

resolution of the Asbestos-Related Claims, the Debtor used its cash on hand and proceeds from available coverage from its liability insurance program. The Debtor, however, no longer has sufficient liquidity to fund its share of the claims reconciliation process pertaining to the Asbestos-Related Claims. The Debtor commenced this chapter 11 case with the hope of establishing a more efficient process for resolving the Asbestos-Related Claims, thereby maximizing recoveries to holders of valid Asbestos-Related Claims, rather than allowing the proverbial “race to the courthouse” to decide which claimants receive a recovery.

2. Approval of the Chubb Insurer Settlement Agreement is the lynchpin of the Debtor’s Plan to maximize recoveries paid to valid Asbestos-Related Claims. Specifically, the proceeds to be received by the Debtor pursuant to the Chubb Insurer Settlement Agreement, in the amount of \$31,500,000, plus all remaining coverage from other insurers, will be used to fund the Liquidation Trust established pursuant to the Plan. The Liquidation Trust will assume liability for all Asbestos-Related Claims and use its assets to resolve and make distributions, when appropriate, on account of Allowed Asbestos-Related Claims. As such, the Plan contemplates a streamlined and centralized process for resolving the Asbestos-Related Claims, thereby ending the “race to the courthouse” and saving the Debtor millions of dollars in expenses commensurate with litigating in multiple jurisdictions across the country. The end result is maximized recoveries realized by holders of valid Asbestos-Related Claims in accordance with a fair and equitable claims resolution process.

3. In light of the above, and as set forth further below, approval of the Chubb Insurer Settlement Agreement is in the best interests of the Debtor and its estate, and is well within the range of reasonableness required by applicable law.²

² The statements and positions contained herein are those of the Debtor in support of the approval of the Chubb Insurer Settlement Agreement and not the statements of any other party, including the Chubb Insurers. For the

RELIEF REQUESTED

4. The Debtor hereby seeks entry of an order:
 - (a) approving the Settlement Agreement and Release (the “Chubb Insurer Settlement Agreement”) ³, dated June 27, 2024, by and among the Debtor, Century Indemnity Company (as successor to CCI Insurance Company, as successor to Insurance Company of North America, “Century”), and Westchester Fire Insurance Company (“Westchester Fire” and, together with Century, the “Chubb Insurers”), a copy of which is attached hereto as **Exhibit A**;
 - (b) approving the assumption of the Chubb Insurer Settlement Agreement;
 - (c) approving the sale of insurance policies issued by the Chubb Insurers; and
 - (d) approving certain other relief to be provided to the Chubb Insurers, including an injunction, in relation to the sale of the insurance policies to the Chubb Insurers.
5. A proposed form of order granting the relief requested herein is annexed hereto as **Exhibit B** (the “Proposed Order”).

JURISDICTION AND VENUE

6. The United States Bankruptcy Court for the Eastern District of Virginia (the “Court”) has jurisdiction over this matter pursuant to 28 U.S.C. § 1334, and the *Standing Order of Reference from the United States District Court for the Eastern District of Virginia*, dated August 15, 1984. This is a core proceeding pursuant to 28 U.S.C. § 157, and the Court may enter a final order consistent with Article III of the United States Constitution. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

7. The bases for the relief requested herein are sections 105, 363, and 365 of title 11 of the United Code, 11 U.S.C. §§ 101–1532 (the “Bankruptcy Code”), rules 6004 and 9019 of the

avoidance of doubt, the Chubb Insurers support the relief requested in this Motion and the preceding sentence is not to be construed as an indication otherwise.

³ Capitalized terms used but not defined in this Motion have the meanings ascribed to them in the Chubb Insurer Settlement Agreement or the Plan (defined below), as applicable.

Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and rule 9013-1(F) of the Local Rules of the United States Bankruptcy Court for the Eastern District of Virginia (the “Bankruptcy Local Rules”).

BACKGROUND

8. On June 30, 2024 (the “Petition Date”), the Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code in this Court commencing this chapter 11 case.

9. The Debtor continues to manage its business as debtor in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code. No trustee, examiner, or statutory committee has been appointed in this chapter 11 case.

10. Additional information regarding the Debtor’s business and the circumstances leading to the commencement of this chapter 11 case is set forth in detail in the *Declaration of Christopher Lascell in Support of Chapter 11 Petition and First Day Pleadings of Hopeman Brothers, Inc.* (the “First Day Declaration”), filed contemporaneously herewith and fully incorporated herein by reference.

A. The Debtor’s Asbestos Related Claims and Insurance Policies

11. For decades, beginning in the late 1970s, the Debtor has been named as a defendant in over 126,000 personal injury claims in which claimants seek money damages for personal injury and wrongful death as a result of alleged exposure to asbestos fibers contained in marine interior materials included within joiner packages provided by the Debtor in connection with its legacy ship joining business (collectively, the “Asbestos-Related Claims”). As of June 23, 2024, over 2,700 unresolved Asbestos-Related Claims have been asserted against Hopeman.

12. Prepetition, the Debtor primarily funded its defense and resolution of the Asbestos-Related Claims by drawing upon available coverage from its liability insurance program and with cash on hand. The Debtor’s asbestos-related liability insurance program consists of primary-layer

insurance policies and multilayer excess general liability insurance policies issued by various insurers (collectively, the “Insurers”), the last coverage period for which ended December 31, 1984. The primary-layer policies the Debtor purchased from 1937 through 1984 were all issued by Liberty Mutual Insurance Company (“LMIC”). The excess insurance policies in the program were issued by LMIC and various other Insurers from 1965 through 1984.

13. Historically, pursuant to the Debtor’s various insurance policies, solvent Insurers, within their applicable policy limits, would reimburse the Debtor for portions of the applicable defense costs (including claims administration costs) and for liability payments it made to resolve the Asbestos Related-Claims. Additionally, prior to the Petition Date, the Debtor entered into various agreements with certain Insurers to address the Asbestos-Related Claims. Specifically, in June 1985, the Debtor and certain of its Insurers, as well as other asbestos claim defendants and their respective insurers, entered into an Agreement Concerning Asbestos-Related Claims (commonly known as the “Wellington Agreement”). Pursuant to the Wellington Agreement, participating insurers’ obligations for the Asbestos-Related Claims, including for payment of defense costs and indemnification of liability payments incurred by the Debtor, were spread pro-rata across all insurance policies from a claimant’s date of first exposure across a “coverage block” which, in the Debtor’s case, eventually extended to 1984.

14. A number of Insurers who were not signatories to the Wellington Agreement entered into bilateral insurance settlement agreements, called “coverage-in-place” agreements, with the Debtor (collectively, the “CIP Agreements”). Pursuant to each CIP Agreement, the applicable insurance policy remained in place and the agreements obligated those Insurers to pay portions of the Debtor’s defense costs and liability indemnification amounts for the Asbestos-Related Claims on terms identical to or substantially similar to those of the Wellington Agreement.

As a result of such agreements and payments, all of the primary layer and excess insurance that the Debtor purchased from LMIC is exhausted and released, such that only excess insurance from certain other Insurers remains available to pay the Asbestos-Related Claims.

15. For the four-year period of 2020 through 2023, the Debtor's claim payments and defense costs totaled over \$52 million, with payments to claimants totaling \$30 million and defense costs totaling \$22 million. The Debtor's historical spend to pay claims and fund defense costs in connection with the Asbestos-Related Claims, however, has far exceeded the amounts reimbursed by the Insurers. In 2023 alone, the Debtor spent over \$12 million in combined claim payments and defense costs, while being reimbursed only \$6.6 million of this amount by Insurers, resulting in an annual cash burn of approximately \$5.5 million.

16. After years of the Debtor covering the shortfall in insurance proceeds for its defense costs and claims payments in connection with the Asbestos-Related Claims, the Debtor's cash reserves have dwindled. Because the Debtor has had no revenue-producing operations for many years, it has no means of generating additional funds for this purpose. If allowed to continue on the current pace, the Debtor estimates it would deplete its remaining cash within the next twelve (12) months. Upon such depletion, only the coverage remaining from unexhausted insurance policies would be available to cover the costs and liability associated with the Asbestos-Related Claims. With the Debtor unable to continue managing the defense and resolution of the Asbestos-Related Claims upon exhausting its available cash, claimants would be left with a classic "race to the courthouse" to recover on their claims from remaining available insurance before all such coverage was exhausted.

17. As a result, in consultation with its restructuring counsel and other advisors, the Debtor determined that it was in its best interest, as well as in the best interest of holders of the

Asbestos-Related Claims, to commence this chapter 11 proceeding to seek approval and implementation of an efficient, value maximizing process to monetize the remaining available insurance and distribute those proceeds fairly and equitably to holders of valid Asbestos-Related Claims.

B. Chubb Insurer Settlement Agreement

18. Prior to the Petition Date, and with the above-mentioned goal to monetize its remaining available insurance policies in mind, the Debtor conducted extensive, good faith negotiations with the Chubb Insurers for the purpose of resolving the Debtor's remaining, unexhausted policies issued by the Chubb Insurers that, subject to their respective terms, conditions, and exclusions cover or allegedly cover liabilities related to the Asbestos-Related Claims. The Chubb Insurer Settlement Agreement is the product of those negotiations and, among other things, provides for a settlement payment to the Debtor in the aggregate amount of \$31,500,000 (the "Settlement Amount").

19. The Chubb Insurer Settlement Agreement was premised on the Debtor's desire and intent to commence this chapter 11 case to confirm the proposed *Plan of Liquidation of Hopeman Brothers, Inc. under Chapter 11 of the Bankruptcy Code* (as amended, supplemented, or modified from time to time, the "Plan"), pursuant to which the Liquidation Trust will be established to resolve all presently and to-be asserted Asbestos-Related Claims that are timely submitted to the Liquidation Trust. Importantly, if approved by this Court, the Chubb Insurer Settlement Agreement will result in a contribution of the Settlement Amount to the Liquidation Trust in exchange for certain protections being extended to the Chubb Insurers against any future responsibilities for Asbestos-Related Claims under the Chubb Policies, including the issuance of the Policy Injunction (as defined below). By resolving the parties' respective rights and obligations under the insurance policies issued by the Chubb Insurers pursuant to this Motion, the

Liquidation Trust will have substantial additional funding to administer the Asbestos-Related claims and pay the Allowed Asbestos-Related Claims.

20. The Debtor believes that the terms of the Chubb Insurer Settlement Agreement are well within the range of reasonableness and are in the best interest of the Debtor's estate and creditors, namely the claimants holding Asbestos-Related Claims.

SUMMARY OF THE CHUBB INSURER SETTLEMENT AGREEMENT

21. The Chubb Insurer Settlement Agreement resolves all claims of the Debtor against the Chubb Insurers in respect of each of the insurance policies issued to the Debtor by the Chubb Insurers as identified on Exhibit A attached to the Chubb Insurer Settlement Agreement (collectively, the "Policies"). The material terms can be summarized as follows:⁴

- (a) The Chubb Insurers agree to pay a total of \$31,500,000.00 within forty-five (45) days after the date on which this Court's order approving the Chubb Insurer Settlement Agreement becomes final and non-appealable (the "Payment Date").
- (b) The Debtor shall use the proceeds of the Chubb Insurer Settlement Agreement to make distributions to or for the benefit of holders of Asbestos-Related Claims, for administrative costs in this chapter 11 case, or as otherwise authorized by the Bankruptcy Code, Bankruptcy Rules, or by Court order.
- (c) Immediately upon the Payment Date, all Policies shall be deemed to have been sold back to the respective Chubb Insurers pursuant to sections 363(b) and 363(f) of the Bankruptcy Code, and the sale shall operate as if the Chubb Insurers had never issued the Policies.
- (d) Upon the occurrence of the Payment Date, the Chubb Insurers shall be completely remised, released, acquitted, and forever discharged from any and all claims relating to, or in any way arising out of the Policies or the Chubb Insurers having issued the Policies or having insured the Debtor.
- (e) To prevent claims that directly or indirectly arise from, are based upon, are attributable to, or derive from the Policies being purchased by the Chubb Insurers, the Chubb Insurer Settlement Agreement is conditioned upon the

⁴ This is a summary only. Reference should be made to the complete Chubb Insurer Settlement Agreement attached hereto as Exhibit A. The terms of the Chubb Insurer Settlement Agreement shall supersede the terms of this summary in all instances.

Court entering an order pursuant to section 105(a) of the Bankruptcy Code permanently staying, restraining, and enjoining all persons who hold or assert, or may in the future hold or assert, any claim against the Debtor or the Chubb Insurers, and the assertion of any Claim or right to entitlement or taking any other action against the Chubb Insurers for the purpose of obtaining any recovery or other relief from the Chubb Insurers or under or in connection with the Policies, arising out of or in connection with the activities covered by the Policies, or in connection with the Debtor's activities giving rise to claims made or to be made under the Policies, or any other person who may claim to be an insured, additional insured, or otherwise entitled to any benefit under the Policies (the "Policy Injunction").

22. The Debtor believes that the Chubb Insurer Settlement Agreement is fair and equitable and in the best interests of its estate. The Settlement Amount will enable the Debtor to arrange for an orderly distribution of those monies to claimants who both have asserted, and are likely to assert, Asbestos-Related Claims against the Debtor while avoiding the costs of litigating or otherwise resolving disputes with Chubb over the availability of coverage.

BASIS FOR RELIEF

A. The Court Should Approve the Chubb Insurer Settlement Agreement Pursuant to Bankruptcy Rule 9019.

23. Bankruptcy Rule 9019 provides that "[o]n motion by the trustee [or debtor in possession] and after notice and a hearing, the court may approve a compromise or settlement." Fed. R. Bankr. P. 9019(a); *see In re Frye*, 216 B.R. 166, 174 (Bankr. E.D. Va. 1997). Compromises are a normal part of the bankruptcy process. *Protective Comm. for Indep. Stockholders of TMT Trailer Ferry, Inc. v. Anderson*, 390 U.S. 414, 424 (1968). Moreover, and as a matter of policy, settlement agreements are favored in the Fourth Circuit in order to minimize litigation and expedite administration of the estate. *See In re Frye*, 216 B.R. at 172 ("We recognize that settlement agreements between parties to lawsuits are designed to put an end to litigation and are favored by law."); *Arrowsmith v. Mallory (In re Health Diagnostic Labs, Inc.)*, 588 B.R. 154,

169 (Bankr. E.D. Va. 2018) (“The settlement of time-consuming, burdensome, and uncertain litigation—especially in the bankruptcy context—is encouraged.”).

24. The decision to approve a settlement is within a bankruptcy court’s discretion. *See In re Summit Metals, Inc.*, 477 F. App’x 18, 21 (3d Cir. 2012) (applying the abuse of discretion standard to affirm the bankruptcy court’s approval of a settlement). A settlement should be approved if the court determines it is fair and equitable and in the best interests of the bankruptcy estate. *See, e.g., In re Loudoun Heights, LLC*, No. 13-15588, 2014 WL 2928110, at *8 (Bankr. E.D. Va. June 27, 2014); *Shaia v. Three Rivers Wood, Inc. (In re Three Rivers Wood, Inc.)*, No. 98-38685, 2001 WL 720620, at *6 (Bankr. E.D. Va. Mar. 20, 2001) (“a compromise or settlement will most likely gain approval if it is both ‘fair and equitable,’ as well as representative of the best interests of the estate as a whole”) (citations omitted); *In re Austin*, 186 B.R. 397, 400 (Bankr. E.D. Va. 1995).

25. In determining whether a proposed settlement is fair and equitable, neither an evidentiary hearing nor a rigid mathematical analysis is required. *Tri-State Fin., LLC v. Lovald*, 525 F.3d 649, 655 (8th Cir. 2008), *cert. denied*, 555 U.S. 1046 (2008); *In re Am. Reserve Corp.*, 841 F.2d 159, 163 (7th Cir. 1987) (minitrial not required). Rather, the court must determine whether the proposed compromise falls within the reasonable range of litigation possibilities. *Tri-State Fin., LLC v. Lovald*, 525 F.3d at 654 (court is required only to “determine that the settlement does not fall below the lowest point in the range of reasonableness”); *In re Jiangbo Pharm., Inc.*, 520 B.R. 316, 321 (Bankr. S.D. Fla. 2014).

26. The Court should consider the following relevant factors when evaluating a proposed compromise or settlement: (1) the probability of success in litigation; (2) the potential difficulties in collection; (3) the complexity of the litigation involved, and the expense,

inconvenience and delay necessarily attending it; and (4) the paramount interest of the creditors. *See In re Frye*, 216 B.R. at 174 (collecting cases); *In re Loudoun Heights, LLC*, No. 13-15588, 2014 WL 2928110, at *8 (Bankr. E.D. Va. June 27, 2014); *see also In re Martin*, 91 F.3d at 393. The Court also may apply weight to a debtor's business judgment that the proposed settlement should be approved, and may not substitute its judgment for that of the Debtor. *See In re Wheeling-Pittsburgh Steel Corp.*, 72 B.R. 845, 849 (Bankr. W.D. Pa. 1987) (concluding that the court should not interfere with or second guess the debtor's sound business judgment). Rather, the Court must determine "whether the settlement falls below the lowest point in the range of reasonableness." *Three Rivers Wood*, 2001 WL 720620, at *6 (citations omitted). If a proposed settlement is not below the lowest point of what is fair and reasonable and represents the best interests of the estate as a whole, the Court should approve it pursuant to Bankruptcy Rule 9019. *Id.* at *6.

27. In connection with assessing its paths forward given its liquidity constraints and its insurance coverage with the Insurers holding the largest coverage contributions owed to it, the Debtor reviewed, among other things, the Policies and applicable law and determined, in its sound business judgment, that the \$31,500,000 Settlement Amount pursuant to the Chubb Insurer Settlement Agreement is fair and equitable and in the best interest of the Debtor's estate.

28. The Chubb Insurer Settlement Agreement, if approved by this Court and effectuated pursuant to the Plan as contemplated, will result in the Settlement Amount being transferred to the Liquidation Trust, or if not yet established, to a qualified settlement fund for later transfer to the Liquidation Trust, and made available to pay Allowed Asbestos-Related Claims. The Debtor believes that this infusion of funds to the Liquidation Trust via the Chubb Insurer Settlement Agreement will result in Allowed Asbestos-Related Claims being paid in amounts

greater than those that would be made to the same claimants absent the approval of the Chubb Insurer Settlement Agreement.

29. The Chubb Insurer Settlement Agreement was reached in an attempt to avoid the significant costs and risks inherent in litigating any dispute with the Chubb Insurers in relation to the Policies and the coverage provided to the Debtor thereunder. In addition, the Chubb Insurer Settlement Agreement will ensure the Liquidating Trust will have funds necessary to administer and pay claims long after the Debtor would have depleted its cash. As such, the Settlement Payment provided for in the Chubb Insurer Settlement Agreement must be viewed as significant and favorable for the Debtor and, most importantly, for the holders of Asbestos-Related Claims.

30. Absent approval of the Chubb Insurer Settlement Agreement, the Debtor will not have sufficient liquidity to manage the litigation and existing, prepetition process for resolving the Asbestos-Related Claims. Instead, holders of Asbestos-Related Claims will be left to seek recovery solely from the Debtor's Insurers through direct litigation against such Insurers, setting up the classic "race to the courthouse" in which the first actors stand to receive the majority of the benefits pursuant to the applicable, unexhausted insurance policies. This unfair and decentralized process exhausts available insurance proceeds to the detriment of other holders of valid Asbestos-Related Claims.

31. Considering the range of reasonable outcomes of those disputes, the resolution afforded by the Chubb Insurer Settlement Agreement undoubtedly exceeds the lowest point in the range of reasonableness. The Chubb Insurer Settlement Agreement stops the "race to the courthouse", limits the administrative cost and burden placed on the Debtor that comes with litigating thousands of claims in multiple jurisdictions and, ultimately, maximizes the amounts of funds available to distribute to holders of valid Asbestos-Related Claims.

32. For the foregoing reasons, the Debtor submits that the Chubb Insurer Settlement Agreement satisfies the requirements of Bankruptcy Rule 9019 and is fair and equitable and in the best interest of the Debtor's estate.

B. The Court Should Authorize the Assumption of the Chubb Insurer Settlement Agreement Pursuant to Section 365 of the Bankruptcy Code.

33. Section 365(a) of the Bankruptcy Code provides, in relevant part, that a debtor "may assume or reject any executory contract or unexpired lease of the debtor." 11 U.S.C. § 365(a). Courts routinely approve motions to assume, assume and assign, or reject executory contracts or unexpired leases upon a showing that the debtor's decision to take such action will benefit the debtor's estate and is an exercise of sound business judgment. *See NLRB v. Bildisco & Bildisco*, 465 U.S. 513, 523 (1984) (stating that section 365 is traditionally subject to the "business judgment" standard).

34. Once a debtor articulates a valid business justification for the assumption of its agreements, "then a strong presumption follows that the agreement at issue was negotiated in good faith and is in the best interests of the estate; the burden of rebutting that presumption falls to parties opposing the transaction." *In re Filene's Basement, LLC*, No. 11-13511 (KJC), 2014 WL 1713416, at *12 (Bankr. D. Del. Apr. 29, 2014); *In re Johns-Manville Corp.*, 60 B.R. 612, 615-16 (Bankr. S.D.N.Y. 1986) ("a presumption of reasonableness attaches to a Debtor's management decisions.").

35. As set forth in detail above, the approval of the Chubb Insurer Settlement Agreement is a crucial contributing factor to the Debtor's ability to achieve one of the primary goals of this chapter 11 case – to maximize recoveries to holders of Asbestos-Related Claims made in accordance with a fair and efficient process to be established pursuant to the proposed Plan. The Chubb Insurer Settlement Agreement provides significant proceeds to the estate, *without*

requiring the Debtor to incur the expenses commensurate with litigating any disputes pertaining to the Policies with the Chubb Insurers. Thus, the Debtor believes that the assumption of the Chubb Insurer Settlement Agreement is an exercise of its sound business judgment.

C. The Court Should Approve The Sale Of The Policies To The Chubb Insurers Pursuant to Section 363 Of The Bankruptcy Code.

36. Section 363(b)(1) of the Bankruptcy Code provides that a debtor-in-possession may sell property of the estate “other than in the ordinary course of business” after notice and a hearing. 11 U.S.C. § 363(b)(1). Courts have recognized that insurance policies are property of a debtor’s estate, which may be sold with court approval under section 363 of the Bankruptcy Code. *See, e.g., MacArthur Co. v. Johns-Manville Corp. (In re Johns-Manville Corp.)*, 837 F.2d 89, 92-93 (2d Cir. 1988) (because numerous courts have determined that a debtor’s insurance policies are property of the estate, court authorized a settlement of the debtor’s insurance coverage claims pursuant to the court’s authority to approve the sale of the debtor’s property); *Estate of Lellock v. Prudential Ins. Co.*, 811 F.2d 186, 189 (3d Cir. 1987) (same).

37. A debtor’s sale of property outside the ordinary course of business should be authorized pursuant to section 363 of the Bankruptcy Code as long as a sound business purpose exists for doing so. *See, e.g., In re Schipper*, 933 F. 2d 513, 515 (7th Cir. 1991); *Stephens Indus., Inc. v. McClung*, 789 F.2d 386, 390 (6th Cir. 1989); *In re Lionel Corp.*, 722 F.2d 1063, 1070-71 (2d Cir. 1983). The Debtor’s sale of the Policies to the Chubb Insurers is an integral component of the Chubb Insurer Settlement Agreement; in exchange for which the Debtor and its asbestos creditors will receive the benefit of the Settlement Payment. Moreover, as indicated above, payment of the Settlement Amount pursuant to the Chubb Insurer Settlement Agreement is integral to the success of this chapter 11 case and the fair and efficient administration of the Asbestos-

Related Claims by the Liquidation Trust to be established by the Plan. Accordingly, a sound business purpose exists for the Debtor's sale of the Policies.

38. Section 363(f) of the Bankruptcy Code provides that the debtor-in- possession may sell property "free and clear of any interest in such property of an entity other than the estate" if at least one of the following conditions is satisfied: (1) applicable non-bankruptcy law permits sale of such property free and clear of such interest; (2) such entity consents; (3) such interest is a lien and the price at which such property is to be sold is greater than the aggregate value of all liens on such property; (4) such interest is in bona fide dispute; or (5) such entity could be compelled, in a legal or equitable proceeding, to accept a money satisfaction of such interest. 11 U.S.C. § 363(f)(1)-(5). Section 363(f) authorizes a sale free and clear of "interests," not merely liens, and thus permits a sale of property free and clear of all claims and interests of any entity that "are derivative of the debtor's rights in that property." *In re Dow Corning Corp.*, 198 B.R. 214, 244 Bankr. E.D. Mich. 1996).

39. The Policies may be sold free and clear of all liens, encumbrances, and other interests of any entity pursuant to sections 363(f)(2), (f)(4) or (f)(5) of the Bankruptcy Code. *First*, entities that receive notice of the Chubb Insurer Settlement Agreement and fail to object should be deemed to have consented to the Chubb Insurer Settlement Agreement for purposes of section 363(f)(2) of the Bankruptcy Code. *See, e.g., In re Dura Auto. Sys., Inc.*, No. 06-11202 KJC, 2007 WL 7728109, at *6 (Bankr. D. Del. Aug. 15, 2007) (concluding that creditors who do not object to the asset sale are "deemed to have consented pursuant to section 363(f)(2) of the Bankruptcy Code."); *In re James*, 203 B.R. 449, 453 (Bankr. W.D. Mo. 1997) (section 363(f)(2) was satisfied because secured creditor had notice and failed to object to proposed sale and thus "implicitly conveyed its consent to the sale"); *In re Elliot*, 94 B.R. 343, 345-46 (E.D. Pa. 1988) (implied consent sufficient to authorize section 363(f)(2) sale; consent implied from non-debtor that

“received notice of the proposed sale and also admits that it did not file any timely objection”). Non-objectors should be deemed to have consented to the sale for purposes of section 363(f)(2) of the Bankruptcy Code.

40. *Second*, to the extent any objections are filed, the Policies may be sold free and clear of all claims and interests pursuant to section 363(f)(4) of the Bankruptcy Code. A sale free and clear is appropriate under section 363(f)(4) because the interests of the holders of such claims plainly are “in *bona fide* dispute” here. *See In re Johns-Manville Corp.*, 837 F.2d at 93 (holding that vendor’s alleged rights under certain endorsements for indemnity for asbestos claims was in *bona fide* dispute because a dispute existed as to whether “the product liability limits on the policies to which the vendor endorsements attach have been exhausted”). In particular, to the extent an objector is asserting the right as an insured under the Policies, the Debtor disputes the interest of such entity as an insured under such policies. To the extent an objector is an asbestos plaintiff asserting a right to recover directly from the Chubb Insurers under the Policies, the Debtor has not conceded that any particular asbestos claim is valid at all or in the amounts sought by the claimant and expects that it or the Liquidation Trust will challenge or deny certain claims due to lack of proof. Accordingly, the interest of any objector in the Policies is in dispute. In short, there are a number of actual unresolved “disputes” with respect to the claims and interests that makes section 363(f)(4) of the Bankruptcy Code applicable to a sale of the Policies.

41. *Third*, under section 363(f)(5) of the Bankruptcy Code, holders of any Asbestos-Related Claims that object to the sale of the Policies could be compelled to accept a money satisfaction for their interests. Indeed, the potential right to a money satisfaction is likely the *only* interest such claim or interest holders could have in the Policies. For this reason, courts have approved the sale of insurance policies free and clear of asbestos claims pursuant to section

363(f)(5) of the Bankruptcy Code. *See, e.g., In re ON Marine Servs. Co., LLC*, No. 20-20007 (CMB), Docket Nos. 1400 and 1401 (Bankr. W.D. Pa. Feb. 7, 2023); *In re Rapid American*, No. 13-10687 (DSJ), Docket Nos. 1628 and 1629 (Bankr. S.D.N.Y. Sept. 10, 2021); *In re Peanut Corp. of Am., et al.*, No. 09-60452 (WEA), Docket No. 221 (Bankr. W.D. Va. Oct. 2, 2009); *In re Thorpe Insulation Co.*, No. 07-19271 (BB), Docket Nos. 1676 and 1677 (Bankr. C.D. Cal. Nov. 25, 2008); *In re Burns and Roe Enters., Inc.*, Case No. 00-41610 (RG), Docket No. 1200 (Bankr. D.N.J. Feb. 17, 2005).

42. Section 363(m) of the Bankruptcy Code provides that “[t]he reversal or modification on appeal of an authorization under [section 363(b) or (c)] of a sale or lease of property does not affect the validity of a sale or lease under such authorization to an entity that purchased or leased such property in good faith.” 11 U.S.C. § 363(m). The Chubb Insurer Settlement Agreement, including the sale of the Policies thereunder, was negotiated prior to the Petition Date and is the product of good faith, arms-length bargaining between the Debtor and the Chubb Insurers. As a result of those arm’s length negotiations, the Debtor requests that the Court find that the Chubb Insurers are good faith purchasers for value and are entitled to the protections afforded under section 363(m) of the Bankruptcy Code. *See* 11 U.S.C. § 363(m).

D. The Court Should Approve the Supplemental Policy Injunction Pursuant to Section 105(a) of the Bankruptcy Code to Implement the Sale of the Policies Free and Clear of Interests.

43. To effectuate and supplement the “free and clear” nature of the sale of the Policies to the Chubb Insurers pursuant to section 363(f) of the Bankruptcy Code, the Chubb Insurers have conditioned consummation of the Chubb Insurer Settlement Agreement upon the issuance of an order containing the Policy Injunction.

44. Consistent with the policy buyback contemplated in the Chubb Insurer Settlement Agreement, the Policy Injunction would operate to prevent all persons who hold or assert, or may

in the future hold or assert, any claim against the Debtor or the Chubb Insurers arising out of or in connection with the activities covered by the Policies, or in connection with the Debtor's activities giving rise to claims made or to be made under the Policies, or any other person who may claim to be an insured, additional insured, or otherwise entitled to any benefit under the Policies, from asserting any claim or right to entitlement, or taking any other action against the Chubb Insurers, for the purpose of obtaining any recovery or other relief from the Chubb Insurers in connection with the Debtor's activities giving rise to Claims made or to be made under the Policies or under or in connection with the Policies.

45. The Court has authority to issue the Policy Injunction pursuant to section 105(a) of the Bankruptcy Code, which provides that “[t]he court may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title.” 11 U.S.C. § 105. Issuance of an order containing the Policy Injunction is necessary and appropriate to carry out and enforce the “free and clear” nature of the sale of the Policies to the Chubb Insurers under the Chubb Insurer Settlement Agreement pursuant to section 363(f) of the Bankruptcy Code.

46. The basis and appropriateness of the Policy Injunction in connection with a policy buyback under section 363(f) of the Bankruptcy Code is well-established. As the Court in *In re Dow Corning Corp.* observed:

Courts have long recognized that inherent within the authority to sell estate property free and clear of liens is the power to enjoin creditors from pursuing the purchaser of such property. Nevertheless, more explicit protection is often needed to effectuate this important aspect of a § 363 sale. In other words, an actual injunction barring creditors from suing a purchaser of estate assets is sometimes necessary and appropriate to give the ‘free and clear’ aspect of § 363(f) meaning. When this is the case, a court has the power to ‘issue an [] order . . . necessary or appropriate to carry out [§363(f), one of] the provisions of the [Bankruptcy Code].’ 11 U.S.C. §105(a).

In re Dow Corning Corp., 198 B.R. 214, 245 (Bankr. E.D. Mich. 1996) (certain internal citations omitted). Courts routinely issue insurance policy injunctions in connection with similar settlements with insurers in asbestos cases including, but not limited to, the following cases: *In re ON Marine Servs. Co., LLC*, No. 20-20007 (CMB), Docket No. 1399 (Bankr. W.D. Pa. Feb. 7, 2023); *In re Fairbanks Company*, No. 18-41768 (PWB), Docket Nos. 791, 792 and 793 (Bankr. N.D. Ga. Jul 31, 2018); *In re Oakfabco.*, No. 15-27062 (JBS), Docket No. 764 (Bankr. N.D. Ill. Dec. 18, 2018); *In re Geo. V. Hamilton, Inc.*, No. 15-23704 (GLT), Docket No. 1831 (Bankr. W.D. Pa. Feb. 27, 2018); *In re Metex Mfg. Corp.*, No. 12-14554 (CGM), Docket Nos. 554 and 555 (Bankr. S.D.N.Y. June 23, 2014); *In re Peanut Corp. of Am., et al.*, No. 09-60452 (WEA), Docket No. 221 (Bankr. W.D. Va. Oct. 2, 2009); *In re Pittsburgh Corning Corp.*, No. 00-22876 (JKF), Docket No. 7711 (Bankr. W.D. Pa. May 15, 2013); *In re Global Indus. Technologies, Inc., et al.*, No. 02-21626 (JKF), Docket No. 9444 (Bankr. W.D. Pa. Sept. 24, 2007).

WAIVER OF BANKRUPTCY RULE 6004(a) AND 6004(h)

47. The Debtor requests that the Court enter an order providing that notice of the relief requested herein satisfied Bankruptcy Rule 6004(a) and that the Debtor has established cause to exclude such relief from the 14-day stay period under Bankruptcy Rule 6004(h).

RESERVATION OF RIGHTS

48. Nothing contained herein is intended or shall be construed as: (a) an admission as to the amount of, basis for, or validity of any claim against the Debtor under the Bankruptcy Code or other applicable non-bankruptcy law; (b) an impairment or waiver of the Debtor's or any other party in interest's right to dispute any claim against, or interest in, the Debtor, its property, or its estate on any grounds; (c) a promise or requirement to pay any claim; (d) an assumption, adoption, or rejection of any agreement, contract, or lease under section 365 of the Bankruptcy Code; (e) an implication or admission that any particular claim is of a type specified or defined in the Motion,

or any order granting the relief requested by the Motion; (f) an implication, admission, or finding as to the validity, enforceability, or perfection of any interest or encumbrance on the property of the Debtor or its estate; (g) an impairment or waiver of any claims or causes of action which may exist against any entity; or (h) a waiver of the Debtor's or any other party in interest's rights under the Bankruptcy Code or any other applicable law.

NOTICE

49. The Debtor proposes that notice of this Motion and the Chubb Insurer Settlement Agreement will be made as set forth in the *Motion of the Debtor for Entry of an Order (I) Establishing Procedures to Schedule Hearings to Consider the Insurer Settlement Motions; (II) Approving the Form and Manner of Notice Thereof; and (III) Granting Related Relief* (the "Settlement Procedures Motion") to be filed in the near term. The Settlement Procedures Motion contemplates that notice of this Motion and the hearing thereon will be mailed to the persons and entities, and published in such manner, as approved by the Court. The Debtor submits that, under the circumstances, no other or further notice is required.

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

[Remainder of page intentionally left blank]

WHEREFORE, the Debtor respectfully requests that the Court enter an order, substantially in the form attached hereto as **Exhibit B**: (i) approving the Chubb Insurer Settlement Agreement pursuant to Bankruptcy Rule 9019; (ii) approving the assumption of the Chubb Insurer Settlement Agreement pursuant to section 365(a) of the Bankruptcy Code; (iii) approving the sale, transfer, and conveyance by the Debtor of its interest in the Policies to the Chubb Insurers, free and clear of any and all liens, claims, encumbrances, and interests of any kind or nature pursuant to sections 363(b), (f), and (m) of the Bankruptcy Code; (iv) issuing the Policy Injunction pursuant to section 105(a) of the Bankruptcy Code; (v) approving the completion of performance of the other terms and conditions of the Chubb Insurer Settlement Agreement; and (v) granting such other and further relief as may be just and proper.

Dated: June 30, 2024
Richmond, Virginia

/s/ Henry P. (Toby) Long, III

Tyler P. Brown (VSB No. 28072)

Henry P. (Toby) Long, III (VSB No. 75134)

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Proposed Counsel for the Debtor and Debtor in Possession

Exhibit A

Chubb Insurer Settlement Agreement

SETTLEMENT AGREEMENT AND RELEASE

This Agreement (the “Agreement”) is made as of the Execution Date by Century Indemnity Company and Westchester Fire Insurance Company (“Chubb Insurers,” as defined below) on the one hand, and Hopeman Brothers, Inc., (“Hopeman,” as defined below) on the other hand. Each of the foregoing is a “Party,” and both collectively are the “Parties.”

RECITALS

WHEREAS, claims have been made against Hopeman, and Hopeman has been named as a defendant, a cross-defendant, or a third-party defendant in numerous lawsuits, including lawsuits in which the plaintiffs seek money damages from Hopeman for bodily injuries alleged as the result of exposure to asbestos-containing products allegedly manufactured, handled, supplied, sold or distributed by Hopeman (“Asbestos Claims,” as defined below).

WHEREAS, Chubb Insurers or their predecessor(s) issued certain Policies (as defined below) to Hopeman or its predecessor(s);

WHEREAS, Hopeman and certain Chubb Insurers are signatories to the June 19, 1985 Agreement Concerning Asbestos-Related Claims (the “Wellington Agreement”) that addresses certain issues with respect to coverage under certain Policies for Asbestos Claims;

WHEREAS, Hopeman and Century Indemnity Company entered into a Partial Settlement Agreement dated June 27, 2008 (Effective Date) which resolved their dispute concerning the allocation of loss payments and defense costs;

WHEREAS, Hopeman and Century Indemnity Company are parties to the December 18, 2009 Settlement Agreement and Release addressing other disputed issues regarding coverage for Asbestos Claims under certain Policies subject to the Wellington Agreement;

WHEREAS, Hopeman asserts that Chubb Insurers have or will have coverage obligations for Asbestos Claims under one or more of the Policies;

WHEREAS, Hopeman's available insurance coverage for Asbestos Claims has been steadily eroding over the years due to the payment of costs and settlement payments, and Hopeman's cash reserves have been eroding as a result of substantial expenditures by Hopeman to continue resolving those Asbestos Claims;

WHEREAS, Hopeman ceased any active income-generating business operations more than fifteen years ago, and has existed since that time only to facilitate the resolution of Asbestos Claims asserted against it in the tort system;

WHEREAS, Hopeman plans to file a petition under Chapter 11 of the Bankruptcy Code to commence a bankruptcy case that it anticipates will provide for an orderly distribution of its remaining assets (including, in particular, proceeds from its remaining insurance coverage for Asbestos Claims) and to provide for the orderly resolution and payment of the Asbestos Claims; and

WHEREAS, Chubb Insurers have reached an agreement with Hopeman to liquidate insurance coverage under the Policies and to resolve any potential disputes regarding the Policies and coverage relating to Hopeman, subject to the terms and conditions of this Agreement, by buying back all of the Policies for fair and reasonable value to provide funding for the resolution of Asbestos Claims in a manner that is satisfactory to Hopeman and in the best interests of Hopeman and its creditors.

NOW, THEREFORE, intending to be legally bound, the foregoing recitals constituting a part of the substance of this Agreement, the Parties agree as follows:

I. DEFINITIONS

As used in this Agreement, the following terms have the meanings set forth below.

1.1 "Approval Date" means the date on which the Approval Order is a Final Order.

1.2 “Approval Order” means an order, in substantially the form attached hereto as **Exhibit B**, with only such modifications as are acceptable to the Parties, entered by the Bankruptcy Court pursuant to Bankruptcy Code Sections 105, 363(b) and (f), and 365, and Bankruptcy Rules 6004, 6006, and 9019, as well as any other provision of the Bankruptcy Code or Bankruptcy Rules as may be appropriate, which Order shall: (1) approve Hopeman’s assumption of this Agreement under Section 365 of the Bankruptcy Code; (2) authorize Hopeman to undertake the remaining transactions contemplated by this Agreement, (3) authorize the sale of the Policies to Chubb Insurers free and clear of any and all Interests under Section 363(f) of the Bankruptcy Code; (4) find that Chubb Insurers are good faith purchasers of the Policies and, as such, are entitled to all protections provided to a good faith purchaser under Bankruptcy Code Section 363(m); (5) provide for the Injunction (as defined below); (6) find that the releases in the Agreement and the policy buyback therein comply with the Bankruptcy Code and applicable non-Bankruptcy law; (7) approve the Agreement and find that the consideration exchanged constitutes a fair and reasonable settlement of the Parties’ respective rights and obligations and constitutes reasonably equivalent value; (8) rule that upon the Approval Date the Policies shall be terminated and of no force and effect and be exhausted in respect of all coverages thereunder; and (9) find that the Agreement is binding on any Chapter 11 trustee for Hopeman and on any liquidating or other trust or distribution vehicle established under a Chapter 11 plan for Hopeman, and on any Chapter 7 trustee in the event the case is converted to a Chapter 7 proceeding. For purposes of clarity, the Confirmation Order shall be an Approval Order if the approval of this Agreement occurs as part of Plan confirmation and the Confirmation Order satisfies the terms of this Section.

1.3 “Asbestos Claim” means any Claim against Hopeman Persons or for which Hopeman Persons are alleged to be liable, including any Direct Action Claim (as defined below), that relates to, arises out of, or is caused in whole or in part by, in any manner or fashion, asbestos, asbestos-containing products, or material, activities involving asbestos containing materials, in whole or part, including mixed dust, irrespective of whether such Claims fall within or outside the scope of the definitions of “products liability,” “products hazard,” and/or “completed operations hazard,” or their equivalents, contained in the Policies. “Asbestos Claim” includes Claims for contribution, indemnity, reimbursement or otherwise arising from the foregoing.

1.4 “Bankruptcy Case” means the case to be commenced by Hopeman under Chapter 11 of the Bankruptcy Code in the Bankruptcy Court.

1.5 “Bankruptcy Code” means Title 11 and the applicable provisions of Titles 18 and 28 of the United States Code, as amended from time to time.

1.6 “Bankruptcy Court” means the United States Bankruptcy Court for the Eastern District of Virginia.

1.7 “Bankruptcy Rules” means the Federal Rules of Bankruptcy Procedure.

1.8 “Century” means Century Indemnity Company, as successor to CCI Insurance Company, as successor to Insurance Company of North America.

1.9 “Chubb Insurers” means Century and Westchester Fire.

1.10 “Chubb Insurer Persons” means, applying the broadest definition, Chubb Insurers and (i) each of the past, present and future direct and indirect parents, subsidiaries, partners, holding companies, merged companies, divisions, joint ventures, joint venturers, affiliates and related companies of one or both Chubb Insurers; (ii) each of the foregoing Persons’ past, present

and future officers, directors, employees, representatives, claim handling administrators, agents, members, principals, attorneys and shareholders; and (iii) each of the foregoing Persons' predecessors, successors, assignors, and assigns, whether known or unknown, and all Persons acting on behalf of, by, through, or in concert with them.

1.11 "Claims" means any and all past, present, or future, known or unknown, foreseen or unforeseen, direct or indirect, fixed or contingent, matured or unmatured, liquidated or unliquidated, claims (including "claim" as defined in Section 101(5) of the Bankruptcy Code), proofs of claim, causes of actions, cross-claims, third-party claims, liabilities, rights, demands (including letter demands, notices, or inquiries from any person or government agency), penalties, assessments, damages, requests, suits, lawsuits, costs, attorneys' fees, expenses, and interest of any kind, actions, administrative proceedings, criminal proceedings, or orders, of whatever nature, character, type, or description, whenever and however occurring, whether at law or in equity, and whether sounding in tort or contract, or any statutory, regulatory or common law claim or remedy of any type including, without limitation: (a) any Asbestos Claim; (b) any claim seeking any type of relief, including compensatory, consequential, equitable, exemplary or punitive damages, rescission, or declaratory or injunctive relief; (c) any claim for billing or premium adjustments; (d) any claim on account of alleged bad faith, failure to act in good faith, violation of any duty of good faith and fair dealing, violation of any unfair claims practices act or similar statute, regulation or code, any unfair claims handling or settlement practices, fraud, conspiracy, concerted action, or other type of alleged misconduct; (e) any claim for any other act or omission of Hopeman Persons or Chubb Insurer Persons of any type for which a claimant might seek relief; (f) Direct Action Claims; (g) Insurance Coverage Claims and/or (h) except as set forth in section 3.4 with respect to Chubb Insurer-requested additional

publication costs, Claims seeking to recover administrative-related expenses incurred in the Bankruptcy.

1.12 “Confirmation Order” means the order of the Bankruptcy Court (or district court, to the extent required) confirming the Plan pursuant to Section 1129 of the Bankruptcy Code and granting other related relief.

1.13 “Direct Action Claim” means any Claim by any Person, other than Hopeman, directly against Chubb Insurer Persons under any Policies that arises from the alleged liability of Hopeman Persons, or any insurance contract or Policies that is, or may in the future be, asserted to provide coverage for any of the aforementioned Claims, whether arising by contract, in tort, in equity, or under the laws of any jurisdiction, including any statute that gives a third party a direct cause of action against Chubb Insurer Persons.

1.14 “Estate” means the bankruptcy estate created under Section 541 of the Bankruptcy Code for Hopeman as a result of the filing of the Bankruptcy Case.

1.15 “Execution Date” means the first day upon which all Parties have executed this Agreement.

1.16 “Final Order” means an order or judgment (including any modification or amendment thereof) that remains in effect and has not been reversed, vacated, or stayed, and as to which the time to appeal or seek review, rehearing, or writ of certiorari has expired and as to which no appeal or petition for review, reconsideration, rehearing, or certiorari has been taken or, if taken, has been resolved and no longer remains pending.

1.17 “Hopeman” means Hopeman Brothers, Inc., a Virginia corporation, and each of its predecessors and past assignors.

1.18 “Hopeman Persons” means Hopeman and (i) each of the past, present and future direct and indirect parents, subsidiaries, partners, holding companies, merged companies, divisions, joint ventures, joint venturers, affiliates and related companies of Hopeman, including without limitation, Wayne Manufacturing Corporation; (ii) each of the foregoing Persons’ past, present and future officers, directors, employees, representatives, claim handling administrators, agents, members, principals, attorneys and shareholders; (iii) each of the foregoing Persons’ predecessors, successors, assignors, and assigns, whether known or unknown, and all Persons acting on behalf of, by, through, or in concert with them, and (iv) any and all Persons known to Hopeman who are entitled or allegedly entitled to insurance coverage under the Policies as a “named insured,” “additional insured,” or otherwise as “insureds” or “assureds” within the meaning thereof.

1.19 “Injunction” means a permanent injunction pursuant to Sections 105(a) and 363(f) of the Bankruptcy Code to become effective upon the Approval Date permanently enjoining the prosecution, continuation, or commencement of any Interest that any Person holds or asserts or may in the future hold or assert against Hopeman Persons or Chubb Insurer Persons, and the assertion of any Claim or right to entitlement or taking any other action against Chubb Insurer Persons for the purpose of obtaining any recovery or other relief from Chubb Insurer Persons or under or in connection with the Policies, arising out of or in connection with the activities covered by the Policies, or in connection with Hopeman Persons’ activities giving rise to claims made or to be made under the Policies, or any other person who may claim to be an insured, additional insured, or otherwise entitled to any benefit under the Policies. The Injunction shall enjoin all Claims released under Section 4.1 of this Agreement.

1.20 “Insurance Coverage Claim” means any Claim seeking defense or indemnity or any other benefit, including any claim for contribution or indemnity by Other Insurers, under or relating to the Policies, including as to alleged existence and exhaustion of applicable limits of each and every Policy. “Insurance Coverage Claim” does not include a dispute arising under or with respect to this Agreement.

1.21 “Interests” means all liens, Claims (including Asbestos Claims, Direct Claims and Insurance Coverage Claims), encumbrances, interests, demands and other rights of any nature, whether at law or in equity.

1.22 “Motion” means the motion, and any exhibits attached thereto, to be filed by Hopeman with the Bankruptcy Court for approval of Hopeman’s assumption of this Agreement and the sale of the Policies and entry of the Approval Order, which Motion shall be in form and substance acceptable to Chubb Insurers.

1.23 “Notice of Motion” means the notice of the Motion, which notice shall be in form and substance acceptable to Chubb Insurers, and which notice Hopeman shall serve at the time it files the Motion with the Bankruptcy Court on the Persons, and in accordance with the terms, set forth in Section 3.4 of this Agreement.

1.24 “Other Insurer” means any Person, other than Chubb Insurer Persons, that provided, or is claimed to have provided, any insurance coverage to Hopeman Persons.

1.25 “Payment Date” means the date on which all portions of the Settlement Amount have been paid by or on behalf of Chubb Insurers according to the provisions of Section 2.2 of this Agreement.

1.26 “Person” means and includes a natural person or persons; a group of natural persons acting as individuals; a group of natural individuals acting in collegial capacity (e.g., as a

committee, board of directors, etc.); a corporation, partnership, limited liability company or limited partnership; a proprietorship, joint venture, trust, legal representative, or any other unincorporated association, business organization or enterprise; any government entity; and any successor in interest, heir, executor, administrator, trustee, trustee in bankruptcy, or receiver of any person or entity.

1.27 “Petition Date” means the date on which Hopeman files the Bankruptcy Case.

1.28 “Plan” means the Plan of Liquidation of Hopeman Brothers, Inc. under Chapter 11 of the Bankruptcy Code, as may be amended or otherwise modified from time to time.

1.29 “Policies” means: (a) the insurance policies listed on **Exhibit A** attached hereto; (b) subject to Section 5.2 of this Agreement, any other known or unknown primary, umbrella, excess, or other liability insurance policies, contracts, or coverages of any nature, type or kind, issued or allegedly issued by the Chubb Insurer Persons that potentially or actually provides coverage for Asbestos Claims and under which Hopeman is, allegedly may be, or claims to be an insured, named insured, additional insured, additional named insured, or otherwise entitled to any insurance coverage or benefits; and (c) any binders, cover notes, and endorsements to any policies referenced in (a) and (b), above.

1.30 “Settlement Amount” means the amount to be paid by Chubb Insurers pursuant to Section 2.2 of this Agreement.

1.31 “Westchester Fire” means Westchester Fire Insurance Company, on its own behalf and for policies novated to or assumed by Westchester Fire Insurance Company.

References to this Agreement and other documents shall be deemed to include all subsequent amendments and other modification thereto.

II. SALE OF POLICIES AND PAYMENT OF SETTLEMENT AMOUNT

2.1 Subject to all of the terms and conditions of this Agreement, including without limitation the approval of the Bankruptcy Court, in full and final settlement of all responsibilities under and arising out of the Policies, and in consideration of the conveyance of the Policies to Chubb Insurers, Chubb Insurers shall purchase from Hopeman, and Hopeman shall sell, convey, transfer, and deliver to Chubb Insurers, upon the Payment Date, each of the Policies, and any and all rights under the Policies, free and clear of any and all Interests of any and all Persons.

2.2 Within forty-five (45) days after the Approval Date, subject to all of the terms of this Agreement, including without limitation the approval of the Bankruptcy Court, in full and final settlement of all responsibilities under and arising out of the Policies, and in consideration of the sale of the Policies to Chubb Insurers free and clear of any and all Interests of any and all Persons, Century and Westchester Fire shall pay to the liquidating trust to be established pursuant to the Plan (the "Liquidating Trust"), or if the Liquidating Trust is not yet effective or otherwise unable to receive payment of the Settlement Amount on the Payment Date, to a qualified settlement fund established pursuant to Section 1.468B-1 et seq. of the Internal Revenue Code, \$31,500,000 in U.S. currency. The Settlement Amount shall be used and disbursed for the resolution of Asbestos Claims asserted against Hopeman, for administrative costs in the Bankruptcy Case, or as otherwise authorized by the Bankruptcy Code and Bankruptcy Rules or by Bankruptcy Court order.

2.3 The Parties agree that: (a) the Settlement Amount is the total amount Chubb Insurer Persons shall ever have been obligated to pay on account of any and all Claims of any kind made under or related to the Policies or the fact that Chubb Insurer Persons issued any of the Policies; (b) under no circumstance will Chubb Insurer Persons ever be obligated to make any additional payments to Hopeman Persons, the Estate, or any other Person in connection with

the Policies or Claims, or directly or indirectly related to or arising out of Chubb Insurer Persons having insured Hopeman Persons under the Policies; (c) all limits of liability of the Policies, including all per occurrence and aggregate limits, shall be deemed fully and properly exhausted; (d) the Settlement Amount is the full purchase price of the Policies, and upon the Payment Date, Chubb Insurers shall be deemed to own the Policies free and clear of any and all Interests of any Person; (e) subject to the terms of this Agreement, Chubb Insurer Persons shall have no further obligation to Hopeman Persons, the Estate, or any other Person under the Policies for any Claim; and (f) the Settlement Amount is at least equal to the fair value of the Policies, in view of Hopeman's intended Chapter 11 filing and the ultimate termination of its existence as part of its Bankruptcy Case. For the avoidance of doubt, but solely limited to those amounts set forth in Schedule 2.3, Chubb Insurers agree to pay to Hopeman in the ordinary course, in addition to and distinct from the Settlement Amount, the amounts listed on Schedule 2.3 hereto as payments owed to Hopeman on account of Hopeman's reimbursable defense costs and settlement payments that arose prior to the Petition Date related to Asbestos Claims, subject to proof of payment of the amounts by Hopeman, which proof Hopeman shall provide to Chubb Insurers by July 2, 2024.

2.4 Effective immediately upon the Payment Date, and without any further action by any of the Parties, all Policies shall be deemed to have been sold back to the Chubb Insurers pursuant to Sections 363(b) and 363(f) of the Bankruptcy Code, and that sale shall operate as though Chubb Insurer Persons had never issued the Policies.

III. BANKRUPTCY-RELATED OBLIGATIONS

3.1 Hopeman shall commence the Bankruptcy Case within fifteen (15) business days after the Execution Date.

3.2 The Parties agree and understand that this Agreement will be an executory contract in the Bankruptcy Case. Hopeman will use best efforts to assume the Agreement as part of the Motion. If Hopeman is unable to obtain approval of the Motion by the Bankruptcy Court, Hopeman may seek approval of this Agreement through the Plan provided that the Confirmation Order satisfies the requirements of an Approval Order.

3.3 On the Petition Date, Hopeman shall file the Motion seeking approval to assume this Agreement and approval of this Agreement and the settlement contemplated hereby pursuant to Bankruptcy Code Sections 105, 363, 365, and Bankruptcy Rules 6004, 6006, and 9019. Hopeman covenants and agrees that it will use its best efforts to obtain entry of the Approval Order as a Final Order, including (but not limited to) using best efforts to resolve or defeat any objections that may be raised by any holder of Asbestos Claims or their counsel, or by any Other Insurer of Hopeman. Similarly, Chubb Insurers covenant and agree that they will use their best efforts from and after the Execution Date to support approval of this Agreement and the settlement contemplated herein.

3.4 Hopeman shall, upon filing of the Motion, serve the Notice of Motion, on: (a) each Person known to Hopeman to have a Claim against it or the Estate through participating in the Bankruptcy Case, the filing of a lawsuit or a claim under an administrative agreement with Hopeman, or the filing of a proof of claim or other assertion of a Claim, or otherwise (or, with the authorization of the Bankruptcy Court, to such Person's counsel of record, if known to Hopeman); (b) any and all Persons known to Hopeman who is entitled or allegedly entitled to insurance coverage under the Policies, including additional insureds and those Persons falling within a policy definition of "named insured"; (c) all other Persons who have filed timely proofs of claim in the Bankruptcy Case; (d) all Persons known to have provided general liability

insurance to Hopeman; (e) all Persons on any master service list maintained in the Bankruptcy Case; and (f) all other parties in interest pursuant to Bankruptcy Rules 2002 and 6004 and any other applicable local rules, including any Person who or that filed a notice of appearance and demand for service of papers in the Bankruptcy Case. In addition, to ensure the broadest notice possible of the Agreement and the Injunction, Hopeman shall seek entry of an order of the Bankruptcy Court, in a form agreed by Chubb Insurers, authorizing publication notice of the Motion and the Agreement in such publications as Hopeman determines appropriate in consultation with Chubb Insurers. If the Motion and Plan confirmation proceedings take place simultaneously, then Hopeman may make a joint publication notice of the hearing on the Motion and the hearing on confirmation of the Plan. If Chubb Insurers wish to publish notice in publications other than chosen by Hopeman, Chubb Insurers may request Hopeman to publish such notice and shall reimburse Hopeman or the Estate, as applicable, for the costs of publishing notice, which reimbursement shall be in addition to the Settlement Amount. As soon as reasonably practical after completion of the publication notice, Hopeman shall file in the Bankruptcy Case affidavits of publication.

3.5 If the Approval Order or any other order of the Bankruptcy Court relating to this Agreement is appealed by any Person other than Hopeman or Chubb Insurers (or a petition for certiorari or motion for rehearing or re-argument is filed by any Person other than Hopeman or Chubb Insurers with respect thereto), Hopeman agrees to take all steps as may be reasonable and appropriate to defend against such appeal, petition, or motion at its sole expense; provided however, that nothing herein shall preclude the Parties from consummating the transactions contemplated herein if the Approval Order shall have been entered and has not been stayed and

Chubb Insurers, in their sole discretion, waive in writing the requirement that the Approval Order be a Final Order.

3.6 Each of the Parties further agrees not to take any appeal from, or to seek to reopen, reargue, obtain reconsideration of, or otherwise contest or challenge in any way, directly or indirectly, the Approval Order or any other order provided for by, or executed or entered pursuant to, or in implementation of, this Agreement, except to the extent that any such order shall be inconsistent with the terms hereof.

3.7 Hopeman agrees to reasonably cooperate with Chubb Insurers and their representatives in connection with the Approval Order and the Bankruptcy Case. Such reasonable cooperation shall include consulting with Chubb Insurers at their request concerning the status of the Bankruptcy Case, including the status of the Motion or any objections to the Motion, and providing Chubb Insurers at their request as soon as reasonably practicable with copies of non-privileged documents that are not otherwise filed as of public record relating to the Bankruptcy Case, the Motion, or the service of the Motion.

3.8 In the event that, at any time between the Petition Date and the Approval Date, any Person asserts a Claim against Chubb Insurers arising out of, in connection with, or related to the Policies, Hopeman shall, upon Chubb Insurers providing written notice to Hopeman, immediately seek an order from the Bankruptcy Court enjoining such Claim.

3.9 Hopeman shall make best efforts to ensure that the Approval Order and the Plan provide that as a condition to the receipt of any payment from the trustee or other payor of Asbestos Claims, each holder of an Asbestos Claim shall execute the form of claimant release (the "Claimant Release") that is materially the same in scope and substance as the Claimant Release attached as **Exhibit C** hereto. At no time shall the scope or contents of the form of any

Claimant Release provided for in this Section, as it applies to Chubb Insurer Persons, be modified without Chubb Insurers' written consent if such modification diminishes the protections provided to Chubb Insurer Persons in this Agreement. Neither the Estate nor any trust or entity paying Claims against Hopeman or its Estate shall pay any Asbestos Claim unless it first obtains from the Claimant an executed Claimant Release. Notwithstanding the foregoing, nothing in this Section shall prevent the Estate or entity paying Claims against Hopeman or its Estate from: (a) reviewing any Asbestos Claim or making any offer to any Claimant to allow, liquidate, compromise, or resolve an Asbestos Claim; *provided, however*, that should a Claimant accept such offer, the Claimant shall execute and provide a Claimant Release to the extent provided herein; (b) paying pursuant to any judgment or order as required by applicable law (whether or not a release is obtained as provided herein); (c) or disallowing or liquidating a claim at a zero value (whether or not a release is obtained as provided hereinabove).

3.10 Hopeman shall make best efforts to ensure that any order confirming the Plan includes an injunction that bars assertion against Chubb Insurer Persons of Asbestos Claims and/or of any Claim released hereunder.

3.11 The Plan or Confirmation Order shall provide that the trustee or other payor of Asbestos Claims will indemnify and hold harmless Chubb Insurer Persons and Hopeman Persons for any costs, liability, damages, or Claims arising from, attributable to or resulting from any Asbestos Claim or (as to Chubb Insurer Persons) any other Claims released under this Agreement.

3.12 (a) Any obligation of Chubb Insurers or Hopeman with respect to reporting obligations in respect of the Settlement Amount, or in respect of any payments, settlements, resolutions, awards, or other Claim liquidations by the Liquidating Trust under the Medicare

Secondary Payer provisions of 42 U.S.C. § 1395y *et seq.*, or any other similar statute or regulation, and any related rules, regulations, or guidance issued in connection therewith or amendments thereto (“MSP”), including Section 111 of the Medicare, Medicaid, and SCHIP Extension Act of 2007 (P.L. 110-173), or any other similar statute or regulation, and any related rules, regulations, or guidance issued or amendments or amendatory statutes enacted in connection therewith (“MMSEA”) shall be handled according to provisions to be adopted by the Plan and any trust agreement adopted in connection with the Plan to govern the Liquidating Trust. Hopeman agrees that it shall take all reasonable steps necessary to ensure that the following provisions are adopted as part of the Plan and any Liquidating Trust agreement:

- i. RRE Registration. The Liquidating Trust shall register as a Responsible Reporting Entity (“RRE”) under the reporting provisions of Section 111 of the Medicare, Medicaid, and SCHIP Extension Act of 2007 (Pub. L. 110-173) (“MMSEA”) in order to fulfill any reporting requirements applicable to the funders of the Liquidating Trust.
- ii. Reporting. The Liquidating Trust, acting as the RRE, shall, at its sole expense, promptly register as a reporting agent and timely submit all reports that are required under MMSEA on account of any reportable claims settled, resolved, paid, or otherwise liquidated by the Liquidating Trust. The Liquidating Trust, in its role as RRE and reporting agent, shall follow all applicable guidance published by the Centers for Medicare & Medicaid Services of the United States Department of Health and Human Services and/or any other agent or successor entity charged with responsibility for monitoring, assessing, or receiving reports made under MMSEA (collectively, “CMS”) to determine whether or not, and, if so, how, to report to CMS pursuant to MMSEA.
- iii. Releases. The Liquidating Trust shall obtain prior to remittance of funds to claimants’ counsel or to the claimant, if pro se, in respect of any Asbestos PI Claim, a certification from the claimant to be paid that said claimant has or will provide for the payment and/or resolution of any obligations owing or potentially owing under 42 U.S.C. § 1395y(b), or any related rules, regulations, or guidance, in connection with, or relating to, such Asbestos PI Claim.

(b) In the event that no Chapter 11 plan that provides for the creation of a Liquidating Trust becomes effective, Hopeman agrees that it shall take all reasonable steps

necessary to ensure that any other payor of Asbestos Claims is bound to the obligations that are set forth in this Agreement, to further ensure that the payor of Asbestos Claims shall act in accordance with the terms of this Agreement, and to cooperate with Chubb Insurers in good faith to ensure compliance with any additional requirements that are imposed under Medicaid statutes or regulations in the future. Chubb Insurers agree that they shall consider any and all reasonable requests by the trustee or other payor of Asbestos Claims for accommodations to the procedure established by this Agreement for the resolution and payment of the Asbestos Claims.

(c) The Parties agree that nothing in this Section 3.12 shall constitute or be construed as an admission that any Chubb Insurer is in fact an “applicable plan” for MMSEA reporting purposes, or that it has any legal obligation to report any actions undertaken by the trustee or other payor of Asbestos Claims under MMSEA or any other statute or regulation.

IV. RELEASES

4.1 Subject to and effective upon the occurrence of the Payment Date, and without any further action of the Parties:

(a) Hopeman, on behalf of itself, other Hopeman Persons, and the Estate, hereby fully, finally, and completely remises, releases, acquits, and forever discharges Chubb Insurer Persons from any and all Claims relating to, or in any way arising out of the Policies or Chubb Insurer Persons having issued the Policies or having insured Hopeman Persons pursuant to the Policies. The release of Chubb Insurer Persons under this Section 4.1 of the Agreement includes, but is not limited to: Claims for alleged bad faith, unfair or improper claims handling or settlement practices; conspiracy; fraud; violation of any covenant of good faith and fair dealing; violation of any law, regulation, code, or statute, or any other conduct whether based in contract, tort, or otherwise; any and all Claims for coverage with respect to, relating to, or in any way arising out of the Policies for property damage, bodily injury, personal injury, advertising

injury, or any other form of loss potentially covered under the Policies; and, except as set forth in section 3.4 with respect to Chubb Insurer-requested additional publication costs, Claims seeking to recover administrative expenses incurred in the Bankruptcy. In addition, Hopeman, on behalf of itself, other Hopeman Persons, and the Estate, hereby withdraws any and all requests, demands, or tenders for defense or indemnity previously submitted to Chubb Insurer Persons for Claims under the Policies and further surrenders, relinquishes, and releases any further right to tender or present any Claims whatsoever to Chubb Insurer Persons under the Policies. Furthermore, by virtue of the foregoing releases, Chubb Insurer Persons shall have no duty to investigate, defend or indemnify Hopeman Persons or the Estate, with respect to any past, present, or future Claim alleged against Hopeman, nor shall Chubb Insurer Persons have any other duty or obligation whatsoever to Hopeman Persons or any other Person with respect to any and all Claims arising out of, in connection with, and relating to the Policies, the Chubb Insurer Persons having issued the Policies or having insured Hopeman Persons pursuant to the Policies.

(b) Chubb Insurers, on behalf of themselves and other Chubb Insurer Persons, hereby fully, finally, and completely remise, release, acquit and forever discharge Hopeman Persons and the Estate from any and all Claims with respect to, relating to, or in any way arising out of the Policies, or Chubb Insurers having issued the Policies or having insured Hopeman Persons pursuant to the Policies. The release of Hopeman Persons under this Section 4.1 of the Agreement includes, but is not limited to: Claims for alleged bad faith, unfair or improper claims handling or settlement practices; conspiracy; fraud; violation of any covenant of good faith and fair dealing; violation of any law, regulation, code, or statute, or other any other conduct whether based in contract, tort, or otherwise; any and all Claims for coverage with respect to, relating to, or in any way arising out of the Policies for property damage, bodily

injury, personal injury, advertising injury, or any other form of loss potentially covered under the Policies; and claims for deductibles, retention, reimbursement, and retrospective premiums pursuant to the Policies. Furthermore, by virtue of the foregoing releases, Hopeman Persons shall have no duty or obligation whatsoever to Chubb Insurer Persons or any other Person with respect to any and all Claims arising out of, in connection with, and relating to the Policies, or the Chubb Insurers having issued the Policies or having insured Hopeman Persons pursuant to the Policies.

4.2 The releases set forth in Section 4.1 of this Agreement are not intended to, and shall not, extend to or otherwise release or discharge any rights, privileges, benefits, duties, or obligations of any of the Parties by reason of, or otherwise arising under, this Agreement.

4.3 The Parties acknowledge that there may be changes in the law with respect to interpretation of the Policies or otherwise, or the Parties may hereafter discover facts different from, or in addition to, those which they now believe to be true with respect to any and all of the claims herein released. Nevertheless, the Parties hereby agree that the releases set forth above shall be and remain effective in all respects, notwithstanding any changes in the law or the discovery of such additional or different facts. Moreover, Hopeman understands that Claims that have been or may be asserted against Hopeman Persons may increase or decrease in amount or in severity over time, that Claims that have been or may be asserted against Hopeman Persons may include progressive, cumulative, unknown, and/or unforeseen elements, and that there may be hidden, unknown, and unknowable damages, defense expenses, or other costs related to such Claims. Nevertheless, the Parties irrevocably and knowingly agree that the releases contained in Section 4.1 of this Agreement include a full and complete and irrevocable release and discharge

from all known and unknown rights, Claims, and/or Interests arising out of, in connection with, or relating to the Policies.

4.4 In furtherance of their express intent to fully, finally, and irrevocably release and discharge each other for all Claims, known and unknown, from the beginning of time until the end of time to the extent set forth in Section 4.1 of the Agreement, each of the Parties expressly waives any and all rights it may have under any contract, statute, code, regulation, ordinance, or the common law, which may limit or restrict the effect of a general release as to Claims, arising out of, in connection with, or relating to the Policies.

4.5 The releases set forth in Section 4.1 of the Agreement shall not apply to or have any effect on Chubb Insurer Persons' right to any claim for reinsurance in connection with the Policies.

4.6 Subject to the other provisions of this Agreement, to the extent that the releases set forth in Section 4.1 of the Agreement run to the favor of any Persons who are not signatories hereto, this Agreement is hereby declared to be made in and for their respective benefits and uses.

4.7 Hopeman, on behalf of itself, other Hopeman Persons, and the Estate, warrants and represents that none of the Claims herein released has been, or will be, assigned or transferred, in whole or in part, to any Person. Hopeman, on behalf of itself, other Hopeman Persons, and the Estate, agrees to fully defend, indemnify, protect, save, and hold harmless Chubb Insurer Persons from and against any such Claims (including, but not limited to, the payment of attorneys' fees and costs actually incurred, whether or not litigation is commenced) based on, in connection with, or arising out of such assignment or transfer, or purported or

claimed assignment or transfer. No such obligation to defend, indemnify or hold harmless shall be transferred to or undertaken by any trust formed in the Bankruptcy Case.

4.8 Hopeman, on behalf of itself, other Hopeman Persons, and the Estate, represents, warrants, and agrees that it will not in any way assist any Person in the establishment of any Claim against Chubb Insurer Persons that arises out of, results from, or in any way relates to, Chubb Insurer Persons' investigation, handling, defense, or settlement by Chubb Insurer Persons of Claims, including those released under this Agreement.

V. REPRESENTATIONS AND WARRANTIES OF THE PARTIES

5.1 Each of the Parties separately represents and warrants as follows:

(a) Subject to the entry of the Approval Order, it has the requisite power and authority to enter into this Agreement and to perform the obligations imposed on it by this Agreement;

(b) The execution and delivery of, and the performance of the obligations contemplated by this Agreement have been approved by duly authorized representatives of the Party, and by all other necessary actions of the Party, subject to the contemplated approval by the Bankruptcy Court in the Approval Order;

(c) Each Party has expressly authorized its undersigned representative to execute this Agreement on the Party's behalf as its duly authorized agent;

(d) This Agreement has been thoroughly negotiated and analyzed by its counsel and has been executed and delivered in good faith, pursuant to arm's length negotiations, and for value and valuable consideration; and

(e) Each Party will use its best efforts to seek entry of the Approval Order as attached in **Exhibit B**.

5.2 Each of the Parties has undertaken its own reasonable investigation and, based on that reasonable investigation, represent that they are not aware of any insurance policies issued by Chubb Insurer Persons that provide coverage to Hopeman Persons for Asbestos Claims other than the insurance policies identified on **Exhibit A** to this Agreement.

VI. JUDGMENT REDUCTION

6.1 Hopeman (for itself, the Estate, and Hopeman Persons) hereby agrees as follows with respect to any Claim, case, controversy, arbitration, lawsuit, or other proceeding of any kind involving Hopeman, the Estate, or Hopeman Persons:

(a) Hopeman will not seek to obtain payment from any Person or Other Insurer of any amount that may be attributable or allocable to Chubb Insurer Persons under the Policies; and

(b) Without limiting the effect of the Injunction and the releases set forth in Section 4.1 of this Agreement, in the event that any Person or Other Insurer obtains a judicial determination, settlement or binding arbitration award that it is entitled to obtain a sum certain from Chubb Insurer Persons as a result of a Claim for contribution, subrogation, indemnification, reimbursement or other similar Claim against Chubb Insurer Persons for Chubb Insurer Persons' alleged share or equitable share, or to enforce subrogation rights, if any, of the defense or indemnity obligations of Chubb Insurer Persons for any Claims released pursuant to this Agreement, Hopeman and other Hopeman Persons shall voluntarily reduce their judgment or Claim against, or settlement with, such Person or Other Insurer(s) to the extent necessary to eliminate such contribution, subrogation, indemnification, reimbursement or similar Claims against Chubb Insurer Persons. To ensure that such a reduction is accomplished, Chubb Insurer Persons shall be entitled to assert this Section 6.1 as a defense to any action for any such portion of the judgment, settlement, or binding arbitration award, and shall be entitled to have the court

or appropriate tribunal issue such orders as are necessary to effectuate the reduction to protect Chubb Insurer Persons from any liability for the judgment, settlement, or binding arbitration award.

(c) Chubb Insurer Persons shall not seek reimbursement for any payments they are obligated to make under this Agreement, whether by way of a Claim for contribution, subrogation, indemnification, reimbursement, or otherwise from any Other Insurer or Person other than Chubb Insurer Persons' reinsurers in their capacity as reinsurers of Chubb Insurer Persons. Notwithstanding the foregoing, if a third party pursues a contribution, subrogation, or indemnification Claim against Chubb Insurer Persons relating to any of the Policies, then Chubb Insurer Persons shall be free to assert such a Claim against such third party. Hopeman shall use its reasonable best efforts to obtain agreements similar to those contained in this Section 6.1(c) from all Other Insurers with which Hopeman executes a settlement after the Execution Date.

VII. MISCELLANEOUS PROVISIONS

7.1 Termination Rights. If, after 12 months have elapsed since the filing of the Motion, Hopeman and Chubb Insurers mutually agree after good faith discussions with each other that the Approval Order will not be entered or, following entry will not become or is unlikely to become a Final Order, and provided Chubb Insurers have not previously waived in writing that the Approval Order be a Final Order pursuant to Section 3.5 of this Agreement, Hopeman and Chubb Insurers shall have the option jointly to terminate the Agreement. Termination shall not be effective unless it is memorialized in a writing signed on behalf of both Hopeman and Chubb Insurers.

7.2 Amendments. Neither this Agreement nor any term set forth herein may be changed, waived, discharged, or terminated except by a writing signed by the Parties (or their successors or assigns).

7.3 No Precedential Value. The settlement reflected in this Agreement shall be without precedential value, and it is not intended to be, nor shall it be construed as, an interpretation of any insurance policies. It shall not be used as evidence, or in any other manner, in any court or other dispute resolution proceeding, to create, prove, or interpret the obligations of Chubb Insurer Persons under any insurance policies issued to Hopeman Persons or to any other Person, provided, however, notwithstanding the provisions of Section 7.14 of this Agreement, this Agreement may be used as evidence in any defense of Chubb Insurer Persons of any obligation arising under the Policies.

7.4 Agreement Voluntarily Entered Into By Each Of The Parties. This Agreement is executed voluntarily by each of the Parties without any duress or undue influence on the part, or on behalf, of any of them. The Parties represent and warrant to each other that they have read and fully understand each of the provisions of this Agreement and have relied on the advice and representations of competent legal counsel of their own choosing.

7.5 Interpretation. This Agreement has been negotiated at arm's length and between and among Persons sophisticated and knowledgeable in the matters dealt with in this Agreement. In addition, this Agreement was drafted by experienced and knowledgeable legal counsel for each of the Parties. Accordingly, no Party shall be entitled to have any provisions of the Agreement construed against the other Party in accordance with any rule of law, legal decision or doctrine. Unless the context otherwise clearly requires, in this Agreement words importing the singular include the plural and vice versa; wherever in this Agreement the word "include," "includes," or "including" is used, the words "without limitation" shall be understood to follow.

7.6 No Admission of Liability. The Parties agree that this Agreement is the result of a compromise of disputed issues, and that the execution and delivery of this Agreement by any

of the Parties shall not constitute or be construed as an admission of any liability, a course of performance, or wrongdoing on the part of any of them. The Parties acknowledge that this Agreement is not, and cannot be construed as, any admission by Chubb Insurer Persons that any defense, indemnity, or other coverage obligation exists under the Policies, or that Chubb Insurer Persons have any other obligation of any nature whatsoever with respect to the Policies. By entering into this Agreement, neither Hopeman (on behalf of itself, other Hopeman Persons, and the Estate) nor Chubb Insurer Persons have waived nor will be deemed to have waived any right, obligation, privilege, defense, or position it may have asserted or might assert in connection with any claim, matter, Person, or insurance policy outside the scope of this Agreement. Except as set forth in Section 4.6, no Person other than the Parties hereto shall have any legally enforceable rights or benefits under this Agreement.

7.7 Entire and Integrated Agreement. This Agreement is intended by the Parties as a final expression of their agreement and is intended to be a complete and exclusive statement of the agreement and understanding of the Parties with respect to the subject matters contained herein. This Agreement supersedes any and all prior promises, representations, warranties, agreements, understandings, and undertakings between or among the Parties with respect to such subject matters, and there are no promises, representations, warranties, agreements, understandings, or undertakings with respect to such subject matters other than those set forth or referred to herein.

7.8 No Third Party Beneficiaries. Except as set forth in Section 4.6, nothing in this Agreement is intended or shall be construed to give any Person, other than Chubb Insurer Persons and Hopeman (on behalf of itself, other Hopeman Persons, and the Estate) and their respective successors, and permitted assigns, any legal or equitable right, remedy, or claim under

or in respect to this Agreement or any provisions contained herein; this Agreement and any conditions and provisions hereof being are intended to be for the sole and exclusive benefit of Chubb Insurer Persons and Hopeman (on behalf of itself, other Hopeman Persons, and the Estate) as well as each of their successors and permitted assigns, and for the benefit of no other Person. Notwithstanding the foregoing, this Agreement shall be binding on any Chapter 7 or Chapter 11 trustee appointed to administer the Hopeman Estate and any liquidating trustee. Neither this Agreement nor the rights and obligations set forth herein shall be assigned without the prior written consent of the other Party, except that this Section shall not prohibit any assignment by Chubb Insurer Persons (a) made by merger, consolidation, or operation of law or (b) to a Person who succeeds to all or substantially all of such Party's assets.

7.9 Reinsurance Recoveries and Allocation of Settlement Amount. Chubb Insurer Persons will be free to pursue reinsurance claims against reinsurers or retrocessionaires regarding any consideration paid by it in connection with this Agreement. Chubb Insurer Persons are free to allocate the consideration paid by it in connection with this Agreement among the Policies, at their sole discretion.

7.10 Severability. If any provisions of this Agreement, or the application thereof, shall for any reason or to any extent be construed by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement, and application of such provisions to other circumstances, shall remain in effect and be interpreted so as best to reasonably effect the intent of the Parties. Notwithstanding the foregoing, if, prior to entry of the Approval Order containing an injunction described in Section 1.2 becoming a Final Order, the sale of the policies in Section II, the releases (Section 4.1) or the Injunction provided for in the Approval Order are found to be unenforceable or invalid by a court of competent jurisdiction, then such invalidity or

unenforceability shall entitle, but not require, Chubb Insurers to rescind the entire Agreement by providing written notice to Hopeman. In such case, the Settlement Amount shall be returned to Chubb Insurers, less any amounts that Hopeman has used or will use to pay any Claims or reasonable and necessary administrative costs (as approved by the Bankruptcy Court where required under the Bankruptcy Code or the Bankruptcy Rules) incurred as of the time of rescission or that are required by the Bankruptcy Code or order of the Bankruptcy Court to effect an orderly winding-down of the Estate or any liquidating trustee or other trust distribution vehicle established under a Chapter 11 plan for Hopeman and the closing of the Bankruptcy Case after the rescission. Any portions of the Settlement Amount not returned to Chubb Insurers pursuant to the foregoing subsections shall be set off, dollar for dollar, to reduce the limits available under the Policies, as allocated at Chubb Insurers' sole discretion.

7.11 Notice. Any notice or request required or desired to be given pursuant to this Agreement shall be sufficient if made in writing and sent by first class mail, postage prepaid, with a copy by electronic mail, to the Parties at the addresses set forth below or to such other Persons as any of them may designate in writing from time to time:

(a) As to Chubb Insurers:

Shelby Mattioli
Senior Vice President, Direct Claims
Brandywine Group of Insurance and Reinsurance Companies
510 Walnut Street, WB11E
Philadelphia, PA 19106
Shelby.Mattioli@BrandywineHoldings.com

Patti B. Santelle
White and Williams LLP
1650 Market Street
One Liberty Place, Suite 1800
Philadelphia, PA 19103
Santellep@whiteandwilliams.com

Leslie A. Davis
Troutman Pepper Hamilton Sanders LLP
410 9th Street NW
Washington, DC 20004
Leslie.davis@troutman.com

(b) As to Hopeman:

Christopher Lascell
Hopeman Brothers Inc.
6 Auburn Ct., Unit 3
Brookline, MA 02446

Tyler Brown
Joseph Rovira
Hunton Andrews Kurth LLP
Riverfront Plaza, East Tower
Richmond, VA 23219
804.788.8200
tpbrown@huntonak.com
josephrovira@huntonak.com

7.12 Headings. The section titles, captions, and headings contained in this Agreement are inserted as a matter of convenience and for reference, and shall in no way be construed to define, limit, or extend the scope of this Agreement or the effect of any of its provisions.

7.13 Recitals. The recitals set forth at the beginning of this Agreement shall not be admissible to prove the truth of the matters asserted in any action or proceeding involving any of the Parties (other than an action or proceeding brought to enforce the terms of this Agreement), nor do any of the Parties intend such recitals to constitute admissions of fact by any of them.

7.14 Agreement Inadmissible. Any evidence of the terms or negotiations or discussions associated with this Agreement shall be inadmissible in any action or proceeding for purposes of establishing any rights, duties, or obligations of the Parties, except in: (a) an action or proceeding to enforce the terms of this Agreement; (b) proceedings before the Bankruptcy Court to secure the Approval Order; or (c) any possible action or proceeding between Chubb Insurer Persons and any of their reinsurers with respect to the Policies. Except as set forth

herein, this Agreement shall not be used as evidence or in any other manner, in any court or dispute resolution proceeding, to create, prove, or interpret the Parties' rights or obligations to each other or to any other Person.


7.15 Additional Necessary Documents. The Parties, and each of them, agree to execute such additional documents as may be reasonably required in order to carry out the purpose and intent of this Agreement, or to evidence anything contained herein.

7.16 Execution in Counterparts. This Agreement may be signed in multiple counterparts and the separate signature pages executed by Parties may be combined to create a document binding on all of the Parties and together shall constitute one and the same instrument. Facsimile signatures shall have the same force and effect as an original signature.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date set forth opposite the respective signatures below.

Dated: Jun 27, 2024

Hopeman Brothers, Inc.

By: 

Name: Christopher D Lascell

Title: President

Dated: _____

Century Indemnity Company

By: _____

Name: _____

Title: _____

Dated: _____

Westchester Fire Insurance Company

By: _____

Name: _____

Title: _____

Dated: _____

Hopeman Brothers, Inc.

By: _____

Name: _____

Title: _____

Dated: June 27, 2024

Century Indemnity Company

By: Shelby L. Mattioli

Name: Shelby L. Mattioli

Title: SVP Direct Claims

Dated: June 27, 2024

Westchester Fire Insurance Company

By: Shelby L. Mattioli

Name: Shelby L. Mattioli

Title: SVP Direct Claims

EXHIBIT A

(Schedule of Insurance Policies)

Issuing Company	Policy Number	Policy Period
INA	XBC 1818	01/29/1965 - 02/14/1968
INA	XBC 41712	02/14/1968 - 03/14/1971
INA	XCP 3721	03/14/1971 - 03/14/1974
INA	XCP 3914	04/02/1973 - 03/14/1977
INA	XCP 12358	03/14/1977 - 01/01/1978
INA	XCP 14304	01/01/1978 - 01/01/1979
INA	XCP 143410	01/01/1979 - 01/01/1980
INA	XCP 143696	01/01/1980 - 01/01/1981
INA	XCP 143696	01/01/1981 - 01/01/1982
INA	XCP 144541	01/01/1982 - 01/01/1983
International	5231830581	01/01/1983 - 01/01/1984
International	5233111857	01/01/1984 - 01/01/1985
INA	XCP 145717	01/01/1984-01/01/1985

EXHIBIT B

(Form of Approval Order)

with 28 U.S.C. § 1334 and the *Standing Order of Reference from the United States District Court for the Eastern District of Virginia*, dated August 15, 1984; and the Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2) and that the Court may enter a final order consistent with Article III of the United States Constitution; and the Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that proper and adequate notice of the Motion has been given and that no other or further notice is necessary; and upon the record herein; and after due deliberation thereon; and the Court having determined that there is good and sufficient cause for the relief granted in this order, it is hereby

ORDERED, ADJUDGED AND DECREED THAT:

1. The Motion is granted.
2. Any and all objections to the Motion and to the relief requested therein and/or granted in this Order that have not been withdrawn, waived, or settled, and all reservations of rights included in such objections, are overruled on the merits.
3. Pursuant to Bankruptcy Rule 9019, the Chubb Insurer Settlement Agreement and each of its terms and conditions, including the releases contained therein, shall be, and hereby are, approved in their entirety.
4. Pursuant to section 365 of the Bankruptcy Code, the Debtor shall be, and hereby is, authorized and empowered to assume the Chubb Insurer Settlement Agreement. The Chubb Insurer Settlement Agreement shall be deemed assumed upon entry of this Order.
5. The Debtor shall be, and hereby is, authorized to undertake any transactions contemplated by the Chubb Insurer Settlement Agreement that remain uncompleted as of the date of this Order.

6. Upon the occurrence of the Payment Date, (a) the Chubb Insurers shall be irrevocably released from (i) all claims by the Debtor under, arising out of, related to, and/or in connection with the Policies, and (ii) all extra-contractual claims arising out of, related to, and/or in connection with the Policies, and (b) all rights and obligations between the Debtor and the Chubb Insurers in respect of the Policies shall be fully and finally extinguished. As a result, the Policies shall be terminated and of no force and effect and be exhausted in respect of all coverages thereunder.

7. Pursuant to section 363(b) of the Bankruptcy Code, the Debtor is authorized and empowered to sell, transfer, and convey the Policies to the Chubb Insurers subject only to the terms and conditions in the Chubb Insurer Settlement Agreement. The Policies shall be deemed so conveyed to the Chubb Insurers immediately upon payment in full of the Settlement Amount pursuant to the terms of the Chubb Insurer Settlement Agreement.

8. Pursuant to section 363(f) of the Bankruptcy Code, the Debtor's sale of the Policies to the Chubb Insurers shall constitute a valid, legal, and effective transfer, which shall vest the Chubb Insurers with all right, title, and interest in and to the Policies free and clear of all liens, claims, encumbrances, and other interests of any person, including, but not limited to, all rights and interests of the Debtor, any other person claiming by, through, or on behalf of the Debtor, any other insurer, any holder of any Asbestos-Related Claim against the Debtor, whether arising prior to or subsequent to the Petition Date, and whether imposed by agreement, understanding, law, equity, or otherwise (including, without limitation, interests in the Policies that purport to give to any party a right or option to effect any forfeiture, modification, or termination of the interest of the estate or the Chubb Insurers, as the case may be, in the Policies).

9. Pursuant to sections 105(a) and 363(f) of the Bankruptcy Code, all persons who hold or assert, or may in the future hold or assert, any claim against Hopeman Persons or Chubb Insurer Persons shall be and hereby are permanently stayed, restrained, and enjoined from asserting any Claim or right to entitlement, or taking any other action against the Chubb Insurer Persons, Hopeman Persons or any other Person who may be an insured, additional insured, or otherwise entitled to any benefit under the Policies, for the purpose of obtaining any recovery or other relief from the Chubb Insurer Persons or under or in connection with the Policies, arising out of or in connection with the activities covered by the Policies, or in connection with the Hopeman Persons' activities giving rise to claims made or to be made under the Policies.

10. The releases in the Chubb Insurer Settlement Agreement and the policy buyback therein comply with the Bankruptcy Code and applicable non-bankruptcy law.

11. The Chubb Insurers are good-faith purchasers of the Policies and are entitled to, and hereby are, granted all of the protections provided to good faith purchasers pursuant to section 363(m) of the Bankruptcy Code.

12. The transactions contemplated by the Chubb Insurer Settlement Agreement shall not be subject to avoidance under section 363(n) of the Bankruptcy Code. All persons shall be and hereby are enjoined from commencing or continuing an action seeking relief under section 363(n) of the Bankruptcy Code with respect to the Chubb Insurer Settlement Agreement and the transactions contemplated thereby.

13. The sale of the Policies to the Chubb Insurers under the Chubb Insurer Settlement Agreement will constitute a transfer for reasonably equivalent value and fair consideration under the Bankruptcy Code and the laws of the Commonwealth of Virginia.

14. The Debtor shall use the Settlement Amount solely to make payments to or for the benefit of holders of Asbestos-Related Claims and for other costs and expenses associated with

this chapter 11 case; *provided, that*, the Debtor shall make best efforts to ensure that the Liquidation Trustee or any other payor of the Asbestos-Related Claims will obtain from each holder of an Allowed Asbestos-Related Claim, prior to such holder receiving a disbursement on account of such Allowed Asbestos-Related Claim, an executed Claimant Release that is substantially similar to the form of Claimant Release attached to the Chubb Insurer Settlement Agreement as Exhibit C.

15. This Order shall be binding upon the Debtor, the Chubb Insurers, all holders of Claims (including Asbestos-Related Claims) against the Debtor, all insurers who received notice of the Motion, all other persons and entities receiving notice as set forth in the Motion, the respective successors and assigns of each person referred to in this paragraph, and any chapter 11 trustee, Liquidation Trustee, or other trust or distribution vehicle established under a chapter 11 plan of the Debtor, and on any chapter 7 trustee if this chapter 11 case is converted to a chapter 7 proceeding.

16. Each of the Parties hereby is authorized to take all actions and execute all documents and instruments that it deems necessary or appropriate to implement and effectuate the transactions contemplated by the Chubb Insurer Settlement Agreement.

17. The Chubb Insurers are not, and shall not be deemed to be, successors to the Debtor by reason of any theory of law or equity or as a result of the consummation of the transactions contemplated in the Chubb Insurer Settlement Agreement.

18. This Court shall retain jurisdiction to interpret and enforce the provisions of the Chubb Insurer Settlement Agreement and this Order in all respects and further to hear and determine any and all disputes relating to the Chubb Insurer Settlement Agreement between the Parties or between a Party and any other person; *provided, however*, that in the event the Court abstains from exercising or declines to exercise such jurisdiction or is without jurisdiction with

respect to the Chubb Insurer Settlement Agreement or this Order, such abstention, refusal, or lack of jurisdiction shall have no effect upon, and shall not control, prohibit, or limit the exercise of jurisdiction of any other court having competent jurisdiction with respect to any such matter. In the event this chapter 11 case has been closed, there shall be cause to have this chapter 11 case reopened upon motion or application for such purposes.

19. The requirements set forth in Bankruptcy Rule 6004(a) are hereby waived.

20. Notwithstanding Bankruptcy Rule 6004(h), to the extent applicable, this Order shall be effective and enforceable immediately upon entry hereof.

21. The requirement under Bankruptcy Local Rule 9013-1(F) to file a memorandum of law in connection with the Motion is waived.

22. Counsel for the Debtor shall serve a copy of this Order on the Master Service List and file a certificate of service within three business days of entry of this Order. Notice of the Order by ECF or e-mail shall constitute good and sufficient notice of the Order.

Dated: _____, 2024
Richmond, Virginia

UNITED STATES BANKRUPTCY JUDGE

WE ASK FOR THIS:

/s/ DRAFT

Tyler P. Brown (VSB No. 28072)
Henry P. (Toby) Long, III (VSB No. 75134)
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- and -

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Catherine A. Rankin (*pro hac vice* pending)
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crankin@HuntonAK.com

Proposed Counsel for the Debtor and Debtor in Possession

**CERTIFICATION OF ENDORSEMENT
UNDER LOCAL BANKRUPTCY RULE 9022-1(C)**

I hereby certify that the foregoing proposed order has been endorsed by or served upon all necessary parties.

/s/ DRAFT

EXHIBIT C

(Form of Claimant Release)

HOPEMAN BROTHERS, INC. ASBESTOS PERSONAL INJURY LIQUIDATION TRUST RELEASE AND INDEMNITY AGREEMENT

NOTICE: THIS IS A BINDING DOCUMENT THAT AFFECTS YOUR LEGAL RIGHTS. PLEASE CONSULT YOUR ATTORNEY IN CONNECTION WITH EXECUTING THIS DOCUMENT. IF YOU DO NOT PRESENTLY HAVE AN ATTORNEY, YOU MAY WISH TO CONSIDER CONSULTING ONE.

All capitalized terms used but not defined herein shall have the respective meanings ascribed to them in either (i) the Plan of Liquidation of Hopeman Brothers, Inc. (the “Plan”) filed in chapter 11 bankruptcy case pending before the United States Bankruptcy Court for the Eastern District of Virginia, Richmond Division; or (ii) the Trust Distribution Procedures of the Hopeman Brothers, Inc. Asbestos Personal Injury Liquidation Trust (the “TDP”, which may be amended from time to time) attached as Exhibit B to the Plan.

Preamble

WHEREAS, the undersigned, who is either the “Injured Party” or the/an “Official Representative”¹ (either being referred to herein as the “Claimant”), has filed a claim (the “Claim”) with the Hopeman Brothers, Inc. Asbestos Personal Injury Liquidation Trust (the “Liquidation Trust”) pursuant to the TDP, and such Claim asserts an Asbestos PI Claim arising out of exposure to alleged asbestos-containing products or conduct that occurred for which Hopeman Brothers, Inc. (the “Debtor”) is alleged to have legal responsibility; and

WHEREAS, Claimant has agreed to settle and compromise the Injured Party’s Claim for and in consideration of the allowance of the Claim by the Liquidation Trust and its payment pursuant to the TDP, in accordance with the terms set forth therein and herein.

Agreement

NOW, THEREFORE, Claimant hereby agrees as follows:

1. On behalf of the Injured Party, the Injured Party’s estate, the Injured Party’s heirs, and/or anyone else claiming rights through the Injured Party, now and in the future, Claimant hereby fully and finally RELEASES, ACQUITS, and FOREVER DISCHARGES the Liquidation Trust, the Trust Advisory Committee, the Debtor, the Debtor’s Estate, the Debtor’s former affiliates and subsidiaries, any Settling Asbestos Insurance Entity, and each of the foregoing’s respective settlors, trustors, trustees, members, directors, officers, agents, consultants, financial advisors, servants, employees, attorneys, heirs, executors, and any Asbestos Protected Party (collectively, the “Releasees”) from any and all Asbestos Claims and any claims related thereto (collectively, the “Released Claims”), except as expressly provided herein.
2. Claimant expressly covenants and agrees forever to refrain from bringing any suit or proceeding at law or in equity against the Releasees with respect to any Released Claim.

¹ An “Official Representative” is the/a person who under applicable state law or legal documentation has the authority to represent the Injured Party, the Injured Party’s estate, or the Injured Party’s heirs.

3. Claimant intends this Release and Indemnity Agreement to be as broad and comprehensive as possible so that the Releasees shall never be liable, directly or indirectly, to the Injured Party or the Injured Party's heirs, legal representatives, successors or assigns, or any other person or entity claiming by, through, under, or on behalf of the Injured Party, for or on account of any Released Claim, except as expressly provided herein, whether the same is now known or unknown or may now be latent or may in the future appear to develop or worsen, including all spousal claims for the Injured Party's claims. If Claimant is an Official Representative, Claimant represents and warrants that Claimant has all requisite legal authority to act for, bind and accept payment on behalf of the Injured Party and all heirs of the Injured Party on account of any Released Claim and hereby agrees to indemnify and hold harmless, to the extent of payment hereunder, excluding attorneys' fees and costs, the Releasees from any loss, cost, damage, or expense arising out of or in connection with the rightful claim of any other Entity to payments with respect to the Injured Party's Released Claim.

4. This Release and Indemnity Agreement is not intended to bar any cause of action, right, lien, or claim that Claimant may have against any alleged tortfeasor, or any other person or entity, not included in the definition of Releasees. Claimant hereby expressly reserves all his or her rights against such persons or entities. This Release and Indemnity Agreement is not intended to release or discharge any Asbestos PI Claim or potential Asbestos PI Claim that the Injured Party's heirs (if any), spouse (if any), the Official Representative (if any) or the Official Representative's heirs (if any) (other than the Injured Party) may directly have as a result of their own alleged exposure to asbestos or alleged asbestos-containing products.

5. Claimant represents and warrants that any and all Valid Liens² subrogation, conditional payment, and reimbursement claims relating to benefits paid to or on account of the Injured Party in connection with, or relating to, the Claim have been resolved or will be resolved from the net proceeds of the settlement payment to Claimant under this Release and Indemnity Agreement or otherwise. It is further agreed and understood that no Releasee shall have any liability to Claimant or any other person or entity in connection with such liens or conditional payment or reimbursement claims and that Claimant will indemnify and hold the Releasees harmless from any and all such alleged liability as provided in the following sentence. Claimant will indemnify and hold the Releasees harmless, to the extent of the amount of payment hereunder, excluding attorneys' fees and costs, from any and all liability arising from subrogation, conditional payment, indemnity, or contribution claims related to the Released Claim, including those arising from any and all compensation or medical payments due, or claimed to be due, under any applicable law, regulation, or contract related to the Released Claim.

6. It is further agreed and understood that if Claimant has filed a civil action(s) against any of the Releasees, Claimant shall dismiss such civil action(s) and obtain the entry of an Order of Dismissal with Prejudice with respect to any Released Claim no later than 10 days after the date hereof.

² A "Valid Lien" is a lien that is permitted by applicable law and with respect to which the lien holder has taken all steps necessary under the terms of the documents creating the lien and under applicable law to perfect the lien.

7. Claimant understands that the Released Claim is being resolved by the Liquidation Trust, and a liquidated value in the amount of \$ _____ has been established for such Claim. Claimant acknowledges that, pursuant to the TDP, after the liquidated value of the Claim is determined pursuant to the procedures set forth in the TDP, Claimant ultimately shall receive a pro rata share of that value based on the Trust Assets available for the payment of Claims. Claimant further acknowledges that Claimant may receive payment in one or more distributions, subject to determination by the Trustee, as provided in the TDP. In no circumstance shall Claimant receive more than the assigned liquidated value set forth in this paragraph on account of the Released Claim.

8. In the event of a verdict against others, any judgment entered on the verdict that takes into account the status of the Liquidation Trust as a joint tortfeasor legally responsible for the Injured Party's injuries shall be reduced by no more than the total and actual amount paid as consideration for this Release and Indemnity Agreement or such lesser amount as allowed by law.

9. Claimant understands, represents, and warrants that this Release and Indemnity Agreement is a compromise of a disputed claim and not an admission of liability by, or on the part of, the Releasees. Neither this Release and Indemnity Agreement, the compromise and settlement evidenced hereby, nor any evidence relating thereto, will ever be admissible as evidence against the Liquidation Trust in any suit, claim, or proceeding of any nature except to enforce this Release and Indemnity Agreement. However, this Release and Indemnity Agreement is and may be asserted by the Releasees as an absolute and final bar to any claim or proceeding now pending or hereafter brought by or on behalf of the Injured Party with respect to the Asbestos Claim released herein, except as expressly provided in this Release and Indemnity Agreement.

10. Claimant (a) represents that no judgment debtor has satisfied in full the Liquidation Trust's liability with respect to the Injured Party's Asbestos PI Claim as the result of a judgment entered in the tort system, and (b) upon information and belief, represents that Claimant has not entered into a release (other than this Release and Indemnity Agreement) that discharges or releases the Liquidation Trust's liability to Claimant with respect to the Injured Party's Asbestos PI Claim.

11. Claimant represents that he or she understands that this Release and Indemnity Agreement constitutes a final and complete release of the Releasees with respect to the Injured Party's Released Claim, except as expressly provided herein. Claimant has relied solely on his or her own knowledge and information, and the advice of his or her attorneys (if any), as to the nature, extent, and duration of the Injured Party's injuries, damages, and legal rights, as well as the alleged liability of the Liquidation Trust and the legal consequences of this Release and Indemnity Agreement, and not on any statement or representation made by or on behalf of the Liquidation Trust.

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

without limitation, any prior agreements or understandings with respect to the liquidation of the Claim.

13. This Release and Indemnity Agreement shall be governed by, and construed and enforced in accordance with, the laws of the Commonwealth of Virginia, without giving effect to the principles of conflicts of law thereof, and shall be binding on the Injured Party and his or her heirs, legal representatives, successors and assigns.

14. TO THE EXTENT APPLICABLE, CLAIMANT HEREBY WAIVES ALL RIGHTS UNDER SECTION 1542 OF THE CALIFORNIA CIVIL CODE, AND ANY SIMILAR LAWS OF ANY OTHER STATE. CALIFORNIA CIVIL CODE SECTION 1542 STATES:

1. A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

CLAIMANT UNDERSTANDS AND ACKNOWLEDGES THAT BECAUSE OF CLAIMANT'S WAIVER OF SECTION 1542 OF THE CALIFORNIA CIVIL CODE, EVEN IF THE INJURED PARTY SHOULD EVENTUALLY SUFFER ADDITIONAL DAMAGES, THE INJURED PARTY WILL NOT BE ABLE TO MAKE ANY CLAIM AGAINST THE RELEASEES FOR THOSE DAMAGES, EXCEPT AS EXPRESSLY PROVIDED HEREIN. CLAIMANT ACKNOWLEDGES THAT HE OR SHE INTENDS THESE CONSEQUENCES.

15. Claimant authorizes payment pursuant to Paragraph 7 to Claimant or Claimant's counsel, as agent for Claimant.

16. Claimant acknowledges that the Liquidation Trust's obligation to pay Claimant is not triggered until the Liquidation Trust receives the executed Release and Indemnity Agreement from Claimant.

17. Claimant hereby represents and certifies to the Liquidation Trust and Settling Asbestos Insurance Entities that, in respect of the Claim, Claimant has paid or will provide for the payment and/or resolution of any obligations owing or potentially owing under 42 U.S.C. § 1395y(b) and/or 42 U.S.C. § 1396a(a)(25), or any related statutes, rules, regulations, or guidance, in connection with, or relating to, the Claim, including all Medicare and/or Medicaid Secondary Payer-related obligations.

18. For Medicare reporting purposes, select only **one** of the following two options:

CLAIMANT REPRESENTS AND WARRANTS THAT ALL ALLEGED EXPOSURE TO ALLEGED ASBESTOS-CONTAINING PRODUCTS OR CONDUCT FOR WHICH CLAIMANT IS ALLEGING THE DEBTOR HAS LEGAL RESPONSIBILITY OCCURRED PRIOR TO DECEMBER 5, 1980 AND MAKES NO CLAIM FOR EXPOSURE AFTER THIS DATE. CLAIMANT UNDERSTANDS THAT THE LIQUIDATION TRUST HAS RELIED ON THESE STATEMENTS TO

CONCLUDE THAT NO REPORTING OR REIMBURSEMENT OBLIGATIONS EXIST UNDER THE MEANING OF THE MEDICARE SECONDARY PAYOR ACT.

- EXPOSURE TO ALLEGED ASBESTOS-CONTAINING PRODUCTS OR CONDUCT FOR WHICH CLAIMANT IS ALLEGING THE DEBTOR HAS LEGAL RESPONSIBILITY OCCURRED AFTER DECEMBER 5, 1980.

CERTIFICATION

I state that I have carefully read the foregoing Release and Indemnity Agreement and know the contents thereof, and I sign the same as my own free act. I additionally certify, under penalty of perjury, that the information that has been provided to support the Claim is true according to my knowledge, information, and belief, and further that I have the authority as Claimant to sign this Release and Indemnity Agreement.

I am: _____ the Injured Party the Official Representative of the Injured Party, the Injured Party’s Estate, or the Injured Party’s Heirs.

EXECUTED this _____ day of _____, 20_____.

Signature of Claimant

Name of Claimant: _____

SSN: _____

Name of the Injured Party if different from Claimant: _____

SSN of the Inured Party if different from Claimant: _____

SCHEDULE 2.3

(Schedule of Prepetition Amounts to be Paid by Chubb Insurers)

Date of Billing	Century Indemnity	Century Defense	Century Total	Westchester Total (Indemnity Only)	Total
April 2024	\$232,977.22	\$87,747.56	\$320,724.78	\$121,157.78	\$441,882.56
May 2024	\$226,757.15	\$92,196.78	\$318,953.93	\$142,785.03	\$461,738.96
Total	\$459,734.37	\$179,944.34	\$639,678.71	\$263,942.81	\$903,621.52

Exhibit B

Proposed Order

HUNTON ANDREWS KURTH LLP
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Catherine A. Rankin (*pro hac vice* pending)
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Telephone: (804) 788-8200

Proposed Counsel for Debtor and Debtor in Possession

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF VIRGINIA
RICHMOND DIVISION**

In re: :
 : **Chapter 11**
 :
HOPEMAN BROTHERS, INC., : **Case No. 24-32428 (___)**
 :
 : **Debtor.** :
 :
 :
 :
 :

**ORDER (I) APPROVING THE SETTLEMENT
AGREEMENT AND RELEASE BETWEEN THE DEBTOR AND THE CHUBB
INSURERS; (II) APPROVING THE ASSUMPTION OF THE SETTLEMENT
AGREEMENT AND RELEASE BETWEEN THE DEBTOR AND THE CHUBB
INSURERS; (III) APPROVING THE SALE OF CERTAIN INSURANCE POLICIES;
(IV) ISSUING AN INJUNCTION PURSUANT TO THE SALE OF CERTAIN
INSURANCE POLICIES; AND (V) GRANTING RELATED RELIEF**

Upon the motion (the “Motion”)¹ of the above-captioned debtor in the above-captioned chapter 11 case (the “Debtor”) for entry of an order (this “Order”) (i) approving the Chubb Insurer Settlement Agreement, (ii) approving the assumption of the Chubb Insurer Settlement Agreement, (iii) approving the sale of the Policies, (iv) issuing an injunction pursuant to the sale of the Policies, and (v) granting related relief, all as more fully set forth in the Motion; and the Court having reviewed the Motion and the Chubb Insurer Settlement Agreement; and the Court having

¹ Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion or the Chubb Insurer Settlement Agreement, as applicable.

jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. § 1334 and the *Standing Order of Reference from the United States District Court for the Eastern District of Virginia*, dated August 15, 1984; and the Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2) and that the Court may enter a final order consistent with Article III of the United States Constitution; and the Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that proper and adequate notice of the Motion has been given and that no other or further notice is necessary; and upon the record herein; and after due deliberation thereon; and the Court having determined that there is good and sufficient cause for the relief granted in this order, it is hereby

ORDERED, ADJUDGED AND DECREED THAT:

1. The Motion is granted.
2. Any and all objections to the Motion and to the relief requested therein and/or granted in this Order that have not been withdrawn, waived, or settled, and all reservations of rights included in such objections, are overruled on the merits.
3. Pursuant to Bankruptcy Rule 9019, the Chubb Insurer Settlement Agreement and each of its terms and conditions, including the releases contained therein, shall be, and hereby are, approved in their entirety.
4. Pursuant to section 365 of the Bankruptcy Code, the Debtor shall be, and hereby is, authorized and empowered to assume the Chubb Insurer Settlement Agreement. The Chubb Insurer Settlement Agreement shall be deemed assumed upon entry of this Order.
5. The Debtor shall be, and hereby is, authorized to undertake any transactions contemplated by the Chubb Insurer Settlement Agreement that remain uncompleted as of the date of this Order.

6. Upon the occurrence of the Payment Date, (a) the Chubb Insurers shall be irrevocably released from (i) all claims by the Debtor under, arising out of, related to, and/or in connection with the Policies, and (ii) all extra-contractual claims arising out of, related to, and/or in connection with the Policies, and (b) all rights and obligations between the Debtor and the Chubb Insurers in respect of the Policies shall be fully and finally extinguished. As a result, the Policies shall be terminated and of no force and effect and be exhausted in respect of all coverages thereunder.

7. Pursuant to section 363(b) of the Bankruptcy Code, the Debtor is authorized and empowered to sell, transfer, and convey the Policies to the Chubb Insurers subject only to the terms and conditions in the Chubb Insurer Settlement Agreement. The Policies shall be deemed so conveyed to the Chubb Insurers immediately upon payment in full of the Settlement Amount pursuant to the terms of the Chubb Insurer Settlement Agreement.

8. Pursuant to section 363(f) of the Bankruptcy Code, the Debtor's sale of the Policies to the Chubb Insurers shall constitute a valid, legal, and effective transfer, which shall vest the Chubb Insurers with all right, title, and interest in and to the Policies free and clear of all liens, claims, encumbrances, and other interests of any person, including, but not limited to, all rights and interests of the Debtor, any other person claiming by, through, or on behalf of the Debtor, any other insurer, any holder of any Asbestos-Related Claim against the Debtor, whether arising prior to or subsequent to the Petition Date, and whether imposed by agreement, understanding, law, equity, or otherwise (including, without limitation, interests in the Policies that purport to give to any party a right or option to effect any forfeiture, modification, or termination of the interest of the estate or the Chubb Insurers, as the case may be, in the Policies).

9. Pursuant to sections 105(a) and 363(f) of the Bankruptcy Code, all persons who hold or assert, or may in the future hold or assert, any claim against Hopeman Persons or Chubb

Insurer Persons shall be and hereby are permanently stayed, restrained, and enjoined from asserting any Claim or right to entitlement, or taking any other action against the Chubb Insurer Persons, Hopeman Persons or any other Person who may be an insured, additional insured, or otherwise entitled to any benefit under the Policies, for the purpose of obtaining any recovery or other relief from the Chubb Insurer Persons or under or in connection with the Policies, arising out of or in connection with the activities covered by the Policies, or in connection with the Hopeman Persons' activities giving rise to claims made or to be made under the Policies.

10. The releases in the Chubb Insurer Settlement Agreement and the policy buyback therein comply with the Bankruptcy Code and applicable non-bankruptcy law.

11. The Chubb Insurers are good-faith purchasers of the Policies and are entitled to, and hereby are, granted all of the protections provided to good faith purchasers pursuant to section 363(m) of the Bankruptcy Code.

12. The transactions contemplated by the Chubb Insurer Settlement Agreement shall not be subject to avoidance under section 363(n) of the Bankruptcy Code. All persons shall be and hereby are enjoined from commencing or continuing an action seeking relief under section 363(n) of the Bankruptcy Code with respect to the Chubb Insurer Settlement Agreement and the transactions contemplated thereby.

13. The sale of the Policies to the Chubb Insurers under the Chubb Insurer Settlement Agreement will constitute a transfer for reasonably equivalent value and fair consideration under the Bankruptcy Code and the laws of the Commonwealth of Virginia.

14. The Debtor shall use the Settlement Amount solely to make payments to or for the benefit of holders of Asbestos-Related Claims and for other costs and expenses associated with this chapter 11 case; *provided, that*, the Debtor shall make best efforts to ensure that the Liquidation Trustee or any other payor of the Asbestos-Related Claims will obtain from each

holder of an Allowed Asbestos-Related Claim, prior to such holder receiving a disbursement on account of such Allowed Asbestos-Related Claim, an executed Claimant Release that is substantially similar to the form of Claimant Release attached to the Chubb Insurer Settlement Agreement as Exhibit C.

15. This Order shall be binding upon the Debtor, the Chubb Insurers, all holders of Claims (including Asbestos-Related Claims) against the Debtor, all insurers who received notice of the Motion, all other persons and entities receiving notice as set forth in the Motion, the respective successors and assigns of each person referred to in this paragraph, and any chapter 11 trustee, Liquidation Trustee, or other trust or distribution vehicle established under a chapter 11 plan of the Debtor, and on any chapter 7 trustee if this chapter 11 case is converted to a chapter 7 proceeding.

16. Each of the Parties hereby is authorized to take all actions and execute all documents and instruments that it deems necessary or appropriate to implement and effectuate the transactions contemplated by the Chubb Insurer Settlement Agreement.

17. The Chubb Insurers are not, and shall not be deemed to be, successors to the Debtor by reason of any theory of law or equity or as a result of the consummation of the transactions contemplated in the Chubb Insurer Settlement Agreement.

18. This Court shall retain jurisdiction to interpret and enforce the provisions of the Chubb Insurer Settlement Agreement and this Order in all respects and further to hear and determine any and all disputes relating to the Chubb Insurer Settlement Agreement between the Parties or between a Party and any other person; *provided, however*, that in the event the Court abstains from exercising or declines to exercise such jurisdiction or is without jurisdiction with respect to the Chubb Insurer Settlement Agreement or this Order, such abstention, refusal, or lack of jurisdiction shall have no effect upon, and shall not control, prohibit, or limit the exercise of

jurisdiction of any other court having competent jurisdiction with respect to any such matter. In the event this chapter 11 case has been closed, there shall be cause to have this chapter 11 case reopened upon motion or application for such purposes.

19. The requirements set forth in Bankruptcy Rule 6004(a) are hereby waived.

20. Notwithstanding Bankruptcy Rule 6004(h), to the extent applicable, this Order shall be effective and enforceable immediately upon entry hereof.

21. The requirement under Bankruptcy Local Rule 9013-1(F) to file a memorandum of law in connection with the Motion is waived.

22. Counsel for the Debtor shall serve a copy of this Order on the Master Service List and file a certificate of service within three business days of entry of this Order. Notice of the Order by ECF or e-mail shall constitute good and sufficient notice of the Order.

Dated: _____, 2024
Richmond, Virginia

UNITED STATES BANKRUPTCY JUDGE

WE ASK FOR THIS:

/s/ Henry P. (Toby) Long, III
Tyler P. Brown (VSB No. 28072)
Henry P. (Toby) Long, III (VSB No. 75134)
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Proposed Counsel for the Debtor and Debtor in Possession

**CERTIFICATION OF ENDORSEMENT
UNDER LOCAL BANKRUPTCY RULE 9022-1(C)**

I hereby certify that the foregoing proposed order has been endorsed by or served upon all necessary parties.

/s/ Henry P. (Toby) Long, III