

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

**AFFIDAVIT OF JEFFREY W. MOSS
IN SUPPORT OF THE WESTERN TRUST'S OBJECTION
TO THE LIQUIDATOR'S ALLOWANCE AND TREATMENT OF CERTAIN
CLAIMS OF THE CALIFORNIA INSURANCE GUARANTEE ASSOCIATION**

I, Jeffrey W. Moss, depose and say:

1. I am an attorney with the law firm of Morgan, Lewis & Bockius LLP. Morgan Lewis is counsel for the Western Asbestos Settlement Trust (the "Western Trust") in this action. I make this Affidavit in support of the Western Trust's Objection to the Liquidator's Allowance and Treatment of Certain Claims of the California Insurance Guarantee Association. I have personal knowledge of the following facts. If called upon as a witness to testify as to those facts, I could and would do so competently and truthfully.

2. Attached as Exhibit "A" is a true and correct copy of a June 29, 2015 Escrow Agreement made by and among the Western Trust, Roger A. Sevigny, Commissioner of Insurance of the State of New Hampshire, solely in his capacity as Liquidator of The Home Insurance Company (the "Liquidator"), and Wells Fargo Bank, National Association, as escrow agent, redacted in accordance with its Section 4.10.

3. Attached as Exhibit "B" is a true and correct copy of a February 18, 2011 Settlement Agreement and Mutual Release made by and between the Western Trust and the Liquidator (the "Agreement"), along with a true and correct copy of this Court's May 2, 2011 order approving the Agreement.

Signed under penalties of perjury this 27th day of January 2016.



Jeffrey W. Moss

SUBSCRIBED AND SWORN TO
before me this 27th day of January 2016



Notary Public: Lisbeth Tillit

My Commission Expires: 08/08/2019

DB2/28113454.1

Exhibit “A”

ESCROW AGREEMENT

This Escrow Agreement, dated this 29 day of June (the "Escrow Agreement"), is entered into by and among the Western Asbestos Settlement Trust ("Trust") and The Home Insurance Company ("Home"), by Roger A. Sevigny, Commissioner of Insurance the State of New Hampshire, solely in his capacity as Liquidator ("Liquidator") of Home (the Trust and Home together are the "Parties," and individually, a "Party"), and Wells Fargo Bank, National Association, a national banking association, as escrow agent ("Escrow Agent").

RECITALS

A. The Trust is the sole owner of Western Asbestos Company and pursuant to authority granted in the Order Confirming Second Amended Joint Plan of Reorganization and Granting Related Relief, dated January 27, 2004, is authorized as the successor to MacArthur Co. and Western MacArthur Co. to "initiate, prosecute, defend and resolve" all Asbestos Insurance Actions in the name of MacArthur Co., Western MacArthur Co. and/or Western Asbestos Company (the "MacArthur Companies"), In re: Western Asbestos Co. et al., Bankr. N.D. Cal., Case Nos. 02-46284 T through 02-02-46286 T.

B. Home was declared insolvent and ordered liquidated and the Insurance Commissioner of the State of New Hampshire and her successors in office was appointed as its liquidator by the Order of Liquidation entered by the Superior Court for Merrimack County, New Hampshire (the "Liquidation Court") on June 13, 2003. Roger A. Sevigny, Insurance Commissioner of the State of New Hampshire, is the present Liquidator.

C. The Trust and the MacArthur Companies (collectively "Claimants") and the Liquidator entered into a Settlement Agreement and Mutual Release dated February 18, 2011 (the "Settlement Agreement"). The Settlement Agreement was approved by the Liquidation Court by order issued May 2, 2011.

D. The Settlement Agreement provides that, in the event that Claimants pursue any claim under the Policies against any Insurance Guaranty Association, the amount allowed as a Class II claim in the Home liquidation shall be the Recommended Amount minus certain amounts. Settlement Agreement ¶ 9(B)(1).

E. The Settlement Agreement provides that if, at the time the Liquidator is to make a distribution, (i) the Claimants are pursuing a claim against any Insurance Guaranty Association with respect to the Policies, (ii) Claimants do not waive the right to pursue claims against any Insurance Guaranty Association with respect to the Policies, or (iii) an Insurance Guaranty Association against whom Claimants have obtained a Recovery could still assert a claim in the Home liquidation regarding the Recovery, then the distribution amount shall be placed in escrow with a mutually acceptable third-party escrow agent pending certain developments. Settlement Agreement ¶ 9(B)(3). The Settlement Agreement provides that the escrow shall be established and administered pursuant to a mutually acceptable written escrow agreement and shall be jointly administered with respect to investment of the escrowed funds. Id.

F. The Liquidation Court approved a 15% interim distribution to claimants with allowed Class II claims by order dated March 13, 2012 (as amended July 2, 2012), subject to receipt of a waiver of Federal Priority Act claims from the United States. The Liquidator received such a waiver on November 5, 2014.

G. The Trust is pursuing claims under the Policies against the California Insurance Guarantee Association ("CIGA") in Snyder, et al. v. California Insurance Guarantee Association, No. RG-13-666656 (Superior Court of California, County of Alameda).

II. The Liquidator and the Trust accordingly seek to establish an escrow account and enter this Escrow Agreement to hold and invest amounts to be distributed to Claimants and to provide for disbursement of amounts in the escrow account to the Trust or to the Liquidator pursuant to joint instructions in accordance with the provisions of the Settlement Agreement.

I. The Parties acknowledge that the Escrow Agent is not a party to, is not bound by, and has no duties or obligations under, the Settlement Agreement, that all references in this Escrow Agreement to the Settlement Agreement are for convenience, and that the Escrow Agent shall have no implied duties beyond the express duties set forth in this Escrow Agreement.

In consideration of the promises and agreements of the Parties and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties and the Escrow Agent agree as follows:

ARTICLE I ESCROW DEPOSIT

Section 1.1. Receipt of Escrow Property. Upon approval of this Escrow Agreement by the Liquidation Court, the Liquidator will deliver to the Escrow Agent the amount of \$36,328,251 (the "Escrow Property") in immediately available funds designated for deposit in accordance with this Escrow Agreement, which amount consists of the 15% initial distribution on the \$242,500,000 Recommended Amount minus \$311,660, which amount is currently disputed between the Trust and the Liquidator. By placing the above undisputed amount of \$36,328,251 into escrow, neither party waives their respective positions as to the disputed amount or any further fees submitted by CIGA to the Liquidator. The Liquidator may deliver additional amounts in the event that additional Class II distributions are made from the Home estate.

Section 1.2. Investments.

(a) The Escrow Agent is authorized and directed to deposit, transfer, hold and invest the Escrow Property and any investment income thereon as set forth in Exhibit A hereto, or as otherwise set forth in any subsequent written instruction signed by both Parties. Any investment earnings and income on the Escrow Property shall become part of the Escrow Property, and shall be disbursed in accordance with Section 1.3 or Section 1.6 of this Escrow Agreement.

(b) The Liquidator and the Trust shall provide joint written instructions signed by both Parties to sell or redeem investments to make any payments or distributions required under

this Escrow Agreement. The Escrow Agent shall have no responsibility or liability for any loss which may result from any investment or sale of investment made pursuant to this Escrow Agreement. In the event of such loss, neither the Liquidator nor the Trust shall have any obligation to contribute additional funds to reinstate the Escrow Property. The Escrow Agent is hereby authorized, in making or disposing of any investment permitted by the joint instructions of the Liquidator and the Trust, to deal with itself (in its individual capacity) or with any one or more of its affiliates, whether it or any such affiliate is acting as agent of the Escrow Agent or for any third person or dealing as principal for its own account, provided such dealing is based on commercially reasonable terms. The Parties acknowledge that the Escrow Agent is not providing investment supervision, recommendations, or advice.

Section 1.3. Disbursements. The Escrow Agent shall disburse the Escrow Property in accordance with the joint written instructions of the Parties.

Section 1.4. Security Procedure For Funds Transfers. The Escrow Agent shall confirm each funds transfer instruction received in the name of a Party by means of the security procedure selected by such Party and communicated to the Escrow Agent through a signed certificate in the form of Exhibit B-1 or Exhibit B-2 attached hereto, which upon receipt by the Escrow Agent shall become a part of this Escrow Agreement. Once delivered to the Escrow Agent, Exhibit B-1 or Exhibit B-2 may be revised or rescinded only by a writing signed by an authorized representative of the Party. Such revisions or rescissions shall be effective only after actual receipt and following such period of time as may be necessary to afford the Escrow Agent a reasonable opportunity to act on it. If a revised Exhibit B-1 or B-2 or a rescission of an existing Exhibit B-1 or B-2 is delivered to the Escrow Agent by an entity that is a successor-in-interest to such Party, such document shall be accompanied by additional documentation satisfactory to the Escrow Agent showing that such entity has succeeded to the rights and responsibilities of the Party under this Escrow Agreement.

The Parties understand that the Escrow Agent's inability to receive or confirm funds transfer instructions pursuant to the security procedure selected by such Party may result in a delay in accomplishing such funds transfer, and agree that the Escrow Agent shall not be liable for any loss caused by any such delay.

Section 1.5. Income Tax Allocation and Reporting.

(a) The parties understand and agree that, following approval of this Escrow Agreement by the Liquidation Court, the Escrow Account shall be classified as a qualified settlement fund under Treasury Regulation section 1.468B-1. The Liquidator will move for such approval upon agreement by the Parties and Escrow Agent to the form of this Escrow Agreement. On approval, the Escrow Account shall be subject to the continuing jurisdiction of the Liquidation Court. The Escrow Account will therefore be subject to federal income tax on its modified gross income annually. The Escrow Account must file an income tax return on Form 1120-SF with respect to each taxable year that the Escrow Account is in existence, whether or not the Escrow Account has gross income for that taxable year under Treasury Regulation Section 1.468B-2(k)(1). The Escrow Account may also be required to file quarterly returns of estimated tax. The Trust shall obtain for the Escrow Account a Taxpayer Identification Number

and provide the Taxpayer Identification Number to the Escrow Agent and the Liquidator. The Trust shall also timely prepare, without charge, all quarterly and annual income tax returns for the Escrow Account and submit them, with a copy to the Liquidator, to the Escrow Agent for signature and filing by the Escrow Agent. The Escrow Agent shall deposit income tax shown on such returns (including any payments of estimated tax) with an authorized government depository in accordance with Treasury Regulations section 1.6302-1 at the time of filing those returns using solely income earned by the Escrow Account, without regard to the joint-written-instructions requirement of Section 1.3 *supra*. The Escrow Agent shall comply with the information reporting requirement of Treasury Regulation section 1.468B-2(l) with respect to payments and distributions from the Escrow Account.

(b) For certain payments made pursuant to this Agreement, the Escrow Agent may be required to make a "reportable payment" or "withholdable payment" and in such cases the Escrow Agent shall have the duty to act as a payor or withholding agent, respectively, that is responsible for any tax withholding and reporting required under Chapters 3, 4, and 61 of the United States Internal Revenue Code of 1986, as amended (the "Code"). The Escrow Agent shall have the sole right to make the determination as to which payments are "reportable payments" or "withholdable payments." All parties to this Agreement shall provide an executed IRS Form W-9 or appropriate IRS Form W-8 (or, in each case, any successor form) to the Escrow Agent prior to closing, and shall promptly update any such form to the extent such form becomes obsolete or inaccurate in any respect. The Escrow Agent shall have the right to request from any party to this Agreement, or any other Person entitled to payment hereunder, any additional forms, documentation or other information as may be reasonably necessary for the Escrow Agent to satisfy its reporting and withholding obligations under the Code. To the extent any such forms to be delivered under this Section 1.5(b) are not provided prior to or by the time the related payment is required to be made or are determined by the Escrow Agent to be incomplete and/or inaccurate in any respect, the Escrow Agent shall be entitled to withhold on any such payments hereunder to the extent withholding is required under Chapters 3, 4, or 61 of the Code, and shall have no obligation to gross up any such payment.

(c) The Liquidator shall provide to the Escrow Agent no later than February 15 of the year following each calendar year in which the Liquidator makes a transfer to the Escrow Account the statement required by Treasury Regulation section 1.468B-3(e)(2) and shall attach a copy of the statement to (and as part of) Home's timely filed income tax return (including extensions) for the taxable year of Home in which the transfer is made.

(d) To the extent that the Escrow Agent becomes liable for the payment of any taxes in respect of income derived from the investment of the Escrow Property, the Escrow Agent shall satisfy such liability to the extent possible from the Escrow Property. The Trust shall indemnify, defend and hold the Escrow Agent harmless from and against any tax, late payment, interest, penalty or other cost or expense that may be assessed against the Escrow Agent on or with respect to the Escrow Property and the investment thereof unless such tax, late payment, interest, penalty or other expense was directly caused by the gross negligence or willful misconduct of the Escrow Agent. The indemnification provided by this Section 1.5(d) shall be satisfied to the extent possible from the Escrow Property. The indemnification provided by this Section 1.5(d) is in addition to the indemnification provided in Section 3.1 and shall survive the resignation or

removal of the Escrow Agent and the termination of this Escrow Agreement. Upon such termination, the Trust shall prepare for filing by the Escrow Agent the final income tax return for the Escrow Account and the request for Prompt Assessment set forth in Treasury Regulation § 1.46BB-2(m). The Trust shall provide the Liquidator with a copy of the proposed filings when they are provided to the Escrow Agent.

Section 1.6. Statements. The Escrow Agent shall provide the Parties with monthly and annual statements regarding the Escrow Account reflecting all interest and investment earnings and all charges and disbursements during each statement period.

Section 1.7. Termination. This Escrow Agreement shall terminate upon the disbursement of all of the Escrow Property as provided for in ¶ 9(B)(3) of the Settlement Agreement, including any interest and investment earnings thereon, except that the provisions of Sections 1.5(d), 3.1 and 3.2 hereof shall survive termination and the Escrow Agent is authorized and directed to disburse the Escrow Property in accordance with Section 1.3 of this Escrow Agreement.

ARTICLE 2 DUTIES OF THE ESCROW AGENT

Section 2.1. Scope of Responsibility. Notwithstanding any provision to the contrary, the Escrow Agent is obligated only to perform the duties specifically set forth in this Escrow Agreement, which shall be deemed purely ministerial in nature. Under no circumstance will the Escrow Agent be deemed to be a fiduciary to any Party or any other person under this Escrow Agreement. The Escrow Agent will not be responsible or liable for the failure of any Party to perform in accordance with this Escrow Agreement. The Escrow Agent shall neither be responsible for, nor chargeable with, knowledge of the terms and conditions of any other agreement, instrument, or document other than this Escrow Agreement, whether or not an original or a copy of such agreement has been provided to the Escrow Agent; and the Escrow Agent shall have no duty to know or inquire as to the performance or nonperformance of any provision of any such agreement, instrument, or document. References in this Escrow Agreement to any other agreement, instrument, or document are for the convenience of the Parties, and the Escrow Agent has no duties or obligations with respect thereto. This Escrow Agreement sets forth all matters pertinent to the escrow contemplated hereunder, and no additional obligations of the Escrow Agent shall be inferred or implied from the terms of this Escrow Agreement or any other agreement.

Section 2.2. Attorneys and Agents. The Escrow Agent shall be entitled to rely on and shall not be liable for any action taken or omitted to be taken by the Escrow Agent in accordance with the advice of counsel or other professionals retained or consulted by the Escrow Agent. The Escrow Agent shall be reimbursed as set forth in Section 3.1 for any and all compensation (fees, expenses and other costs) paid and/or reimbursed to such counsel and/or professionals. The Escrow Agent may perform any and all of its duties through its agents, representatives, attorneys, custodians, and or nominees.

Section 2.3. Reliance. The Escrow Agent shall not be liable for any action taken or not taken by it in accordance with the direction or consent of the Parties or their respective agents,

representatives, successors, or assigns. The Escrow Agent shall not be liable for acting or refraining from acting upon any notice, request, consent, direction, requisition, certificate, order, affidavit, letter, or other paper or document believed by it to be genuine and correct and to have been signed or sent by the proper person or persons, without further inquiry into the person's or persons' authority. Concurrent with the execution of this Escrow Agreement, the Parties shall deliver to the Escrow Agent Exhibit B-1 and Exhibit B-2, which contain authorized signer designations in Part I thereof.

Section 2.4. Right Not Duty Undertaken. The permissive rights of the Escrow Agent to do things enumerated in this Escrow Agreement shall not be construed as duties.

Section 2.5. No Financial Obligation. No provision of this Escrow Agreement shall require the Escrow Agent to risk or advance its own funds or otherwise incur any financial liability or potential financial liability in the performance of its duties or the exercise of its rights under this Escrow Agreement.

ARTICLE 3 PROVISIONS CONCERNING THE ESCROW AGENT

Section 3.1. Indemnification. The Trust shall indemnify, defend and hold harmless the Escrow Agent from and against any and all loss, liability, cost, damage and expense, including, without limitation, reasonable attorneys' fees and expenses or other reasonable professional fees and expenses which the Escrow Agent may suffer or incur by reason of any action, claim or proceeding brought against the Escrow Agent, arising out of or relating in any way to this Escrow Agreement or any transaction to which this Escrow Agreement relates, unless such loss, liability, cost, damage or expense shall have been finally adjudicated to have been directly caused by the willful misconduct or gross negligence of the Escrow Agent. The provisions of this Section 3.1 shall survive the resignation or removal of the Escrow Agent and the termination of this Escrow Agreement.

Section 3.2. Limitation of Liability. THE ESCROW AGENT SHALL NOT BE LIABLE, DIRECTLY OR INDIRECTLY, FOR ANY (I) DAMAGES, LOSSES OR EXPENSES ARISING OUT OF THE SERVICES PROVIDED HEREUNDER, OTHER THAN DAMAGES, LOSSES OR EXPENSES WHICH HAVE BEEN FINALLY ADJUDICATED TO HAVE DIRECTLY RESULTED FROM THE ESCROW AGENT'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, OR (II) SPECIAL, INDIRECT, PUNITIVE, OR CONSEQUENTIAL DAMAGES OR LOSSES OF ANY KIND WHATSOEVER (INCLUDING WITHOUT LIMITATION LOST PROFITS), EVEN IF THE ESCROW AGENT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSSES OR DAMAGES AND REGARDLESS OF THE FORM OF ACTION.

Section 3.3. Resignation or Removal. The Escrow Agent may resign by furnishing written notice of its resignation to the Parties, and the Parties may remove the Escrow Agent by furnishing to the Escrow Agent a joint written notice of its removal along with payment of all fees and expenses to which the Escrow Agent is entitled through the date of removal. Such resignation or removal, as the case may be, shall be effective thirty (30) days after the delivery of such notice or upon the earlier appointment of a successor, and the Escrow Agent's sole

responsibility thereafter shall be to safely keep the Escrow Property and to deliver the same to a successor escrow agent as shall be appointed by the Parties, as evidenced by a joint written notice filed with the Escrow Agent or in accordance with a court order. If the Parties have failed to appoint a successor escrow agent prior to the expiration of thirty (30) days following the delivery of such notice of resignation or removal, the Escrow Agent may petition the Liquidation Court for the appointment of a successor escrow agent or for other appropriate relief, and any such resulting appointment shall be binding upon the Parties.

Section 3.4. Compensation. The Escrow Agent shall be entitled to compensation for its services as stated in the fee schedule attached hereto as Exhibit C, which compensation shall be paid by the Trust from the Escrow Account. The fee agreed upon for the services rendered hereunder is intended as full compensation for the Escrow Agent's services as contemplated by this Escrow Agreement; provided, however, that in the event that the conditions for the disbursement of funds under this Escrow Agreement are not fulfilled, or the Escrow Agent renders any service not contemplated in this Escrow Agreement, or there is any assignment of interest in the subject matter of this Escrow Agreement, or any material modification hereof, or if any material controversy arises hereunder, or the Escrow Agent is made a party to any litigation pertaining to this Escrow Agreement or the subject matter hereof, then the Escrow Agent shall be compensated for such extraordinary services and reimbursed for all costs and expenses, including reasonable attorneys' fees and expenses, occasioned by any such delay, controversy, litigation or event. If any amount due to the Escrow Agent hereunder is not paid within thirty (30) days of the date due, the Escrow Agent in its sole discretion may charge interest on such amount up to the highest rate permitted by applicable law. The Escrow Agent shall have, and is hereby granted, a prior lien upon the Escrow Property with respect to its unpaid fees, non-reimbursed expenses and unsatisfied indemnification rights, superior to the interests of any other persons or entities and is hereby granted the right to set off and deduct any unpaid fees, non-reimbursed expenses and unsatisfied indemnification rights from the Escrow Property.

Section 3.5. Disagreements. If any conflict, disagreement or dispute arises between, among, or involving any of the Parties or the Escrow Agent concerning the meaning or validity of any provision hereunder or concerning any other matter relating to this Escrow Agreement, or the Escrow Agent is in doubt as to the action to be taken hereunder, the Escrow Agent may, at its option, retain the Escrow Property until the Escrow Agent (i) receives a final non-appealable order of the Liquidation Court directing delivery of the Escrow Property, (ii) receives a written agreement executed by each of the Parties involved in such disagreement or dispute directing delivery of the Escrow Property, in which event the Escrow Agent shall be authorized to disburse the Escrow Property in accordance with such final court order or agreement, or (iii) files an interpleader action in the Liquidation Court, and upon the filing thereof, the Escrow Agent shall be relieved of all liability as to the Escrow Property and shall be entitled to recover reasonable attorneys' fees, expenses and other costs incurred in commencing and maintaining any such interpleader action. The Escrow Agent shall be entitled to act on any such agreement or court order without further question, inquiry, or consent.

Section 3.6. Merger or Consolidation. Any corporation or association into which the Escrow Agent may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer all or substantially all of its corporate trust business and assets as a whole or

substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which the Escrow Agent is a party, shall be and become the successor escrow agent under this Escrow Agreement and shall have and succeed to the rights, powers, duties, immunities and privileges as its predecessor, without the execution or filing of any instrument or paper or the performance of any further act. The successor Escrow Agent shall provide notice to the Parties of such succession, including the new information for Section 4.3 hereof, as soon as reasonably possible after the effective date of such succession.

Section 3.7. Attachment of Escrow Property; Compliance with Legal Orders. In the event that any Escrow Property shall be attached, garnished or levied upon by any court order, or the delivery thereof shall be stayed or enjoined by an order of a court, or any order, judgment or decree shall be made or entered by any court order affecting the Escrow Property, the Escrow Agent shall immediately notify the Parties. The Escrow Agent is hereby expressly authorized, in its sole discretion, to respond as it deems appropriate or to comply with all writs, orders or decrees so entered or issued, or which it is advised by legal counsel of its own choosing is binding upon it, whether with or without jurisdiction; provided, however, that the Escrow Agent agrees to confer with the Parties in advance of any response. In the event that the Escrow Agent obeys or complies with any such writ, order or decree it shall not be liable to any of the Parties or to any other person, firm or corporation, should, by reason of such compliance notwithstanding, such writ, order or decree be subsequently reversed, modified, annulled, set aside or vacated.

Section 3.8 Force Majeure. The Escrow Agent shall not be responsible or liable for any failure or delay in the performance of its obligation under this Escrow Agreement arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control, including, without limitation, acts of God; earthquakes; fire; flood; wars; acts of terrorism; civil or military disturbances; sabotage; epidemic; riots; interruptions, loss or malfunctions of utilities, computer (hardware or software) or communications services; accidents; labor disputes; acts of civil or military authority or governmental action; it being understood that the Escrow Agent shall use commercially reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as reasonably practicable under the circumstances.

ARTICLE 4 MISCELLANEOUS

Section 4.1. Successors and Assigns. This Escrow Agreement shall be binding on and inure to the benefit of the Parties and the Escrow Agent and their respective successors and permitted assigns. No other persons shall have any rights under this Escrow Agreement. No assignment of the interest of any of the Parties shall be binding unless and until written notice of such assignment shall be delivered to the other Party and the Escrow Agent and shall require the prior written consent of the other Party and the Escrow Agent (such consent not to be unreasonably withheld).

Section 4.2. Escheat. The Parties are aware that under applicable state law, property which is presumed abandoned may under certain circumstances escheat to the applicable state. The Escrow Agent shall have no liability to the Parties, their respective heirs, legal representatives,

successors and assigns, or any other party, should any or all of the Escrow Property escheat by operation of law.

Section 4.3. Notices. All notices, requests, demands, and other communications required under this Escrow Agreement shall be in writing, in English, and shall be deemed to have been duly given if delivered (i) personally, (ii) by facsimile transmission with written confirmation of receipt, (iii) on the day of transmission if sent by electronic mail ("e-mail") to the e-mail address given below, and written confirmation of receipt is obtained promptly after completion of transmission, (iv) by overnight delivery with a reputable national overnight delivery service, or (v) by mail or by certified mail, return receipt requested, and postage prepaid. If any notice is mailed, it shall be deemed given five business days after the date such notice is deposited in the United States mail. If notice is given to a party, it shall be given at the address for such party set forth below. It shall be the responsibility of the Parties to notify the Escrow Agent and the other Party in writing of any name or address changes. In the case of communications delivered to the Escrow Agent, such communications shall be deemed to have been given on the date received by the Escrow Agent.

If to the Trust:

Sara Beth Brown, Executive Director
Western Asbestos Settlement Trust
300 East 2nd Street
Suite 1410
Reno, NV 89501
Telephone: 775-324-5511
Fax: 775-325-6200
E-mail: sbbrown@524gtrust.com

and

Paul A. Zevnik
Morgan, Lewis & Bockius, LLP
1111 Pennsylvania Avenue, N.W.
Washington, D.C. 20004
Telephone: 202-739-3000
Fax: 202-739-4755
E-mail: pzevnik@morganlewis.com

If to Home:

Thomas W. Kober, Chief Claims Officer
The Home Insurance Company in Liquidation
61 Broadway
New York, New York 10006-2504
Telephone:

Fax: 212-299-3824
E-mail: tom.kober@homeinsco.com

and

J. Christopher Marshall
Civil Bureau, New Hampshire Department of Justice
33 Capitol Street
Concord, New Hampshire 03301-6397
Telephone: 603-271-3650
Fax: 603-271-2110
E-mail: christopher.marshall@doj.nh.gov

and

J. David Leslie
Rackemann, Sawyer & Brewster, P.C.
160 Federal Street
Boston, Massachusetts 02110
Telephone: 617-951-1131
Fax: 617-542-7437
E-mail: dleslie@rackemann.com

and

Roger E. Warin
Steptoe & Johnson
1330 Connecticut Avenue, N.W.
Washington, D.C. 20036
Telephone: 1 202 429 6280
Fax: 202-429-3902
E-mail: rwarin@steptoe.com

If to the Escrow Agent:

Kheang "TK" Tan
Assistant Vice President
Wells Fargo Bank, N.A.
333 South Grand Ave
Suite 5A
MAC E2064-05A
Los Angeles, CA 90071
Telephone (213) 253-7505
E-mail: Kheang.B.Tan@wellsfargo.com

Section 4.4. Governing Law. This Escrow Agreement shall be governed by and construed in accordance with the laws of the State of New Hampshire.

Section 4.5. Entire Agreement. This Escrow Agreement and the exhibits hereto set forth the entire agreement and understanding of the Parties and the Escrow Agent related to the Escrow Property. The Parties acknowledge that matters between them, including the determination of joint instructions to the Escrow Agent for the disbursement of Escrow Property, are governed by the Settlement Agreement.

Section 4.6. Amendment. This Escrow Agreement may be amended, modified, superseded, rescinded, or canceled only by a written instrument executed by the Parties and the Escrow Agent.

Section 4.7. Waivers. The failure of any party to this Escrow Agreement at any time or times to require performance of any provision under this Escrow Agreement shall in no manner affect the right at a later time to enforce the same performance. A waiver by any party to this Escrow Agreement of any such condition or breach of any term, covenant, representation, or warranty contained in this Escrow Agreement, in any one or more instances, shall neither be construed as a further or continuing waiver of any such condition or breach nor a waiver of any other condition or breach of any other term, covenant, representation, or warranty contained in this Escrow Agreement.

Section 4.8. Headings. Section headings of this Escrow Agreement have been inserted for convenience of reference only and shall in no way restrict or otherwise modify any of the terms or provisions of this Escrow Agreement.

Section 4.9. Counterparts. This Escrow Agreement may be executed in one or more counterparts, each of which when executed shall be deemed to be an original, and such counterparts shall together constitute one and the same instrument.

Section 4.10 Publication; disclosure. The Parties and Escrow Agent acknowledge that this Escrow Agreement and its attachments will be disclosed as an exhibit to public filings with the Liquidation Court. In any public filing with the Liquidation Court, and to the extent that it is necessary to disclose this Escrow Agreement and/or its attachments to individuals or entities not a party or acting for a party to this Escrow Agreement, the Parties and Escrow Agent agree to redact the manual signatures of the signatories to this Escrow Agreement, taxpayer identification numbers, and account numbers (unless disclosure is otherwise required by law).

[The remainder of this page left intentionally blank.]

IN WITNESS WHEREOF, this Escrow Agreement has been duly executed as of the date first written above.

WESTERN ASBESTOS SETTLEMENT TRUST

By: 
Sara Beth Brown, Executive Director

**THE HOME INSURANCE COMPANY, by
ROGER A. SEVIGNY, COMMISSIONER OF
INSURANCE OF THE STATE OF NEW
HAMPSHIRE, SOLELY IN HIS CAPACITY AS
LIQUIDATOR OF THE HOME INSURANCE
COMPANY**

By: _____
Thomas W. Kober, Chief Claims Officer

**WELLS FARGO BANK, NATIONAL
ASSOCIATION, as Escrow Agent**

By: _____

Name: _____

Title: _____

IN WITNESS WHEREOF, this Escrow Agreement has been duly executed as of the date first written above.

WESTERN ASBESTOS SETTLEMENT TRUST

By: _____
Sara Beth Brown, Executive Director

**THE HOME INSURANCE COMPANY, by
ROGER A. SEVIGNY, COMMISSIONER OF
INSURANCE OF THE STATE OF NEW
HAMPSHIRE, SOLELY IN HIS CAPACITY AS
LIQUIDATOR OF THE HOME INSURANCE
COMPANY**

By: _____
Thomas W. Kober, Chief Claims Officer

**WELLS FARGO BANK, NATIONAL
ASSOCIATION, as Escrow Agent**

By: _____

Name:

Title:

IN WITNESS WHEREOF, this Escrow Agreement has been duly executed as of the date first written above.

WESTERN ASBESTOS SETTLEMENT TRUST

By: _____
Sara Beth Brown, Executive Director

**THE HOME INSURANCE COMPANY, by
ROGER A. SEVIGNY, COMMISSIONER OF
INSURANCE OF THE STATE OF NEW
HAMPSHIRE, SOLELY IN HIS CAPACITY AS
LIQUIDATOR OF THE HOME INSURANCE
COMPANY**

By: _____
Thomas W. Kober, Chief Claims Officer

**WELLS FARGO BANK, NATIONAL
ASSOCIATION, as Escrow Agent**

By: _____

Name: Gloria Gutierrez
Title: Vice President

EXHIBIT A

**Agency and Custody Account Direction
For Cash Balances
Wells Fargo Money Market Deposit Accounts**

Direction to use the following Wells Fargo Money Market Deposit Accounts for Cash Balances for the escrow account (the "Account") established under the Escrow Agreement to which this Exhibit A is attached.

You are hereby directed to deposit, as indicated below, or as we both shall direct further in writing from time to time, all cash in the Account in the following money market deposit account of Wells Fargo Bank, National Association:

[Wells Fargo Money Market Deposit Account (MMDA)]

We understand that amounts on deposit in the MMDA are insured, subject to the applicable rules and regulations of the Federal Deposit Insurance Corporation (FDIC), in the basic FDIC insurance amount of \$250,000 per depositor, per insured bank. This includes principal and accrued interest up to a total of \$250,000.

We acknowledge that we have full power to direct investments of the Account.

We understand that we may change this direction at any time and that it shall continue in effect until revoked or modified by us by written notice to you.

Western Asbestos Settlement Trust

By: 

Sara Beth Brown, Executive Director

The Home Insurance Company, by Roger A. Sevigny, Commissioner of Insurance of the State of New Hampshire, solely in his capacity as Liquidator of Home

By: _____

Thomas W. Kober, Chief Claims Officer

EXHIBIT A

**Agency and Custody Account Direction
For Cash Balances
Wells Fargo Money Market Deposit Accounts**

Direction to use the following Wells Fargo Money Market Deposit Accounts for Cash Balances for the escrow account (the "Account") established under the Escrow Agreement to which this Exhibit A is attached.

You are hereby directed to deposit, as indicated below, or as we both shall direct further in writing from time to time, all cash in the Account in the following money market deposit account of Wells Fargo Bank, National Association:

[Wells Fargo Money Market Deposit Account (MMDA)]

We understand that amounts on deposit in the MMDA are insured, subject to the applicable rules and regulations of the Federal Deposit Insurance Corporation (FDIC), in the basic FDIC insurance amount of \$250,000 per depositor, per insured bank. This includes principal and accrued interest up to a total of \$250,000.

We acknowledge that we have full power to direct investments of the Account.

We understand that we may change this direction at any time and that it shall continue in effect until revoked or modified by us by written notice to you.

Western Asbestos Settlement Trust

By: _____
Sara Beth Brown, Executive Director

**The Home Insurance Company, by Roger A.
Sevigny, Commissioner of Insurance of the State
of New Hampshire, solely in his capacity as
Liquidator of Home**

By: _____
Thomas W. Kober, Chief Claims Officer

EXHIBIT B-1

The Liquidator certifies that the names, titles, telephone numbers, e-mail addresses and specimen signatures set forth in Parts I and II of this Exhibit B-1 identify the persons authorized to provide direction and initiate or confirm transactions, including funds transfer instructions, on behalf of Liquidator, and that the option checked in Part III of this Exhibit B-1 is the security procedure selected by the Liquidator for use in verifying that a funds transfer instruction received by the Escrow Agent is that of Liquidator.

The Liquidator has reviewed each of the security procedures and has determined that the option checked in Part III of this Exhibit B-1 best meets its requirements; given the size, type and frequency of the instructions it will issue to the Escrow Agent. By selecting the security procedure specified in Part III of this Exhibit B-1, the Liquidator acknowledges that it has elected to not use the other security procedures described and agrees to be bound by any funds transfer instruction, whether or not authorized, issued in its name and accepted by the Escrow Agent in compliance with the particular security procedure chosen by the Liquidator.

NOTICE: The security procedure selected by the Liquidator will not be used to detect errors in the funds transfer instructions given by the Liquidator. If a funds transfer instruction describes the beneficiary of the payment inconsistently by name and account number, payment may be made on the basis of the account number even if it identifies a person different from the named beneficiary. If a funds transfer instruction describes a participating financial institution inconsistently by name and identification number, the identification number may be relied upon as the proper identification of the financial institution. Therefore, it is important that the Liquidator take such steps as it deems prudent to ensure that there are no such inconsistencies in the funds transfer instructions it sends to the Escrow Agent.

Part I

Name, Title, Telephone Number, Electronic Mail ("e-mail") Address and Specimen Signature for person(s) designated to provide direction, including but not limited to funds transfer instructions, and to otherwise act on behalf of the Liquidator

<u>Name</u>	<u>Title</u>	<u>Telephone Number</u>	<u>E-mail Address</u>	<u>Specimen Signature</u>
Peter A. Bengelsdorf	Special Deputy Liquidator	805-498-3020 or 212-530-3741	pabinsconsult@aol.com	<i>Peter A. Bengelsdorf</i>
Arthur D. Wilson	Vice President and CFO	212-530-6603	arthur.wilson@homeinsco.com	<i>Arthur D. Wilson</i>

Part II

Name, Title, Telephone Number and E-mail Address for person(s) designated to confirm funds transfer instructions

<u>Name</u>	<u>Title</u>	<u>Telephone Number</u>	<u>E-mail Address</u>
Peter A. Bengelsdorf	Special Deputy Liquidator	805-498-3020 or 212-530-3741	pabinsconsult@aol.com
Arthur D. Wilson	Vice President and CFO	212-530-6603	arthur.wilson@homeinsco.com

Part III

Means for delivery of instructions and/or confirmations

The security procedure to be used with respect to funds transfer instructions is checked below:

Option 1. Confirmation by telephone call-back. The Escrow Agent shall confirm funds transfer instructions by telephone call-back to a person at the telephone number designated on Part II above. The person confirming the funds transfer instruction shall be a person other than the person from whom the funds transfer instruction was received, unless only one person is designated in both Parts I and II of this Exhibit B-1.

CHECK box, if applicable:

If the Escrow Agent is unable to obtain confirmation by telephone call-back, the Escrow Agent may, at its discretion, confirm by e-mail, as described in Option 2.

Option 2. Confirmation by e-mail. The Escrow Agent shall confirm funds transfer instructions by e-mail to a person at the e-mail address specified for such person in Part II of this Exhibit B-1. The person confirming the funds transfer instruction shall be a person other than the person from whom the funds transfer instruction was received, unless only one person is designated in both Parts I and II of this Exhibit B-1. ["_____"] understands the risks associated with communicating sensitive matters, including time sensitive matters, by e-mail. ["_____"] further acknowledges that instructions and data sent by e-mail may be less confidential or secure than instructions or data transmitted by other methods. The Escrow Agent shall not be liable for any loss of the confidentiality of instructions and data prior to receipt by the Escrow Agent.

CHECK box, if applicable:

If the Escrow Agent is unable to obtain confirmation by e-mail, the Escrow Agent may, at its discretion, confirm by telephone call-back, as described in Option 1.

Option 3. Delivery of funds transfer instructions by password protected file transfer system only - no confirmation. The Escrow Agent offers the option to deliver funds transfer instructions through a password protected file transfer system. If ["_____"] wishes to use the password protected file transfer system, further instructions will be provided by the Escrow Agent. If ["_____"] chooses this Option 3, it agrees that no further confirmation of funds transfer instructions will be performed by the Escrow Agent.

Option 4. Delivery of funds transfer instructions by password protected file transfer system with confirmation. Same as Option 3 above, but the Escrow Agent shall confirm funds transfer instructions by telephone call-back or e-mail (must check at least one, may check both) to a person at the telephone number or e-mail address designated on Part II above. By checking a box in the prior sentence, the party shall be deemed to have agreed to the terms of such confirmation option as more fully described in Option 1 and Option 2 above.

Dated this 26th June day of May, 2015.

By _____
Name: Thomas W. Koenen
Title: Chief Claims Officer

EXHIBIT B-2

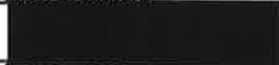
The Trust certifies that the names, titles, telephone numbers, e-mail addresses and specimen signatures set forth in Parts I and II of this Exhibit B-2 identify the persons authorized to provide direction and initiate or confirm transactions, including funds transfer instructions, on behalf of the Trust, and that the option checked in Part III of this Exhibit B-2 is the security procedure selected by the Trust for use in verifying that a funds transfer instruction received by the Escrow Agent is that of the Trust.

The Trust has reviewed each of the security procedures and has determined that the option checked in Part III of this Exhibit B-2 best meets its requirements; given the size, type and frequency of the instructions it will issue to the Escrow Agent. By selecting the security procedure specified in Part III of this Exhibit B-2, the Trust acknowledges that it has elected to not use the other security procedures described and agrees to be bound by any funds transfer instruction, whether or not authorized, issued in its name and accepted by the Escrow Agent in compliance with the particular security procedure chosen by the Trust.

NOTICE: The security procedure selected by the Trust will not be used to detect errors in the funds transfer instructions given by the Trust. If a funds transfer instruction describes the beneficiary of the payment inconsistently by name and account number, payment may be made on the basis of the account number even if it identifies a person different from the named beneficiary. If a funds transfer instruction describes a participating financial institution inconsistently by name and identification number, the identification number may be relied upon as the proper identification of the financial institution. Therefore, it is important that the Trust take such steps as it deems prudent to ensure that there are no such inconsistencies in the funds transfer instructions it sends to the Escrow Agent.

Part I

Name, Title, Telephone Number, Electronic Mail ("e-mail") Address and Specimen Signature for person(s) designated to provide direction, including but not limited to funds transfer instructions, and to otherwise act on behalf of the Trust

<u>Name</u>	<u>Title</u>	<u>Telephone Number</u>	<u>E-mail Address</u>	<u>Specimen Signature</u>
Sara Beth Brown	Exec. Dir.	775-324-5511	SBBROWN@524GTRUST.COM	
Barbara Malm	CFO	775-324-5511	BMALM@524GTRUST.COM	Barbara Malm

Part II

Name, Title, Telephone Number and E-mail Address for person(s) designated to confirm funds transfer instructions

<u>Name</u>	<u>Title</u>	<u>Telephone Number</u>	<u>E-mail Address</u>
Sara Beth Brown	Exec. Dir.	775-324-5511	sbbrown@524GTRUST.COM
Barbara Malm	CFO	775-324-5511	bmalm@524GTRUST.COM

Part III

Means for delivery of instructions and/or confirmptions

The security procedure to be used with respect to funds transfer instructions is checked below:

Option 1. Confirmation by telephone call-back. The Escrow Agent shall confirm funds transfer instructions by telephone call-back to a person at the telephone number designated on Part II above. The person confirming the funds transfer instruction shall be a person other than the person from whom the funds transfer instruction was received, unless only one person is designated in both Parts I and II of this Exhibit B-2.

CHECK box, if applicable:

If the Escrow Agent is unable to obtain confirmation by telephone call-back, the Escrow Agent may, at its discretion, confirm by e-mail, as described in Option 2.

Option 2. Confirmation by e-mail. The Escrow Agent shall confirm funds transfer instructions by e-mail to a person at the e-mail address specified for such person in Part II of this Exhibit B-2. The person confirming the funds transfer instruction shall be a person other than the person from whom the funds transfer instruction was received, unless only one person is designated in both Parts I and II of this Exhibit B-2. ["_____"] understands the risks associated with communicating sensitive matters, including time sensitive matters, by e-mail. ["_____"] further acknowledges that instructions and data sent by e-mail may be less confidential or secure than instructions or data transmitted by other methods. The Escrow Agent shall not be liable for any loss of the confidentiality of instructions and data prior to receipt by the Escrow Agent.

CHECK box, if applicable:

If the Escrow Agent is unable to obtain confirmation by e-mail, the Escrow Agent may, at its discretion, confirm by telephone call-back, as described in Option 1.

Option 3. Delivery of funds transfer instructions by password protected file transfer system only - no confirmation. The Escrow Agent offers the option to deliver funds transfer instructions through a password protected file transfer system. If ["_____"] wishes to use the password protected file transfer system, further instructions will be provided by the Escrow Agent. If ["_____"] chooses this Option 3, it agrees that no further confirmation of funds transfer instructions will be performed by the Escrow Agent.

Option 4. Delivery of funds transfer instructions by password protected file transfer system with confirmation. Same as Option 3 above, but the Escrow Agent shall confirm funds transfer instructions by telephone call-back or e-mail (must check at least one, may check both) to a person at the telephone number or e-mail address designated on Part II above. By checking a box in the prior sentence, the party shall be deemed to have agreed to the terms of such confirmation option as more fully described in Option 1 and Option 2 above.

Dated this _ day of May, 2015.

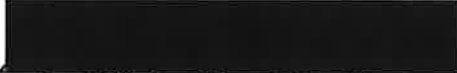
By 
Name: Sara Beth Brown
Title: Executive Director

EXHIBIT C
FEEES OF ESCROW AGENT

DBI XJ002029 1
DRAFT 07/15/06AM

Corporate Trust Services
Schedule of fees to provide escrow agent services



Western Asbestos Settlement Trust – Escrow Account
Approximate size: \$36,000,000.00

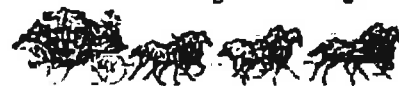
Acceptance fee	Waived
A one-time fee for our initial review of governing documents, account set-up and customary duties and responsibilities related to the closing. This fee is payable at closing.	
Annual administration fee	\$5,000.00
A fee for customary administrative services provided by the escrow agent, including daily routine account management; investment transactions, cash transactions processing (including wire and check processing), disbursement of funds in accordance with the agreement, tax reporting for one entity, and providing account statements to the parties. The administration fee is payable annually in advance per escrow account established. The first installment of the administrative fee is payable at closing.	
Out-of-pocket expenses	At cost
Out-of-pocket expenses will be billed as incurred at cost at the sole discretion of Wells Fargo.	
Extraordinary services	Standard rate
The charges for performing services not contemplated at the time of execution of the governing documents or not specifically covered elsewhere in this schedule will be at Wells Fargo's rates for such services in effect at the time the expense is incurred.	

This proposal is based upon the following assumptions with respect to the role of escrow agent:

- Number of escrow accounts to be established: One (1)
- Amount of escrow: \$36,000,000.00
- Term of escrow: up to Two (2) years
- Number of tax reporting parties: One (1)
- Number of parties to the transaction: Three (3)
- Fees quoted assumes balances invested under the escrow agreement will be held in: MMDA

- The recipient acknowledges and agrees that this proposal does not commit or bind Wells Fargo to enter into a contract or any other business arrangement, and that acceptance of the appointment described in this proposal is expressly conditioned on (1) compliance with the requirements of the USA Patriot Act of 2001, described below, (2) satisfactory completion of Wells Fargo's internal account acceptance procedures, (3) Wells Fargo's review of all applicable governing documents and its confirmation that all terms and conditions pertaining to its role are satisfactory to it and (4) execution of the governing documents by all applicable parties.
- Should this transaction fail to close or if Wells Fargo determines not to participate in the transaction, any acceptance fee and any legal fees and expenses may be due and payable.
- Legal counsel fees and expenses, any acceptance fee and any administrative fee are payable at closing.
- Should any of the assumptions, duties or responsibilities of Wells Fargo change, Wells Fargo reserves the right to affirm, modify or rescind this proposal.
- The fees described in this proposal subject to periodic review and adjustment by Wells Fargo.
- Invoices outstanding for over 30 days are subject to a 1.5% per month late payment penalty.
- This fee proposal is good for 90 days.

Together we'll go far



**Corporate Trust Services
Schedule of fees to provide escrow agent services**

**Western Asbestos Settlement Trust – Escrow Account
Approximate size: \$36,000,000.00**

important information about identifying our customers

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person (individual, corporation, partnership, trust, estate or other entity recognized as a legal person) for whom we open an account.

What this means for you: Before we open an account, we will ask for your name, address, date of birth (for individuals), TIN/EIN or other information that will allow us to identify you or your company. For individuals, this could mean identifying documents such as a driver's license. For a corporation, partnership, trust, estate or other entity recognized as a legal person, this could mean identifying documents such as a Certificate of Formation from the issuing state agency.

Date: January 30, 2015 (Revised 2/11/15)

Exhibit “B”

SETTLEMENT AGREEMENT AND MUTUAL RELEASE

This Settlement Agreement and Mutual Release (the "Settlement Agreement") is made this 18th day of February 2011, by and between the Western Asbestos Settlement Trust ("Trust"), P.O. Box 3413, Reno, Nevada, in its capacity as the sole owner of Western Asbestos Company, and pursuant to the authority granted in the Order Confirming Second Amended Joint Plan of Reorganization and Granting Related Relief, dated January 27, 2004 (the "Confirmation Order") as the successor to MacArthur Co. and Western MacArthur Co. to "initiate, prosecute, defend and resolve" all Asbestos Insurance Actions in the name of MacArthur Co., Western MacArthur Co. and/or Western Asbestos Company (the "MacArthur Companies") (collectively, "Claimants"), 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 Claimants and the Liquidator are hereinafter referred to collectively as the "Parties").

WHEREAS, Home issued the following insurance policies under which Claimants are named insureds:

<u>Policy Number</u>	<u>Policy Period</u>
GA-9 25 26 30	1/1/76-1/1/77
GA-9 37 68 91	1/1/77-1/1/78
GA-9 55 96 85	1/1/78-1/1/79
GA-9 71 09 95	1/1/79-1/1/80
GA-9 98 75 81	1/1/80-1/1/81
GA-9 99 33 35	1/1/81-1/1/82
GL-1 24 58 16	1/1/82-1/1/83,

which together with all other insurance policies that Home may have issued to Claimants are defined as the "Policies";

WHEREAS, Home was placed into liquidation effective June 11, 2003, by Order of the Superior Court of the State of New Hampshire, Merrimack County (the "Liquidation Court");

WHEREAS, Claimants seek payment from Home respecting claims against them, including but not limited to claims for alleged asbestos-related bodily injury ("Asbestos Claims"), and Claimants have submitted proofs of claim in the Home liquidation that have been assigned the following proof of claim numbers:

<u>Policy Number</u>	<u>Claim Number</u>
GA-9 25 26 30	INSU274428
GA-9 37 68 91	INSU274338
GA-9 55 96 85	INSU274454
GA-9 71 09 95	INSU274475
GA-9 98 75 81	INSU274533

GA-9 99 33 35
GL-1 24 58 16

INSU274535
INSU274653,

which together with any other proof of claim hereinbefore or hereinafter filed by Claimants in the Home liquidation are defined as the "Proofs of Claim";

WHEREAS, Claimants have reached settlements regarding insurance coverage for Asbestos Claims with certain of their other insurers; and Claimants may in the future reach settlements regarding insurance coverage for Asbestos Claims with certain of their other insurers (all such past and future insurers are defined as the "Settling Insurers");

WHEREAS, the Claimants are currently pursuing claims against Zurich-American Insurance Company, individually and as successor to Zurich Insurance Company; Zurich American Insurance Company of Illinois, Steadfast Insurance Company, Zurich Insurance Company (Switzerland), Individually and as a Successor in Interest, Parent, and Alter Ego of Zurich Home Investments Limited formerly known as ZCI Investments Limited, Centre Reinsurance Limited (Barbados), Centre Reinsurance Limited (Bermuda), and Centre Reinsurance Holdings, Ltd., American Guarantee and Liability Insurance Co., American Zurich Insurance Company, and Orange Stone Reinsurance (Ireland), formerly known as Centre Reinsurance (Dublin), successor to Centre Reinsurance International (hereinafter the "Zurich Defendants") in the matter styled *Western Asbestos Settlement Trust, et al. v. Zurich-American Insurance Co., et al.*, case no. CGC-04-436181 (San Francisco Superior Ct.), which is coordinated for all current purposes with *Fuller-Austin Asbestos Settlement Trust, et al. v. Zurich-American Insurance Co., et al.*, Case Nos. CGC 04-431719 (San Francisco Superior Ct.), *PepsiAmericas, Inc. et al. v. Zurich-American Insurance Co., et al.*, CGC 05-442140 (San Francisco Superior Ct.), and *Pneumo Abex, LLC v. Zurich-American Insurance Co., et al.*, Case No. CGC 05-442745 (San Francisco Superior Ct.) (collectively, the "Zurich Litigation");

WHEREAS, the Parties are desirous of resolving all claims that were asserted, or could have been or could be asserted, between them and resolving all matters concerning the Proofs of Claim; and

WHEREAS, Claimants have asserted claims against the California Insurance Guarantee Association which are pending as part of the Zurich Litigation and have, or may, assert claims against other insurance guaranty associations established by law to provide for payment of certain covered claims in case of the insolvency of an insurer ("Insurance Guaranty Associations");

WHEREAS, the Parties agree that this Settlement Agreement is subject to and conditioned upon its approval by the Liquidation Court and allowance of the Recommended Amount (as defined below) in the Home liquidation and in the event the Liquidation Court does not approve the Settlement Agreement and allow the Recommended Amount, this Settlement Agreement shall be null and void and without any force or effect;

NOW, THEREFORE, 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:

1. Effectiveness. This Settlement Agreement is conditioned upon and shall only become effective (the "Effective Date"), upon approval by the Liquidation Court. The Liquidator shall move for approval of this Settlement Agreement promptly following execution of this Settlement Agreement by all Parties.

2. Bankruptcy Court Approval. Promptly following execution of this Settlement Agreement by all Parties, Claimant shall move for an order from the United States Bankruptcy Court for the Northern District of California, which entered the Confirmation Order in the Mac Arthur bankruptcy proceedings in Case Nos. 02-46284 T through 02-02-46286 T, approving entry into this Settlement Agreement. Claimants shall use their best efforts to secure a final order from the Bankruptcy Court approving the Trust's entry into this Settlement Agreement. The Parties shall cooperate in seeking such court approval. Failure to obtain approval of the Bankruptcy Court shall not affect the Parties' obligations hereunder.

3. Recommendation, Allowance and Classification of Claims.

A. Subject to all the terms of this Settlement Agreement, and with the agreement of Claimants, which by Claimants' execution hereof is hereby granted, the Liquidator shall recommend pursuant to RSA § 402-C:45 that the Proofs of Claim be allowed in the aggregate amount of \$242,500,000 (the "Recommended Amount"), as a Class II priority claim under RSA § 402-C:44. The Liquidator shall seek allowance of the Recommended Amount as a Class II claim by the Liquidation Court in the Liquidator's motion for approval of this Settlement Agreement.

B. Allowance of the Recommended Amount as a Class II claim by the Liquidation Court shall fully and finally resolve the Proofs of Claim against Home and the Liquidator. In the event that the Liquidation Court does not allow the Recommended Amount as a Class II claim, this Settlement Agreement shall be null and void and shall have no force and effect and the Parties will be returned to status quo ante, as if no such agreement were ever reached, with this Settlement Agreement then being inadmissible for any purpose in any dispute between the Parties.

C. When the Liquidation Court allows the Recommended Amount as a Class II claim (the "Class II Allowed Claim"), Claimants will become Class II creditors in the Home liquidation pursuant to N.H. RSA § 402-C:44, and Claimants 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 distributions to Claimants shall be paid to the Trust.

4. Acknowledgement of Other Claims. The Liquidator acknowledges that he is aware of the Claimants' pending claims in the Zurich Litigation and takes no position as to those claims. This Settlement Agreement is not intended to affect those claims other than the claim asserted by Claimants in the Zurich Litigation against the California Insurance Guarantee Association.

5. Agreement as to Recommendation and Allowance. As part of this Settlement Agreement, the Liquidator and the Claimants acknowledge and agree that the Recommended

Amount is a compromise of matters in dispute and does not reflect the view of any Party as to the value of Claimants' claims should the matter be adjudicated.

6. Release by Claimants. Subject to the terms of this Settlement Agreement and the Liquidation Court's approval of the Recommended Amount as a Class II claim, Claimants for themselves and on behalf of each of their officers, directors, employees, agents, attorneys, subsidiaries, affiliates, predecessors, and their successors and assigns (including any trustee or other statutory successor), irrevocably and unconditionally release and discharge the Liquidator and Home and each of their officers, directors, employees, agents, attorneys, subsidiaries, affiliates, predecessors, successors and assigns, 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 arising from or related to the Proofs of Claim, in law, admiralty or equity, which Claimants, their subsidiaries, affiliates, predecessors, successors and assigns, ever had, now have or hereafter may have against the Liquidator or Home or their officers, directors, employees, agents, attorneys, subsidiaries, affiliates, predecessors, successors and assigns, all whether known or unknown, suspected or unsuspected, fixed or contingent, in law, admiralty or equity, arising from or related to the Proofs of Claim. Further, Claimants expressly waive and relinquish all rights and benefits they may have under Section 1542 of the Civil Code of the State of California, which reads as follows: "Section 1542. [Certain claims not affected by general release.] 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," or any similar law. Such release does not extend to the Zurich Defendants or Insurance Guaranty Associations (subject to the provisions of paragraph 4, above and paragraph 9, below).

7. Release by Liquidator. Subject to the terms of this Settlement Agreement and the Liquidation Court's approval of the Recommended Amount as a Class II claim, the Liquidator, in his capacity as such, and on behalf of Home and each of their officers, directors, employees, agents, attorneys, subsidiaries, affiliates, predecessors, and their successors and assigns (including any liquidator or statutory successor), irrevocably and unconditionally releases and discharges Claimants and each of their officers, directors, employees, agents, attorneys, subsidiaries, affiliates, predecessors, successors and assigns, 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 arising from or related to the Proofs of Claim, in law, admiralty or equity, which the Liquidator, Home, their subsidiaries, affiliates, predecessors, successors and assigns, ever had, now has or hereafter may have against Claimants or their officers, directors, employees, agents, attorneys, subsidiaries, affiliates, predecessors, successors and assigns, all whether known or unknown, suspected or unsuspected, fixed or contingent, in law, admiralty or equity, arising from or related to the Proofs of Claim. Further, the Liquidator expressly waives and relinquishes all rights and benefits he may have under Section 1542 of the Civil Code of the State of California, which reads as follows: "Section 1542. [Certain claims not affected by general release.] 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," or any similar law.

8. Additional Release. The Liquidator, in his capacity as such and on behalf of Home, releases any and all Settling Insurers with which Claimants reach settlements, from any alleged or potential claims or actions for contribution, subrogation, indemnity, reimbursement or recoupment of any kind that the Liquidator or Home has made or may or could make against any Settling Insurer with regard to insurance of Claimants provided that such Settling Insurers similarly release their claims against Home and the Liquidator with regard to insurance of Claimants. Claimants have in paragraph 6 above released claims against Home or the Liquidator for contribution, subrogation, indemnity, reimbursement or recoupment of any kind by Settling Insurers with which Claimants have reached settlements with respect to insurance of Claimants. In the event that, notwithstanding these releases, a Settling Insurer asserts a claim against Home or the Liquidator for contribution, subrogation, indemnity, reimbursement or recoupment of any kind with respect to insurance of Claimants from Home, Claimants' obligations are governed by paragraph 9 below. Claimants shall obtain the right to release or prohibit the assertion of claims for contribution, subrogation, indemnity, reimbursement or recoupment as against Home or the Liquidator with respect to insurance for Claimants in any future settlements with Settling Insurers. Claimants shall release or prohibit the assertion of claims against Home or the Liquidator for contribution, subrogation, indemnity, reimbursement or recoupment of any kind by future Settling Insurers with respect to insurance of Claimants.

9. Resolution of Matters and Indemnification.

A. (1) In consideration of the Recommended Amount being allowed by the Liquidation Court as a Class II claim, Claimants agree to address, at their sole cost and expense, any Asbestos Claims or other claims against Claimants as if there had been no liquidation proceeding for Home and as if Claimants had no insurance coverage from Home by virtue of the Policies. Claimants further agree to indemnify and hold Home and the Liquidator harmless from and against any and all claims, losses, liabilities, debts, damages, costs or expenses arising from or related to the Policies other than Insurance Guaranty Association claims, which are addressed in subparagraph B below. The obligations of Claimants under this subparagraph A shall extend to and include (by way of example and not limitation) any claims made arising out of or relating to the Policies (including claims for defense, indemnity, contribution, reimbursement, set-off, indemnity, subrogation, attorney's fees or costs) against Home or the Liquidator by insurers of Claimants or by any individuals or entities asserting "direct action" claims.

(2) The Liquidator shall assert all defenses reasonably available to the Liquidator to such claims against the Liquidator or Home, including defenses under the Order of Liquidation and the New Hampshire Insurers Rehabilitation and Liquidation Act. The Liquidator shall promptly notify Claimants of any such claim, shall keep Claimants informed of material developments regarding such claims, and shall afford Claimants the opportunity to reasonably participate in the defense of such claims. Claimants shall cooperate with and support the Liquidator (including but not limited to the provision of affidavits or testimony) to eliminate claims against Home or the Liquidator by any insurer, individual or entity arising out of or relating to the Policies.

B. (1) Claimants acknowledge that, in the event they pursue any claim under the Policies against any Insurance Guaranty Association, the Insurance Guaranty Association's expenses of addressing the claim and any recovery may become a claim by the Insurance Guaranty Association in the Home liquidation. Claimants agree that any judgments, settlements, or other recoveries by claimants from any Insurance Guaranty Association with respect to the Policies ("Recovery" or "Recoveries") and the Insurance Guaranty Association's Policies-related expenses incurred after the Effective Date of this Agreement ("Expenses") shall be deducted from the Recommended Amount. In the event of such Expenses or Recovery, the amount allowed as a Class II claim in the Home liquidation shall be the Recommended Amount minus both (i) the Expenses, and (ii) any Recoveries.

(2) In the event that Recoveries plus Expenses exceed the Recommended Amount, Claimants shall not recover anything from the Home liquidation. With respect to the amount of such Recoveries plus Expenses that is in excess of the Recommended Amount (the "Excess Recovery"), Claimants may attempt to obtain an agreement from the Insurance Guaranty Associations releasing any claim for the Excess Recovery against Home and the Liquidator. But in the event the Insurance Guaranty Associations assert a claim for the Excess Recovery in the Home liquidation which is allowed by the Liquidation Court, Claimants agree to indemnify and hold Home and the Liquidator harmless and Claimants shall be obligated to indemnify Home and the Liquidator by paying an amount that shall negate the effect of the Excess Recovery on any interim distributions and the final distribution to Class II claimants in the Home liquidation. The indemnity amount shall be calculated by the Liquidator at the time of the Excess Recovery, if a distribution has been previously made, and at the time of each distribution thereafter by calculating the distribution percentage in two ways: (i) using the Recommended Amount in the liability total and (ii) using the Recommended Amount plus the Excess Recovery in the liability total. The indemnity amount shall be the additional amount necessary to provide for a distribution at the distribution percentage resulting from calculation (i) to the liabilities used in calculation (ii). The obligation of Claimants pursuant to this provision shall be continuing, such that each increase in the Class II distribution percentage shall increase the amount payable to the Liquidator as a result of an Excess Recovery. Furthermore, to secure this obligation, Claimants shall deposit 75 percent of the Excess Recovery into escrow with a mutually acceptable third-party escrow agent (the "Escrow Agent") pending the distributions in the Home liquidation. This escrow shall be maintained by the Escrow Agent until the final distribution in the Home liquidation is made. The Liquidator shall determine the indemnity amount regarding each distribution in accordance with this subparagraph B(2) and advise the Claimants and the Escrow Agent. The Escrow Agent shall then distribute the indemnity amount for that distribution to the Liquidator. Any interest accruing on the funds while held in escrow shall be transferred to the Claimants, and the remainder after the indemnity payment regarding the final distribution shall be released to Claimants. The escrow shall be established and administered pursuant to a mutually acceptable written escrow agreement and shall be jointly administered with respect to investment of the escrowed funds. The purpose of this provision is to ensure that no Class II claimant receives less in any distribution as a result of an Excess Recovery than it otherwise would receive if Claimants had only recovered the Recommended Amount.

(3) If, at the time that the Liquidator is to make a distribution to Claimants based upon the Recommended Amount, (i) the Recoveries plus Expenses are less than the Recommended Amount, (ii) Claimants have waived all rights to any further recovery from Insurance Guaranty Associations with respect to the Policies, and (iii) the Insurance Guaranty

Associations' claims in the Home liquidation regarding the Recoveries have been resolved, the Liquidator shall make distributions to Claimants as provided for in this Agreement. If, however, at that time, (i) Claimants are pursuing a claim against any Insurance Guaranty Association with respect to the Policies, (ii) Claimants do not waive the right to pursue claims against any Insurance Guaranty Association with respect to the Policies, or (iii) an Insurance Guaranty Association against whom the Claimants have obtained a Recovery is asserting or could still assert a claim in the Home liquidation regarding the Recovery, the distribution amount shall be placed in escrow with a mutually acceptable third-party escrow agent (the "Escrow Agent") pending (i) resolution of the Claimants' claim against the Insurance Guaranty Association or Associations, (ii) receipt from the Claimant of a waiver of all claims against Insurance Guaranty Associations, and (iii) resolution of the Insurance Guaranty Association's or Associations' claims in the Home liquidation. This escrow shall be maintained by the Escrow Agent until the Claimants' claim against the Insurance Guaranty Association or Associations is finally resolved, Claimants provide a waiver of all claims against Insurance Guaranty Associations, and all such Insurance Guaranty Association claims have been finally resolved in the Home liquidation. The Liquidator shall promptly determine the allocation of the distribution amount under this subparagraph B and advise the Claimants and the Escrow Agent. The Escrow Agent shall then distribute all funds held in escrow (including principal and interest) to Claimants and the Liquidator in accordance with that allocation. In the event that Recoveries plus Expenses exceed the Recommended Amount, all funds shall be distributed to the Liquidator. Any interest accruing on the funds while held in escrow shall be transferred to the recipients of the funds, along with principal, in accordance with the allocation. The escrow shall be established and administered pursuant to a mutually acceptable written escrow agreement and shall be jointly administered with respect to investment of the escrowed funds.

C. Notwithstanding any other provision of this Settlement Agreement, the amount that Claimants will pay for defense and indemnity obligations under this paragraph 9 shall be limited as follows: For indemnifiable claims brought against Home or the Liquidator under subparagraph A above, Claimants' indemnity obligations, in the aggregate, shall not exceed the amount of cash ultimately distributed or distributable to Claimants pursuant to this Settlement Agreement plus the amount of any cash received by Claimants from Insurance Guaranty Associations on account of the Policies. For indemnifiable claims brought against Home or the Liquidator under subparagraph B above, Claimants' indemnity obligations shall not be so limited.

10. Dismissals. Within ten days of the Effective Date, Claimants shall (a) dismiss or discontinue, with prejudice, any pending (active or stayed) proceedings, if any, against Home and the Liquidator, and (b) dismiss or discontinue, without prejudice, their claims against the California Insurance Guarantee Association in the Zurich Litigation.

11. No Assignment. Claimants warrant and agree that they have not assigned, conveyed, or otherwise transferred any claims, demands, causes of action, rights, or obligations related in any way to the Proofs of Claim or the Policies, or any proceeds thereof, or to the claims, losses and expenses released herein, to any person or entity. Claimants agree that they shall not assign, convey, or otherwise transfer any claims, demands, causes of action, rights, or obligations related in any way to the Proofs of Claim or the Policies, or any proceeds thereof, or to the claims, losses and expenses released herein, to any person or entity. Claimants shall not assign, convey or otherwise transfer this Settlement Agreement or any rights and obligations thereunder without the written consent of the Liquidator, which consent shall not be unreasonably withheld.

12. 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.

13. 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 arising out of the Proofs of Claim or this Settlement Agreement shall be the Liquidation Court. Nothing in this paragraph shall be construed as an admission, by either Party, as to the law governing the construction, interpretation or application of the Policies.

14. 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 Agreement.

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

16. Counterparts. This Settlement Agreement may be executed in three or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The Parties agree that a signature sent by facsimile or electronic mail shall have the same force and effect as an original signature.

17. Power and Authority to Execute. Subject to the approval of the Liquidation Court required by paragraph 1, 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.

18. 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, liquidator's, receivers, administrators, agents, representatives, successors and assigns.

19. 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.

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

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

22. 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.

23. 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 Claimants, to:

Ms. Sara Beth Brown, Executive Director Western Asbestos Settlement Trust, 100 West Liberty Street, Reno, Nevada 89501-1962 Fax: 775.325.6200 and Paul A. Zevnik, Morgan, Lewis & Bockius, LLP, 1111 Pennsylvania Avenue, N.W., Washington, D.C. 20004 Fax: 202.739.4755

If to the Liquidator, to:

Thomas W. Kober, Chief Claims Officer The Home Insurance Company in Liquidation, 61 Broadway, New York, New York 10006-2504 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, J. David Leslie, Rackemann, Sawyer & Brewster, P.C. 160 Federal Street, Boston, Massachusetts 02110 Fax: 617-542-7437, and Roger E. Warin, Steptoe & Johnson, 1330 Connecticut Avenue, N.W., Washington, D.C. 20036 Fax 202-429-3902.

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.

CLAIMANTS (AS DEFINED HEREIN)

By: _____

Name: _____

Sara Beth Brown

Title: _____

Executive Director

Date: _____

2-18-11

LIQUIDATOR (AS DEFINED HEREIN)

By: Thomas W. Kober

Name: Thomas W. Kober

Title: Chief Claims Officer

Date: February 18, 2011

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

[PROPOSED]

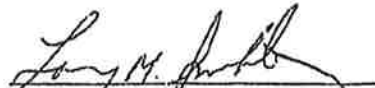
ORDER APPROVING SETTLEMENT AGREEMENT
WITH WESTERN ASBESTOS SETTLEMENT TRUST

On consideration of the motion of Roger A. Sevigny, Insurance Commissioner for the State of New Hampshire, as Liquidator ("Liquidator") of The Home Insurance Company ("Home"), for an order approving a Settlement Agreement and Mutual Release ("Settlement Agreement") between the Western Asbestos Settlement Trust ("Trust"), in its capacity as the sole owner of Western Asbestos Company, and pursuant to the authority granted in the Order Confirming Second Amended Joint Plan of Reorganization and Granting Related Relief as the successor to MacArthur Co. and Western MacArthur Co. to "initiate, prosecute, defend and resolve" all Asbestos Insurance Actions in the name of MacArthur Co., Western MacArthur Co. and/or Western Asbestos Company (collectively, "Claimants") and the Liquidator, and the supporting Affidavit of Peter A. Bengelsdorf, it is hereby found and ORDERED as follows:

1. The Settlement Agreement is reasonable, prudent, and in the best interests of the liquidation of Home;
2. The Liquidator's Motion for Approval of Settlement Agreement with Western Asbestos Settlement Trust is granted, and the Settlement Agreement is approved; and
3. The Liquidator's recommendation concerning the allowance of Western Asbestos Settlement Trust's proofs of claim is approved, and the Claimants' claims are allowed as a Class II claim in the aggregate amount of \$242,500,000. All distributions will be made to the Trust.

APPROVED
So Ordered.

Dated: 5/2/11


Presiding Justice