and Injunction"); provided, however, that if notice is required for some other purpose than seeking the Home Settlement Approval Order and Injunction, (a) the Liquidator and the Trust shall meet and confer concerning an appropriate allocation of notice costs as between seeking the Home Settlement Approval Order and Injunction on the one hand and such other purpose on the other hand, and (b) if the Liquidator and the Trust cannot agree on such allocation, they agree to be bound by any such allocation by the Bankruptcy Court, which allocation shall be final and binding on the Parties and not subject to challenge or appeal by either of them.

10. No Assignments. The Parties represent and warrant, each on its own behalf, that, prior to the Execution Date, they have not assigned, conveyed, or otherwise transferred any Claims released herein to any person or entity.

11. Further Assurances. The Parties shall take all further actions as may be necessary to carry out the intent and purpose of this Settlement Agreement and to consummate the transactions contemplated herein.

12. Governing Law and Venue. This Settlement Agreement shall be governed by and construed in accordance with the laws of the State of New Hampshire without regard to the conflicts of law provisions thereof. The Parties agree that the exclusive venue for any dispute between the Parties under this Settlement Agreement shall be the Liquidation Court.

13. Due Diligence. The Parties acknowledge and agree that, in negotiating and executing this Settlement Agreement, they have relied upon their own judgment and upon the recommendations of their own legal counsel, that they have read this Settlement Agreement and have had the opportunity to consider its terms and effects, and that they have executed this Settlement Agreement voluntarily and with full understanding of its terms and effects. This Settlement Agreement is the product of negotiations between the Parties. No Party shall be charged with having promulgated this Settlement Agreement, and the general rule that ambiguities are to be construed against the drafter shall not apply to this Settlement Agreement.

14. No Third Party Rights. This Settlement Agreement is entered into solely for the benefit of the Liquidator, Home, and the Trust and is not intended to and does not give or create any rights to or in any person or entity other than the Parties.

15. Counterparts. This Settlement Agreement may be executed in multiple counterparts, each of which, when so delivered, shall be an original, but such counterparts shall together constitute one and the same instrument. The Parties agree that a signature sent by facsimile or electronic mail to the other Party shall have the same force and effect as an original signature.

16. Power and Authority to Execute. Subject to the approval of the Liquidation Court required by paragraphs 1 and 2 of this Settlement Agreement, each Party hereto represents and warrants that it has the full power and authority to execute, deliver, and perform this Settlement Agreement; that all requisite and necessary approvals have been obtained to consummate the transactions contemplated by this Settlement Agreement; that there are no other agreements or transactions to which it is a party that would render this Settlement Agreement or any part thereof, void, voidable or unenforceable; that each individual signing on behalf of a Party has been duly authorized by that Party to execute this Settlement Agreement on its behalf; and that no claims being released under the terms of this Settlement Agreement have been assigned, sold, or otherwise transferred to any other entity.

17. Successor-in-Interest Bound. This Settlement Agreement shall be binding upon, and shall inure to the benefit of the Parties and their respective officers, directors, employees, affiliates, attorneys, liquidators, receivers, administrators, agents, representatives, successors, and assigns in their capacities as such.

18. Entire Agreement. This Settlement Agreement constitutes the entire agreement and understanding between the Parties with respect to the subject matter thereof. This

Settlement Agreement supersedes all prior agreements and understandings, whether written or oral, concerning such matters.

19. Survival of Warranties and Representations. The warranties and representations made herein shall survive the execution of this Settlement Agreement.

20. Validity of Settlement Agreement. Subject to approval of this Settlement Agreement by the Liquidation Court as required by paragraphs 1 and 2 of this Settlement Agreement, each Party represents and warrants that this Settlement Agreement is a legal, valid, and binding obligation, enforceable in accordance with its terms.

21. No Waiver. No waiver of any right under this Settlement Agreement shall be deemed effective unless contained in a writing signed by the Party or an authorized representative of the Party charged with such waiver, and no waiver of any breach or failure to perform shall be deemed to be a waiver of any future breach or failure to perform or of any other provision of this Settlement Agreement. This Settlement Agreement may not be amended except in a document signed by the Party or an officer or other authorized official of the Party to be charged.

22. Notice. All notices to be given under this Settlement Agreement shall be given by facsimile and first class U.S. mail directed to:

If to the Trust, to:

Harry Huge
Trustee
Armstrong World Industries, Inc. Asbestos Personal Injury
Settlement Trust
25 East Battery Street
Charleston, South Carolina 29401
Fax: 843-720-8794

and

Kevin E. Irwin
Keating Muething & Klekamp PLL
One East Fourth Street, Suite 1400
Cincinnati, Ohio 45202
Fax: 513-579-6457

and

Richard Shore
Gilbert LLP
1100 New York Avenue, NW
Washington, DC 20005
Fax: 202-772-2319

If to the Liquidator, to:

Thomas W. Kober, Chief Claims Officer
The Home Insurance Company in Liquidation
61 Broadway, 6th Fl.
New York, New York 10006
Fax: 212-299-3824

and

J. Christopher Marshall
Civil Bureau
New Hampshire Department of Justice
33 Capitol Street
Concord, New Hampshire 03301-6397
Fax: 603-271-2110

and

J. David Leslie
Rackemann, Sawyer & Brewster, P.C.
160 Federal Street
Boston, MA 02110-1700
Fax: 617-542-7437

and

John F. O'Connor
Steptoe & Johnson LLP
1330 Connecticut Avenue, N.W.
Washington, D.C. 20036
Fax: 202-429-3902

23. Severability. If any provision of this Settlement Agreement is invalid, unenforceable, or illegal under the law of any applicable jurisdiction, the validity and enforceability of such provision in any other jurisdiction shall not be affected thereby and the remaining provisions of this Settlement Agreement shall remain valid and enforceable. However, in the event of such invalidity, unenforceability, or illegality, the Parties shall negotiate in good faith to amend this Settlement Agreement through the insertion of additional provisions which are valid, enforceable, and legal and which reflect, to the extent possible, the purposes contained in the invalid, unenforceable, or illegal provision.

WHEREFORE, the Parties have caused this Settlement Agreement to be executed on their respective behalves as of the date below the signatures of their duly authorized representatives.

TRUST (AS DEFINED HEREIN)

By: Harry Hoge
Name: HARRY HOGE
Title: Managing Trustee
Date: June 19th, 2012

LIQUIDATOR (AS DEFINED HEREIN)

By: Thomas W. Kober

Name: Thomas W. Kober

Title: Chief Claims Officer

Date: JUNE 19, 2012