

HUNTON ANDREWS KURTH LLP
Joseph P. Rovira (admitted *pro hac vice*)
Catherine A. Rankin (admitted *pro hac vice*)
600 Travis Street, Suite 4200
Houston, Texas 77002
Telephone: (713) 220-4200

HUNTON ANDREWS KURTH LLP
Tyler P. Brown (VSB No. 28072)
Henry P. (Toby) Long, III (VSB No. 75134)
Riverfront Plaza, East Tower
951 East Byrd Street
Richmond, Virginia 23219
Telephone: (804) 788-8200

Proposed Attorneys 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 (KLP)**
 :
 : **Debtor.** :
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 :
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**DISCLOSURE STATEMENT WITH RESPECT TO THE PLAN OF LIQUIDATION OF
HOPEMAN BROTHERS, INC.
UNDER CHAPTER 11 OF THE BANKRUPTCY CODE**

Dated: July 12, 2024

The Plan of Liquidation, attached hereto as Exhibit 1, provides for releases and injunctions pursuant to sections 105 and 363 of the Bankruptcy Code, as set forth in Article X of the Plan. For a description of the releases and causes of action to be enjoined and the identities of the entities that would be subject to the releases and injunctions, as applicable, see Article IV.G of this Disclosure Statement and Article X of the Plan.

Please read this Disclosure Statement, its exhibits, other supporting materials, and any appropriate ballot carefully and follow the instructions set forth below and on the appropriate ballot to vote on the Plan.

The Debtor believes that the Plan provides the best method of maximizing the recoveries for the holders of Claims against the Debtor. The Debtor therefore recommends that all creditors who are entitled to vote on the Plan should vote in favor of the Plan.



THIS DISCLOSURE STATEMENT CONTAINS SUMMARIES OF CERTAIN PROVISIONS OF THE PLAN, CERTAIN STATUTORY PROVISIONS, CERTAIN DOCUMENTS RELATED TO THE PLAN, CERTAIN ANTICIPATED EVENTS IN THE CHAPTER 11 CASE AND CERTAIN FINANCIAL INFORMATION. ALTHOUGH HOPEMAN BELIEVES THAT THE DISCLOSURE STATEMENT, AND RELATED DOCUMENT SUMMARIES, ARE FAIR AND ACCURATE, THEY ARE QUALIFIED TO THE EXTENT THEY DO NOT SET FORTH THE ENTIRE TEXT OF THE PLAN, RELATED DOCUMENTS, OR ANY STATUTORY PROVISIONS. THE TERMS OF THE PLAN GOVERN IN THE EVENT OF ANY INCONSISTENCY WITH THIS DISCLOSURE STATEMENT. ALL EXHIBITS TO THE DISCLOSURE STATEMENT ARE INCORPORATED INTO AND ARE A PART OF THIS DISCLOSURE STATEMENT AS IF SET FORTH IN FULL HEREIN. THE STATEMENTS CONTAINED IN THIS DISCLOSURE STATEMENT ARE MADE AS OF THE DATE HEREOF, UNLESS OTHERWISE SPECIFIED, AND HOPEMAN DISCLAIMS ANY OBLIGATION TO UPDATE ANY SUCH STATEMENTS AFTER THE HEARING ON APPROVAL OF THE DISCLOSURE STATEMENT. ALL PARTIES ENTITLED TO VOTE ARE ADVISED AND ENCOURAGED TO READ THE DISCLOSURE STATEMENT AND THE PLAN IN THEIR ENTIRETY BEFORE VOTING TO ACCEPT OR REJECT THE PLAN.

NO INDEPENDENT AUDITOR OR ACCOUNTANT HAS REVIEWED OR APPROVED THE LIQUIDATION ANALYSIS HEREIN.

IN CONNECTION WITH HOPEMAN'S SOLICITATION OF ACCEPTANCES OF THE PLAN PURSUANT TO SECTION 1126(B) OF THE BANKRUPTCY CODE, HOPEMAN IS FURNISHING A SOLICITATION PACKAGE, CONSISTING OF THE DISCLOSURE STATEMENT, THE ENCLOSURES HERETO, AND A BALLOT OR MASTER BALLOT, AS APPLICABLE, TO EACH RECORD HOLDER OF CLAIMS ELIGIBLE TO VOTE OR ITS COUNSEL. THIS DISCLOSURE STATEMENT IS TO BE USED BY EACH SUCH ELIGIBLE HOLDER SOLELY IN CONNECTION WITH ITS EVALUATION OF THE PLAN AND ITS DECISION FOR VOTING PURPOSES WHETHER TO ACCEPT OR REJECT THE PLAN; USE OF THIS DISCLOSURE STATEMENT FOR ANY OTHER PURPOSE IS NOT AUTHORIZED. THIS DISCLOSURE STATEMENT MAY NOT BE REPRODUCED OR PROVIDED TO ANYONE OTHER THAN ADVISORS TO THE RECIPIENT WITHOUT THE PRIOR WRITTEN CONSENT OF HOPEMAN.

THIS DISCLOSURE STATEMENT HAS BEEN PREPARED IN ACCORDANCE WITH SECTION 1125 OF THE BANKRUPTCY CODE AND RULE 3016(C) OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE, AND NOT NECESSARILY IN ACCORDANCE WITH FEDERAL OR STATE SECURITIES LAWS OR OTHER NON-BANKRUPTCY LAW. THIS DISCLOSURE STATEMENT WAS PREPARED WITH THE INTENT TO PROVIDE "ADEQUATE INFORMATION" (AS DEFINED IN THE BANKRUPTCY CODE) TO ENABLE HOLDERS OF CLAIMS AGAINST AND INTERESTS IN HOPEMAN TO MAKE INFORMED JUDGMENTS ABOUT THE PLAN.

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EXHIBITS TO DISCLOSURE STATEMENT

EXHIBIT 1	PLAN OF LIQUIDATION
EXHIBIT 2	HOPEMAN’S LIQUIDATION ANALYSIS

I.

Introduction

Hopeman Brothers, Inc. (“Hopeman”, the “Debtor” or the “Plan Proponent”) commenced this Chapter 11 Case on June 30, 2024 (the “Petition Date”) in the United States Bankruptcy Court for the Eastern District of Virginia (the “Bankruptcy Court”).

The Debtor submits this Disclosure Statement (the “Disclosure Statement”) in connection with the *Plan of Liquidation of Hopeman Brothers, Inc. Under Chapter 11 of the Bankruptcy Code*, dated July 12, 2024 (the “Plan”) ¹ [Docket No. 56]. This Disclosure Statement is being distributed to all holders of Claims and Interests in accordance with section 1125(b) of the Bankruptcy Code, and Rules 2002, 3016, and 3017 of the Federal Rules of Bankruptcy Procedure. The Plan is attached hereto as **Exhibit A**.

This Disclosure Statement sets forth certain information regarding the Debtor’s prepetition history, significant events occurring during this Chapter 11 Case, and the contemplated post-confirmation liquidation of the Debtor. This Disclosure Statement also describes the Plan, certain effects of confirmation of the Plan, and the manner in which distributions will be made under the Plan. Finally, this Disclosure Statement discusses the confirmation process and the procedures that Holders of Claims or Interest in impaired Classes must follow to object to the confirmation of the Plan.

As set forth in further detail below, this Chapter 11 Case was commenced as a result of Hopeman’s dwindling cash position coupled with the over 2,700 Asbestos PI Claims asserted and remaining unresolved against Hopeman as of June 2024. These Asbestos PI Claims generally are based on allegations of personal injury as a result of alleged exposure to asbestos fibers contained in marine interior materials included within the joiner packages provided by Hopeman.

The Plan is intended to resolve the presently asserted and unresolved, and likely-to-be-asserted, Asbestos PI Claims against the Debtor in an efficient and equitable manner through the establishment of the Liquidation Trust, which will assume liability for all Asbestos PI Claims and use its assets to resolve and make distributions, when appropriate, on account of the Allowed Asbestos PI Claims. The Liquidation Trust will be funded through (i) the payment of \$31,500,000 to the Liquidation Trust by the Chubb Insurers (as defined below) pursuant to the terms of the Chubb Insurer Settlement Agreement (as defined below) and subject to the terms of the Plan; (ii) the payment of \$18,395,011 to the Liquidation Trust by the Certain Settling Insurers (as defined below) pursuant to the terms of the Certain Insurer Settlement Agreement (as defined below) and subject to the terms of the Plan; (iii) the collection of proceeds or other payments from Asbestos Insurance Entity’s in connection with their applicable outstanding Asbestos Insurance Policies owned by the Debtor; (iv) the assignment to the Liquidation Trust of Hopeman’s Asbestos Insurance Rights in connection with any Asbestos Insurance Policy executed between Hopeman and any Non-Settling Asbestos Insurance Entity, and (v) Hopeman’s Excess Cash. The Plan also provides for an orderly wind-down of Hopeman, which has had no business operations since 2003

¹ Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Plan.

and has existed, as of the Petition Date, solely to defend and settle (when appropriate) Asbestos PI Claims.

The Debtor believes that approval of this Disclosure Statement and confirmation of the Plan will ensure a fair and equitable distribution among holders of Asbestos PI Claims.

The Plan itself and the documents referred to therein control the actual treatment of Claims against and Interests in the Debtor under the Plan. Upon the occurrence of the Effective Date, the Plan and the transactions contemplated thereby will be binding upon all Holders of Claims against and Interests in the Debtor, the Estate and other parties in interest. This includes the releases contained in the Plan, except to the extent that a holder of a Claim against, or Interest in, the Debtor affirmatively opts-out of providing the releases contained in Section 10.8 of the Plan, as set forth further in the Solicitation Motion (defined and discussed further below). In the event of any conflict between this Disclosure Statement and the Plan or any other operative documents, the terms of the Plan or such other operative documents will control.

Subject to the restrictions on modifications set forth in section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019, the Debtor expressly reserves the right to alter, amend, or otherwise modify the Disclosure Statement, the Plan, and the Plan Supplement, one or more times, before substantial consummation thereof. The statements contained in this Disclosure Statement are made as of the date hereof, unless another date is specified. The delivery of this Disclosure Statement shall not, under any circumstance, create an implication that there has been no change in the facts set forth in this Disclosure Statement since the date hereof.

A. The Policy Injunction.

The Plan provides for the issuance of a Policy Injunction that, in general terms, will protect the Settling Asbestos Insurance Entities from any Claims or lawsuits arising from or attributable to the insurance relationship between Hopeman and such entities. For exact terms of the Policy Injunction, please refer to Section 10.4 of the Plan.

B. The General Injunction.

The Plan provides for the issuance of a General Injunction which, in general terms, prohibits creditors and equity holders of the Debtor from asserting or enforcing claims against the Debtor or its property. However, this injunction does not prohibit an Asbestos PI Claimant from asserting a claim against the Liquidation Trust. For the exact terms of the General Injunction, please refer to Section 10.2 of the Plan.

C. How Asbestos PI Claimants Receive Distributions from the Liquidation Trust.

1. *The Trust Distribution Procedures.*

The goal of the Hopeman Brothers, Inc. Asbestos Personal Injury Liquidation Trust (the "Liquidation Trust") is to treat all asbestos claimants fairly, equitably, and substantially similar in accordance with the terms of the Trust Distribution Procedures (the "TDP") and the requirements of the Bankruptcy Code. Under the Plan, to further that goal, the Liquidation Trust will resolve Asbestos PI Claims in accordance with the TDP – the proposed form of which is

attached to the Plan as Exhibit B and is incorporated herein by reference. The Liquidation Trust Agreement provides that the Liquidation Trust will make payments to holders of timely-filed and Allowed Asbestos PI Claims pursuant to the TDP. Asbestos PI Claims submitted to the Asbestos Claims Liquidation Trust are called “Trust Claims” under the Plan and the TDP.

(a) Disease Categories and Scheduled Values.

The TDP establishes a schedule of four asbestos-related diseases (“Disease Levels”): (i) Mesothelioma (Disease Level IV), (ii) Lung Cancer (Disease Level III), (iii) Other Cancer (Disease Level II), and (iv) Other Asbestos Disease (Disease Level I).

To qualify for payment, claimants submitting a Trust Claim must provide the specific medical and exposure evidence prescribed for the applicable Disease Level claimed as set forth in the TDP. The Trust Claim scheduled values for each Disease Level are summarized below:

Disease Level	Disease Category	Scheduled Value
IV	Mesothelioma	\$180,000
III	Lung Cancer	\$20,000
II	Other Cancer	\$3,500
I	Other Asbestos Disease	\$3,000

(b) Review and Payment of Trust Claims under the Trust Distribution Procedures.

Trust Claims will be processed as provided for in the TDP. The review process is intended to provide an expeditious, efficient and cost effective method for liquidating Trust Claims based on the assigned, disease-specific “Scheduled Value” applicable to each Trust Claim as set forth in the schedules contained in the TDP and as set forth in the table above. In order to be treated as a timely-filed Trust Claim, a Trust Claim must (i) comply with the statute of limitation provisions, and (ii) be filed with the Liquidation Trust before the date that is one year following the Effective Date of the Plan, each as set forth further in the TDP. If a claimant does not submit the proof of claim form prior to such date, the Asbestos PI Claim shall not be payable by the Liquidation Trust.

After the scheduled value of a payable Trust Claim is determined pursuant to the TDP, the claimant will receive a pro rata share of the applicable scheduled value based on the Trust Assets available for payment of the Trust Claim, up to the amount of the applicable scheduled value. Stated differently, a claimant will receive the claimant’s fair share of the available Trust Assets, which may or may not equal the applicable scheduled value. As set forth further in Section 8.6 of the Plan, following the Liquidation Trust’s payment in full of payable Trust Claims in accordance with the TDP, to the extent sufficient monies remain in the Liquidation Trust to warrant a subsequent distribution on a pro rata basis to holders of payable Trust Claims, the Liquidation Trustee may make such a supplemental distribution to holders of payable Trust Claims in accordance with the Trust Distribution Procedures.

As a condition to making payment to a claimant with respect to a payable Trust Claim, the Liquidation Trust shall obtain, for the benefit of the Liquidation Trust and the Asbestos Protected

Parties, a release of liability with respect to the claimant’s Asbestos PI Claim, the form of which is attached to the TDP as Exhibit B.

Claimants also have the option of engaging in binding arbitration to establish their Trust Claims against the Liquidation Trust, but only after they have completed the review process, in accordance with the provisions of the Trust Documents. The arbitrator may return awards only in accordance with the scheduled values established at each Disease Level, as set forth in the TDP.

Prior to receiving a distribution from the Liquidation Trust, a claimant will also be requested to certify that the claimant will provide for the payment and/or resolution of any obligations owing or potentially owing under 42 U.S.C. § 1395y(b), or related rules or regulations, or guidelines, in connection with, or relating to, such Asbestos PI Claims as required by the Medicare, Medicaid and SCHIP Extension Act of 2007 (“MMSEA”), unless the Debtor previously received a release from the claimant with respect to the subject Trust Claim.

2. *Appointment of the Asbestos Claims Liquidation Trustee.*

The initial Liquidation Trustee will be disclosed through a later filing with the Bankruptcy Court in this Chapter 11 Case. All subsequent Liquidation Trustees shall be appointed in accordance with the terms of the Trust Agreement.

D. Summary of Classification and Treatment under the Plan.

The Plan classifies Claims against and Interests in Hopeman for all purposes, including voting, Plan confirmation, and Claims distribution, as summarized in the table below. The table also sets forth the proposed treatment for each Class and identifies which Classes are entitled to vote. Unless otherwise indicated, the characteristics and amounts of the Claims or Interests are based on the books and records of Hopeman as of the date hereof and are subject to material change.

Class and Claim or Equity Interest	Treatment	Impairment and Entitlement to Vote	Estimated Allowed Amount and Percentage Recovery
1 Priority Non-Tax Claims	Except to the extent that the holder of an Allowed Priority Non-Tax Claim agrees to less favorable treatment, each holder of an Allowed Priority Non-Tax Claim shall receive, in full and complete settlement, release, and discharge of, and in exchange for, such Allowed Priority Non-Tax Claim, Cash in an amount equal to the Allowed amount of such Claim on the later of (i) the Effective Date, and (ii) the date on which such Claim becomes Allowed, or, in each case, as soon as reasonably practicable thereafter.	Unimpaired Not Entitled to Vote (presumed to accept)	Estimated Allowed Amount: [TBD] Estimated Recovery Percentage: 100%
2	Except to the extent that the holder of an Allowed Secured Claim agrees to less favorable treatment, on the Effective Date or as soon as reasonably practicable	Unimpaired	Estimated Allowed Amount: [TBD]

Secured Claims	thereafter, each holder of an Allowed Secured Claim shall receive, at the option of the Debtor, and in full and complete settlement, release, and discharge of, and in exchange for, such Claim (i) payment in full in Cash; (ii) the collateral securing such Allowed Secured Claim; or (iii) other treatment rendering such Claim Unimpaired.	Not Entitled to Vote (presumed to accept)	Estimated Recovery Percentage: 100%
3 General Unsecured Claims	Except to the extent that the holder of an Allowed General Unsecured Claim agrees to less favorable treatment, each holder of an Allowed General Unsecured Claim shall receive, in full and complete settlement, release, and discharge of, and in exchange for, such Allowed General Unsecured Claim, Cash in an amount equal to its Pro Rata share of the General Unsecured Recovery Pool.	Impaired Entitled to Vote	Estimated Allowed Amount: [TBD] Estimated Recovery Percentage: [TBD]
4 Asbestos PI Claims	On the Effective Date, the liability for all Asbestos PI Claims shall automatically, and without further act, deed or court order, be transferred and assigned exclusively to and assumed by the Liquidation Trust in accordance with, and to the extent set forth in, Article VIII of the Plan, the applicable Plan Documents and the Confirmation Order. Each Asbestos PI Claim shall be resolved in accordance with the terms, provisions and procedures of the Trust Documents. The Liquidation Trust shall be funded in accordance with the provisions of Section 8.2(b) of the Plan. The sole recourse of the holder of an Asbestos PI Claim on account of such Asbestos PI Claim shall be through the Liquidation Trust in accordance with the TDP.	Impaired Entitled to Vote	Estimated Allowed Amount: Unknown Estimated Recovery Percentage: Unknown
5 Interests in Hopeman	All Interests will remain outstanding and will be cancelled when the existence of the Debtor is cancelled in accordance with Section 8.10 of the Plan. The holders of Interests shall receive no distribution under the Plan.	Impaired Not Entitled to Vote (deemed to reject)	Estimated Allowed Amount: N/A Estimated Recovery Percentage: 0%

II.

Description of Hopeman's History, Claims, and Insurance

A. Hopeman's Corporate History and Formation.

Hopeman's origins date from 1869, when Arendt Willem Hopeman, a native of Holland, established himself as a building contractor in Rochester, New York. In 1908, Mr. Hopeman's two sons joined him in the building contractor business, and they incorporated in New York as A.W. Hopeman & Sons Company ("Hopeman & Sons") and added cabinet-making to their business operations. In 1917, Hopeman & Sons diversified its business into marine joiner work, *i.e.*, the assemblage, furnishing, and installation of bulkhead panels, ceilings and other interior components of ships. In 1930, the marine business segment of Hopeman & Sons' operations was separately incorporated in Delaware as Hopeman, the Debtor in this chapter 11 case.²

After its formation, Hopeman continued in the exclusive business of marine joiner work for over 50 years. More specifically, Hopeman was a joiner subcontractor that would acquire materials from manufacturers, make modifications to those products to meet shipbuilder specifications, and deliver the resulting "joiner packages" to various shipyards for installation by either Hopeman or shipyard employees. Hopeman provided these joiner packages and/or related services for over 3,000 ships in at least 49 shipyards in over 19 states, including Virginia. Hopeman did not at any time own or operate any shipyard and did not own ships for which it provided joiner packages and/or services.

The burning of the S.S. Morro Castle off of the coast of New Jersey in 1934, which resulted in the loss of 124 crew and passengers, led to changes in regulations requiring the use of fireproof materials in ships. In 1939, the United States Coast Guard (the "Coast Guard") approved of asbestos-containing wall and ceiling panels, which later became required non-combustible materials in ship construction. To comply with these regulations for its subcontracting work, Hopeman purchased "Marinite" fireproof core panels (which contained asbestos) primarily from Johns-Manville Corporation ("Johns-Manville"). The facing materials for the panels included a Johns-Manville product called "Marine Veneer" (which also contained asbestos), and "Micarta," a Westinghouse Electric Corporation laminate (which sometimes had an asbestos backing), that Hopeman purchased from U.S. Plywood Corporation.

Wayne Manufacturing Corporation ("Wayne"),³ a now-dissolved former subsidiary of Hopeman, would glue the laminate to the Marinite core panels for the lining and divisional wall

² Hopeman moved its shipyard and accounting operations from New York to Virginia in 1971, and by 1976, Hopeman was headquartered in and maintained its principal place of business in Virginia. In February 2007, Hopeman reincorporated in Virginia and, in 2015, AWH Corporation merged into Hopeman, leaving Hopeman as the surviving entity. Hopeman later closed its office in Virginia, but it continues to store business records in a warehouse in Virginia and maintains its active corporate status in Virginia with its registered agent located in Glen Allen, Virginia.

³ Wayne, formerly known as Wayne Lumber and Manufacturing Corporation, was a Virginia corporation that became a wholly-owned subsidiary of Hopeman and was dissolved in 1985. Wayne primarily was in the sheet metal business, manufacturing furniture, doors, window casings, trim and stairs. Wayne, however, performed the job of gluing the Micarta laminate to the Marinite core panels Hopeman supplied to Wayne because Wayne was located in Waynesboro, Virginia, in a more suitable climate for gluing the boards together than in many of the shipyards where

panels. Marine Veneer also was used for ceiling panels and was typically purchased by Hopeman and shipped directly to the shipyard.

Installation of the wall panels required cutting and drilling at the shipyard and/or aboard the ship being constructed. In 1965, upon hearing rumors about potential health hazards presented by the release of asbestos fibers, Hopeman took immediate and extreme action to substantially reduce or eliminate any such release. Hopeman began developing, and later refined, vacuum saws and drills to reduce the dust created by sawing and drilling asbestos-containing panels. By 1970, most of the cutting of panels was moved off the vessels to an isolated location and, by 1971, Hopeman developed a vacuum table to supplement the vacuum saws. By the time applicable Occupational Safety and Health Administration (OSHA) regulations were published in 1972, Hopeman's asbestos-related threshold limit value testing showed that any asbestos particles released to the work area were well within exposure limitations in those regulations.

In June 1972, Hopeman began research and development of an asbestos-free bulkhead panel and, on April 18, 1975, the Coast Guard approved Hopeman's asbestos-free "Beta 100" panel, for which Hopeman later received a patent. Following the Coast Guard's approval of Beta 100, Hopeman began using this asbestos-free panel. However, Hopeman had certain pre-existing contracts for which asbestos-containing panels were still specified. The majority of such contracts were completed by the end of 1976, and the remaining few contracts in 1977. Hopeman discontinued the use of any asbestos-containing bulkhead panels (and Marine Veneer) in 1977 once the pre-Beta 100 contracts were satisfied. During the 1980s, Hopeman transitioned its business away from ship joining and into manufacturing check-out counters used in commercial retail stores such as Walmart. In 2002, Hopeman spun off its cabinet-making business into Cinnabar Solutions, Inc. ("Cinnabar").⁴ In 2003, Hopeman sold substantially all of its remaining shipbuilding-related assets to an unrelated party, US Joiner LLC (the "Asset Sale"), pursuant to an Asset Purchase Agreement, dated as of December 23, 2003. Hopeman's liabilities for any Hopeman Asbestos PI Claims were excluded and not assumed by US Joiner in the Asset Sale and, as such, remained the obligations of Hopeman post-sale closing.

B. Hopeman's Prepetition Business.

Since the above-referenced Asset Sale in 2003, Hopeman has had no business operations and exists solely to defend and, when appropriate, settle the Hopeman Asbestos PI Claims. Generally, the prepetition administration of the Hopeman Asbestos PI Claims involved Hopeman defending and attempting to resolve lawsuits filed against it in federal and state courts across the country, reviewing and attempting to resolve pre-litigation claims submitted pursuant to Administrative Agreements, paying settled claims, and managing Hopeman's insurance program including by collecting insurance proceeds to reimburse it for defense and claims administration costs and indemnify it for payments Hopeman made to satisfy resolved Hopeman Asbestos PI Claims.

Hopeman was furnishing the finished panels. Hopeman did not continue the general business operations of Wayne after Wayne dissolved in 1985.

⁴ Cinnabar was subsequently sold in 2007.

Hopeman has no employees. Aside from its remaining cash and business records, the Debtor's only other assets are its interests in the remaining limits of its insurance policies. As set forth below, the Debtor's only material unpaid liabilities are the Hopeman Asbestos PI Claims, most of which currently are unresolved.

C. Board of Directors

Hopeman's board of directors is comprised of three members (the "Board Members"), each of whom are executive officers of Hopeman, as summarized in the chart below:

Name	Position
Christopher Lascell	President
Daniel Lascell	Secretary
Carrie Lascell Brown	Vice President

None of the above-listed Board Members had any affiliation with the Debtor's business operations prior to its cessation of operations in 2003, and only became affiliated with the Debtor upon the passing of their father, David M. Lascell, in 2016. The Board Members' father previously served as general counsel to the Debtor and, following Hopeman ceasing its business operations in 2003, he became the sole officer and majority owner of the Debtor. In such capacities, the Board Members' father oversaw the administration and resolution of the Hopeman Asbestos PI Claims.

In 2016, the Board Members acquired their father's shares, as well as the minority shares, in Hopeman. Since that time, the Board Members have been the 100% equity holders in the Debtor and have served as the Debtor's Board Members and officers. As such, in light of their lack of involvement in the Debtor's business operations prior to its cessation of operations in 2003, the Board Members have attempted to serve as stewards of the Debtor for the last eight years, overseeing the work of outside professionals in the administration and resolution of the Hopeman Asbestos PI Claims.

As set forth in Section 8.10 of the Plan, shortly following the Effective Date, the Debtor will dissolve and its corporate existence will cease. Accordingly, the duties and obligations of Hopeman's current directors and officers will cease and no new board will be elected pursuant to the terms of the Plan.

D. Historical Asbestos Personal Injury Claims Against Hopeman.

In 1979, Hopeman received its first Hopeman Asbestos PI Claim alleging personal injury as a result of alleged exposure to asbestos fibers contained in marine interior materials included within the joiner packages provided by Hopeman. Since that time, claimants have asserted more than 126,000 Hopeman Asbestos PI Claims against Hopeman. Despite Hopeman discontinuing the use of asbestos-containing products in 1977 and ceasing any business operations in 2003,

claimants continued to assert Hopeman Asbestos PI Claims against Hopeman during the weeks leading up to the Petition Date.

The Hopeman Asbestos PI Claims include both lawsuits and out-of-court claims asserted through agreed procedures put in place with several law firms pursuant to Administrative Agreements (as defined below). While the pace of the filing of claims has slowed, the Hopeman Asbestos PI Claims filed against Hopeman from January 2015 through April 2024 still exceeded 5,000 claims. Absent the establishment of a bar date for the assertion of Hopeman Asbestos PI Claims against it, Hopeman expects claimants would continue to assert Hopeman Asbestos PI Claims against it long after Hopeman would have exhausted its remaining cash and then be unable to administer the claims resolution and insurance recovery process.

Some of the Hopeman Asbestos PI Claims are asserted by shipyard workers who claim exposure to asbestos-containing materials supplied by Hopeman in the construction of one or more ships. Other shipyard workers claim exposure to asbestos-containing materials provided by Hopeman on ships being converted, repaired, or reconditioned many years after Hopeman provided those materials at the time the ships were built.

A subset of claimants asserting Hopeman Asbestos PI Claims are not shipyard workers. Rather, some of these claimants allege exposure while they were visiting shipyards to perform other work, while other claimants claim no shipyard exposure. For example, a substantial group of claimants claim service on, or transportation by, ships that allegedly contained asbestos-containing materials provided by Hopeman. Another significant group asserts claims for “secondary exposure” to asbestos. These claimants often are family members of shipyard workers who allegedly returned home from work wearing clothing containing asbestos dust.

The Hopeman Asbestos PI Claims asserted against Hopeman typically involve allegations of the manifestation of one or more of four general types of asbestos-related diseases: (i) mesothelioma; (ii) lung cancer; (iii) cancers other than lung cancer, such as esophageal cancer or colon cancer; and (iv) asbestosis, or a disease that was not articulated on the face of the pleading or claim.

E. Hopeman’s Prepetition Claims Process.

Prepetition, the Hopeman Asbestos PI Claims were asserted against Hopeman by two methods. The first method was pursuant to an agreed out-of-court claims process pursuant to administrative agreements Hopeman entered into with various personal injury law firms (collectively, the “Administrative Agreements”). The purpose of the Administrative Agreements was to resolve substantiated Hopeman Asbestos PI Claims without the need for litigation, with each Disease Level pursuant to most agreements having been assigned a scheduled settlement amount. To this end, pursuant to the terms of the applicable Administrative Agreements, each claimant was required to submit evidence of his or her asbestos-related disease diagnosis and exposure to asbestos that was connected to Hopeman’s business operations.

Upon confirmation that an Hopeman Asbestos PI Claims was valid, Hopeman’s third-party prepetition claims administrator, Special Claims Services, Inc. (“SCS”), would pay the agreed upon scheduled amount prescribed for the substantiated Disease Level pursuant to the applicable

Administrative Agreement, or the parties would negotiate a settlement amount if there was no predetermined amount scheduled for the disease level with the counterparty. If the claims were not resolved through the administrative process, litigation of the claims might proceed in court.

Of the 1,318 Hopeman Asbestos PI Claims Hopeman resolved in the 2023 calendar year, collectively through litigation or the administrative process, 224 of these claims were accepted as substantiated claims and settled by Hopeman. Of these settled claims, 66.47% were for Mesothelioma, 27.84% were for lung cancer, 2.15% were for other types of cancer (such as esophageal cancer or colon cancer), and 3.54% were for Asbestosis or another type of disease.

The second prepetition method for claim assertion was through a claimant naming Hopeman as a defendant in federal or state court litigation, typically along with multiple other defendants, including other parties that provided products or services in the construction or repair of ships, manufacturers and sellers of products, shipyards, and ship owners, among others, and at times, former directors and officers of Hopeman. The former directors and officers of Hopeman who have been named in asbestos-related lawsuits have indemnification rights against Hopeman, and Hopeman traditionally has paid the defense costs associated with defending the claims asserted against such directors and officers, subject to reimbursement for a portion of those defense costs by insurers.

The directors and officers of Hopeman who have been sued are insureds and have rights under the Debtor's insurance coverage. In addition, in at least one state that allows "direct action" lawsuits, Direct Action Asbestos Claims have been filed against an insurer(s) that provided primary insurance coverage to Wayne, a former Hopeman subsidiary that dissolved long ago (as described above). Secondary coverage for claims against Wayne overlap with Hopeman's existing insurance coverage. Accordingly, both the indemnity claims of the directors and officers and the potential drain on Hopeman's insurance coverage related to Wayne must be addressed in any plan of liquidation providing for the use of the Debtor's cash and available insurance to address the Asbestos PI Claims.

As of June 23, 2024, over 2,700 unresolved Hopeman Asbestos PI Claims have been asserted against Hopeman. These claims are filed in courts in, or submitted pursuant to the Administrative Agreements and assigned by SCS as if filed in, California (35), Illinois (32), Louisiana (88), Maryland (1,097), Pennsylvania (41), and Virginia (1,376), with the remaining 47 claims being filed in, or assigned as if filed in, fourteen other states.⁵

Prepetition, Hopeman entered into settlement agreements or approved for allowance, but had not yet paid, 160 of the pending Hopeman Asbestos PI Claims. The outstanding settlement payments, which either were not scheduled to be made prior to the Petition Date or for which the

⁵Some of these claims may also be the subject of filed complaints that the parties to Administrative Agreements agree are not to proceed while the administrative process continues.

For claims submitted via Administrative Agreements, the above-referenced jurisdictions historically were assigned by SCS based upon several criteria, including (i) the jurisdiction in which the claimant's counsel typically filed lawsuits pertaining to the Hopeman Asbestos PI Claims asserted against the Debtor; or (ii) the jurisdiction in which a claimant initially filed a lawsuit against the Debtor pertaining to his or her Hopeman Asbestos PI Claim but subsequently pursued the claim instead through an Administrative Agreement.

claimant had not yet provided required signatures on releases or other documents as a condition to payment, total \$858,800.

F. Hopeman’s Insurance Coverage and Prepetition Funding of Defense and Reconciliation Costs Concerning Hopeman Asbestos PI Claims.

Prior to the Petition Date, Hopeman primarily funded its defense and resolution of the Hopeman Asbestos PI Claims by drawing upon available coverage from its liability insurance program and with cash on hand. Hopeman’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 Hopeman 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.

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

A number of Insurers who were not signatories to the Wellington Agreement entered into bilateral insurance settlement agreements, called “coverage-in-place” agreements, with Hopeman (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 Hopeman’s defense costs and liability indemnification amounts for Hopeman Asbestos PI 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 Hopeman purchased from LMIC is exhausted and released, such that only excess insurance from certain other Insurers remains available to pay the Hopeman Asbestos PI Claims.

Hopeman’s historical spend to pay claims and fund defense costs in connection with the Hopeman Asbestos PI Claims has far exceeded the amounts reimbursed by the Insurers. For the four-year period of 2020 through 2023, Hopeman’s claim payments and defense costs totaled over \$52 million, with payments to claimants totaling \$30 million and defense costs totaling \$22 million. In 2023 alone, Hopeman spent over \$12 million in combined claim payments and defense costs, while being reimbursed only \$6.6 million of this amount by Insurers. As such, for year 2023, net of insurance recoveries, Hopeman used its own cash to pay approximately 35.12% of

claim payments and 57.33% of defense costs, resulting in an annual cash burn of approximately \$5.5 million.

Pursuant to current CIP Agreements, of the \$6,362,200 Hopeman paid to claimants in 2023, Insurers were responsible to reimburse Hopeman for 64.88% of those amounts and 42.67% of the \$5,946,060 in defense costs. As of the date hereof, Century Indemnity Company (“Century”, as successor to CCI Insurance Company, as successor to the Insurance Company of North America) and Westchester Fire Insurance Company (“Westchester” and, together with Century, along with their respective predecessors, successors, subsidiaries, affiliates, directors, officers, and representatives, the “Chubb Insurers”) are the Insurers with the largest coverage contribution obligations owed to Hopeman.

III.

The Chapter 11 Case

A. Reasons for the Chapter 11 Filing.

After years of Hopeman covering the shortfall in insurance proceeds for its defense costs and claims payments in connection with the Hopeman Asbestos PI Claims, Hopeman’s cash reserves have dwindled. If allowed to continue on the current pace, Hopeman would deplete its remaining cash within the next 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 Hopeman Asbestos PI Claims. With Hopeman unable to continue managing the defense and resolution of the Hopeman Asbestos PI Claims upon exhausting its available cash, it would create the classic “race to the courthouse” for claimants to recover remaining insurance proceeds. As a result, in consultation with its restructuring counsel and other advisors, Hopeman determined that it was in its best interest, as well as in the best interest of holders of Asbestos PI Claims (including Hopeman Asbestos PI 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 equitably to valid holders of Asbestos PI Claims.

B. Chubb Insurer Settlement

As mentioned above, as of the Petition Date, the Chubb Insurers are the Insurers with the largest coverage contribution obligations owed to Hopeman. For reference, of the total payments made by Hopeman in 2023, the Chubb Insurers collectively are responsible for reimbursing Hopeman for approximately 33.52% of its claim payments (referred to in the industry as “indemnity”) and Century is responsible for reimbursing Hopeman for approximately 17.51% of its defense costs.

In light of these considerable contribution obligations owed to Hopeman, coupled with Hopeman’s dwindling cash position and anticipated bankruptcy filing, Hopeman and the Chubb Insurers conducted extensive, good faith negotiations in the months leading up to the commencement of this Chapter 11 Case. These prepetition negotiations were initiated and conducted with the purpose of resolving the Debtor’s unexhausted insurance coverage under policies issued by the Chubb Insurers and resulted in a prepetition settlement agreement, dated as

of June 27, 2024, that monetizes the applicable insurance policies in the amount of \$31,500,000 (the “Chubb Insurer Settlement”).

The settlement agreement memorializing the Chubb Insurer Settlement (the “Chubb Insurer Settlement Agreement”) is attached as Exhibit A to the motion seeking approval of the Chubb Insurer Settlement Agreement, that was filed on the Petition Date [Docket No. 9] (the “Chubb Insurer Settlement Approval Motion”). As set forth further herein, and in accordance with the terms of the Plan and the Chubb Insurer Settlement Agreement, the proceeds from the Chubb Insurer Settlement will be transferred to the Debtor for use by the Liquidation Trust, in accordance with the terms of the Plan, as a substantial contribution toward payment of the Asbestos PI Claims that the Liquidation Trustee determines are valid and payable in accordance with the TDP. If the Chubb Insurer Settlement Approval Motion is not earlier approved by an Order, the entry of the Confirmation Order shall constitute the Bankruptcy Court’s or District Court’s approval, as applicable, of the Chubb Insurer Settlement pursuant to Bankruptcy Rule 9019.

C. Certain Settling Insurers Settlement

Prior to the Petition Date, the Debtor began arm’s length, good faith negotiations with the following liability insurers: Continental Casualty Company, Fidelity & Casualty Company, Lexington Insurance Company, Granite State Insurance Company, the Insurance Company of the State of Pennsylvania, National Union fire Insurance Company of Pittsburgh, PA, and General Reinsurance Corporation (collectively, the “Certain Settling Insurers”), for the purpose of resolving the Debtor’s unexhausted insurance policies issued by the Certain Settling Insurers that, subject to their respective terms, conditions, and exclusions cover or allegedly cover Asbestos PI Claims asserted against the Debtor.

These negotiations resulted in a settlement between the Debtor and the Certain Settling Insurers, dated July 10, 2024 (the “Certain Insurer Settlement Agreement”), that monetizes the policies issued to the Debtor by the Certain Settling Insurers in the aggregate amount of \$18,395,011. By separate motion filed on July 10, 2024, the Debtor seeks Bankruptcy Court approval of the Certain Insurer Settlement Agreement [Docket No. 53] (the “Certain Insurer Settlement Approval Motion”), and the Certain Insurer Settlement Agreement is attached thereto as Exhibit A.

Similar to the Chubb Insurer Settlement Agreement, in accordance with the terms of the Plan and the Certain Insurer Settlement Agreement, the proceeds from the Certain Insurer Settlement Agreement will be transferred to the Debtor for use by the Liquidation Trust, in accordance with the terms of the Plan, as a significant contribution toward payment of the Asbestos PI Claims that the Liquidation Trustee determines are valid and payable in accordance with the TDP. If the Certain Insurer Settlement Approval Motion is not earlier approved by an Order, the entry of the Confirmation Order shall constitute the Bankruptcy Court’s or District Court’s approval, as applicable, of the Certain Insurer Settlement pursuant to Bankruptcy Rule 9019.

D. First Day Motions

On the Petition Date, the Debtor filed motions seeking various forms of relief from the Bankruptcy Court to enable the Debtor to facilitate a smooth transition into chapter 11

(the “First Day Motions”). The Debtor asked that the Bankruptcy Court consider and approve the relief requested therein on an expedited basis at the hearing held on July 2, 2024 at 11:00 a.m. (prevailing Eastern Time). Each of the First Day Motions’ requested relief were granted by the Bankruptcy Court and are briefly summarized below:

- continuing the use of the Debtor’s cash management system, bank account, and business forms [Docket No. 5] (the “Cash Management Motion”);
- listing addresses of legal counsel for personal injury claimants in the creditor matrix in lieu of such claimants’ addresses and approving notice procedures for such claimants [Docket No. 6];
- waiving the requirement to submit a formatted mailing matrix and approving the form and manner of the Notice of Commencement of the Chapter 11 Case [Docket No. 4]; and
- extending the automatic stay to enjoin claims against certain non-debtor defendants in asbestos-related lawsuits filed, or to-be-filed, as applicable, in “direct action” states that otherwise would drain coverage available for Asbestos PI Claims asserted or to be asserted against the Debtor [Docket No. 7] (the “Stay Extension Motion”).

Further, while not a motion, the Debtor also filed an application seeking authority to retain Kurtzman Carson Consultants, LLC dba Verita Global (“Verita”) as the Debtor’s claims, noticing, and administrative agent [Docket No. 3] (the “Verita Retention Application”) to be considered by the Bankruptcy Court simultaneously with the First Day Motions.

The docket numbers for the orders granting the relief requested in each of the above-referenced First Day Motions and the Verita Retention Application are 31, 32, 33, 35, and 34, respectively. The orders granting the relief requested for the Cash Management and Stay Extension Motions were granted on an interim basis and, on **August 6, 2024 at 10:00 a.m. (prevailing Eastern Time)**, the Bankruptcy Court will consider the requested relief in such motions on a final basis.

E. Bar Date Motion

The Debtor anticipates filing in the near term a motion seeking to establish **Friday, September 13, 2024 at 5:00 p.m. (prevailing Eastern Time)** as the general bar date (the “Bar Date”) for the filing of Proofs of Claim for Claims *other than Asbestos PI Claims* and those belonging to governmental entities (the “Bar Date Motion”). Through the Bar Date Motion, the Debtor will also ask that **Friday, December 27, 2024 at 5:00 p.m. (prevailing Eastern Time)** be established as the bar date for Claims belonging to governmental entities.

The Bar Date Motion will emphasize that the Plan contemplates that the bar date for Asbestos PI Claims is to be established through the TDP and, as such, the Bar Date **does not** apply to Asbestos PI Claims.

While no holder of an Asbestos PI Claim must file a Proof of Claim by the Bar Date described above, each holder of an Asbestos PI Claim, unless exempt from doing so by the TDP, must timely file a Trust Proof of Claim Form (as defined and described in the TDP) in order for

the Liquidation Trust to reconcile and pay, as appropriate, such claim. Failure to timely file a Trust Proof of Claim Form with the Liquidation Trust pursuant to the TDP will forever bar and deem the claim not payable in accordance with the terms of the Plan and the TDP.

F. Retention of Debtor's Chapter 11 Professionals

The Debtor expects to file, in the near term and in addition to the Verita Retention Application, applications seeking authority to retain the following professionals to assist the Debtor in carrying out its duties under the Bankruptcy Code during the Chapter 11 Case (the "Retention Applications"):

- Hunton Andrews Kurth, LLP as Debtor's Counsel;
- Stout Risius Ross, LLC as financial advisor to the Debtor;
- Blank Rome, LLP as the Debtor's special insurance counsel; and
- Courington, Kiefer, Sommers, Marullo & Matherne, L.L.C. as the Debtor's special litigation counsel.

The above is not intended to be a final, comprehensive list of the Debtor's restructuring professionals and the Debtor reserves the right to file additional Retention Applications seeking to retain additional professionals, as the Debtor determines is necessary and appropriate.

Simultaneously with the filing of the Retention Applications, the Debtor anticipates filing a motion seeking to establish procedures for interim compensation and reimbursement of expenses for retained professionals during the pendency of this Chapter 11 Case.

G. Schedules and Statements and Claims Bar Dates

Bankruptcy Rule 1007 provides that, in relevant part, a debtor must file with the bankruptcy court its schedules of assets and liabilities ("Schedules") and statements of financial affairs ("Statements") within fourteen days following the petition date (the "Schedules and Statements Filing Deadline"). The Debtor anticipates timely filing its Schedules and Statements by the Schedules and Statements Filing Deadline; provided that the Debtor reserves the right to seek Bankruptcy Court approval extending the Schedules and Statements Filing Deadline, pursuant to Bankruptcy Rule 1007(c).

H. Exclusivity

Section 1121(b) of the Bankruptcy Code provides that, for a period of 120 days after the commencement of a chapter 11 case, a debtor has the exclusive right to file a plan (the "Exclusive Plan Period"). In addition, section 1121(c)(3) of the Bankruptcy Code provides that if a debtor files a plan within the Exclusive Plan Period, it has a period of 180 days after commencement of the chapter 11 case to obtain acceptances of such plan (the "Exclusive Solicitation Period" and, together with the Exclusive Plan Period, the "Exclusive Periods").

The Debtor has filed the Plan well within the Exclusive Plan Period. Further, as it pertains to the Exclusive Solicitation Period, the Debtor anticipates filing, contemporaneously with the filing of this Disclosure Statement or shortly thereafter, a motion seeking approval of the adequacy of this Disclosure Statement and the solicitation procedures regarding the Plan, among other forms of relief requested therein (the "Solicitation Motion"). The Solicitation Motion will aid in ensuring the Debtor works to obtain votes on the Plan, in accordance with the Bankruptcy Code, within the Exclusive Solicitation Period.

I. Executory Contracts and Unexpired Leases

Section 365(d)(2) of the Bankruptcy Code provides, in relevant part, that a debtor can assume or reject an executory contract or unexpired lease of the debtor's at any time prior to the confirmation of a debtor's plan, provided that a bankruptcy court may, upon the request of a party to such contract or lease, order the debtor to determine within a specified period of time whether to assume or reject the subject executory contract or unexpired lease.

Pursuant to the terms of the Plan, as of the Effective Date, all Executory Contracts to which Hopeman is a party will be deemed rejected, except for any Executory Contract that (a) has previously been rejected pursuant to a Final Order of the Bankruptcy Court, (b) is the subject of a separate rejection motion filed by the Debtor under section 365 of the Bankruptcy Code before the Confirmation Date, (c) is an Asbestos Insurance Policy, or (d) is a Non-Asbestos Insurance Policy. The Confirmation Order shall constitute the Bankruptcy Court's approval of the rejection of the contracts and leases rejected hereby. Any Claim resulting from the rejection of an executory contract shall be treated as a General Unsecured Claim pursuant to the terms of the Plan.

For the avoidance of doubt, none of the Asbestos Insurance Policies or the Non-Asbestos Insurance Policies are being rejected, altered, or otherwise modified pursuant to the Plan and all parties' respective rights, duties, defenses, obligations, and liabilities thereunder are preserved, except to the extent of an Asbestos Insurance Policy that is the subject of and only to the extent contemplated by and provided for in an Approved Asbestos Insurance Settlement Agreement and only to the extent approved pursuant to the entry of an order by the Bankruptcy Court or the District Court.

In addition, nothing in the Plan, any Plan Supplement, or any other document related to or made as an exhibit to the Plan is intended to or shall limit the right of any Asbestos Insurance Entity or Non-Asbestos Insurance Entity to assert any insurance coverage defense to any Asbestos PI Claim, or the applicable Non-Asbestos Insurance Policy to any non-Asbestos PI Claim, as appropriate, asserted against the Debtor or administered by the Liquidation Trust.

For further information regarding treatment of executory contracts and unexpired leases, please refer to Article VI of the Plan.

J. U.S. Trustee Matters and Reports

The Debtor will file reports including, among other things, information regarding their deposits, expenditures, and other relevant financial information in monthly operating reports prior to the Effective Date. After the Effective Date, the Debtor will file quarterly post-confirmation

reports with the Bankruptcy Court until the Chapter 11 Case is converted, dismissed, or closed, whichever occurs first.

IV.

Summary of Plan

Hopeman believes the Plan will liquidate and equitably distribute its remaining available assets—namely its insurance rights and cash—to pay, as appropriate, Allowed Asbestos PI Claims, thereby providing the best and fairest opportunity for current asbestos claimants to recover on Allowed claims. Importantly, the proceeds from the Chubb Insurer Settlement Agreement, totaling \$31,500,000, and the proceeds from the Certain Insurer Settlement Agreement, totaling \$18,395,011, will provide substantial contributions to the Liquidation Trust and will be available to the Liquidation Trustee to provide the means to administer the Asbestos PI Claims and pay those that are allowed pursuant to the TDP.

This Section of the Disclosure Statement summarizes the structure and means for implementation of the Plan and the classification and treatment of Claims and Interests under the Plan, and is qualified entirely by reference to the Plan and the definitions contained therein (and to any exhibits attached to the Plan) as this is only a summary of the Plan and therefore is not inclusive of each Article or Section of the Plan.

YOU ARE ENCOURAGED TO READ THE PLAN IN ITS ENTIRETY BEFORE VOTING TO ACCEPT OR REJECT THE PLAN.

In general, a chapter 11 plan (i) divides claims and equity interests into separate classes; (ii) specifies the consideration that each class is to receive under the plan; and (iii) contains other provisions necessary to implement the plan. Under the Bankruptcy Code, “claims” and “equity interests”, rather than “creditors” and “shareholders”, are classified because creditors and shareholders may hold claims and equity interests belonging in more than one class. Pursuant to section 1124 of the Bankruptcy Code, a class of claims is “impaired” under a plan unless the plan (x) leaves unaltered the legal, equitable, and contractual rights of each holder of a claim in such class, or (y) provides, among other things, for the cure of certain existing defaults and reinstatement of the maturity of claims in such class.

Pursuant to the Plan, Class 3 (General Unsecured Claims) and Class 4 (Asbestos PI Claims) are impaired and entitled to vote to accept or reject the Plan, Class 1 (Priority Non-Tax Claims) and Class 2 (Secured Claims) are unimpaired and not entitled to vote to accept or reject the Plan because they are presumed to accept the Plan, and Class 5 (Interests in Hopeman) is impaired and not entitled to vote to accept or reject the Plan because it is deemed to reject the Plan.

A Claim or Interest is placed in a particular Class for all purposes, including voting, confirmation, and Distribution under the Plan and in accordance with sections 1122 and 1123(a)(1) of the Bankruptcy Code; provided, that a Claim or Interest is placed in a particular Class for the purpose of receiving Distributions pursuant to the Plan only to the extent that such Claim or Interest is an Allowed Claim or Allowed Interest in that Class and such Allowed Claim has not been previously satisfied, released, or otherwise settled.

A. Administrative Expense Claims

(a) Filing Administrative Expense Claims. The holder of an Administrative Expense Claim, other than (a) a Claim covered by Section 2.3 of the Plan, (b) a liability incurred and payable in the ordinary course of business by the Debtor after the Petition Date, or (c) an Administrative Expense Claim that has been Allowed and/or paid in full on or before the Effective Date, must file and serve on Hopeman a request for payment of such Administrative Expense Claim pursuant to section 503(a) of the Bankruptcy Code so that it is received no later than the Administrative Expense Claim Bar Date. Holders required to file and serve who fail to file and serve a request for payment of Administrative Expense Claims by the Administrative Expense Claim Bar Date shall be forever barred from asserting such Administrative Expense Claims against the Debtor and its property, and such Administrative Expense Claims shall be deemed waived and released as of the Effective Date. Notwithstanding the foregoing, pursuant to section 503(b)(1)(D) of the Bankruptcy Code, no governmental unit shall be required to file a request for payment of any Administrative Expense Claim of a type described in sections 503(b)(1)(B) or 503(b)(1)(C) of the Bankruptcy Code as a condition to such Claim being Allowed.

(b) Allowance of Administrative Expense Claims. An Administrative Expense Claim, with respect to which a request for payment has been properly and timely filed pursuant to Section 2.2(a) of the Plan, shall become an Allowed Administrative Expense Claim if no objection to such request is filed with the Bankruptcy Court and served on Hopeman and the requesting party on or before the thirtieth (30th) calendar day after the Administrative Expense Claim Bar Date, as the same may be modified or extended from time to time by order of the Bankruptcy Court. If an objection is timely filed, the Administrative Expense Claim shall become an Allowed Administrative Expense Claim only to the extent Allowed by a Final Order or as such Claim is settled, compromised, or otherwise resolved pursuant to Article VII of the Plan.

(c) Payment of Allowed Administrative Expense Claims. Except to the extent that an Administrative Expense Claim already has been paid during the Chapter 11 Case or the holder of an Allowed Administrative Expense Claim agrees to less favorable treatment, and except as provided in Section 2.3 of the Plan, each holder of an Allowed Administrative Expense Claim against Hopeman shall receive, in full and complete settlement, release, and discharge of such Claim, Cash equal to the unpaid amount of such Allowed Administrative Expense Claim on the latest of (i) the Effective Date or as soon thereafter as reasonably practicable; (ii) the first Business Day that is at least thirty (30) calendar days after the date on which such Administrative Expense Claim becomes Allowed; and (iii) such other date as may be agreed to by such holder and Hopeman or otherwise ordered by the Bankruptcy Court; provided, however, that Allowed Administrative Expense Claims (other than a Claim covered by Section 2.2 of the Plan) representing liabilities incurred in the ordinary course of business by Hopeman, as debtor in possession, may be paid by Hopeman, as applicable, in the ordinary course of business, consistent with past practice and in accordance with the terms and subject to the conditions of any agreements governing, instruments evidencing, or other documents relating to such transactions.

B. Professional Fees

(a) Final Fee Applications. Each Professional requesting compensation pursuant to section(s) 327, 328, 330, 331, 363, 503(b), or 1103 of the Bankruptcy Code for services

rendered in connection with the Chapter 11 Case before the Effective Date shall (a) file with the Bankruptcy Court, and serve on the Debtor, an application for allowance of final compensation and reimbursement of expenses in the Chapter 11 Case on or before the date that is forty-five (45) calendar days after the Effective Date, and (b) after notice and a hearing in accordance with the procedures established by the Bankruptcy Code and the Bankruptcy Rules and any prior orders of the Bankruptcy Court in the Chapter 11 Case, be paid by Hopeman, in Cash, in such amounts as are Allowed by the Bankruptcy Court (i) no later than thirty (30) calendar days after the date upon which the order relating to any such Allowed Claim is entered or (ii) upon such other terms as may be mutually agreed upon between the holder of such an Allowed Claim and Hopeman or as otherwise ordered by the Bankruptcy Court.

(b) Post-Effective Date Fees and Expenses. From and after the Effective Date, Hopeman and/or the Liquidation Trustee, as applicable, may, upon submission of appropriate documentation and in the ordinary course of business, pay the post-Effective Date charges incurred by Hopeman or the Liquidation Trustee, as applicable, for any Professional's fees, disbursements, expenses, or related support services without application to or approval from the Bankruptcy Court. On the Effective Date, any requirement that Professionals comply with sections 327 through 331 and 1103 of the Bankruptcy Code in seeking retention or compensation for services rendered after such date shall terminate, and Hopeman may employ and pay any Professional for fees and charges incurred from and after the Effective Date in the ordinary course of business without any notice to or approval from the Bankruptcy Court. For the avoidance of doubt, the Liquidation Trustee may employ and pay any Professionals for fees and charges incurred pertaining to the Trust pursuant to the terms of the Trust Agreement.

C. Priority Tax Claims

Except to the extent that the holder of an Allowed Priority Tax Claim has been paid by Hopeman prior to the Effective Date or agrees to less favorable treatment, each holder of an Allowed Priority Tax Claim shall receive, in full and complete settlement, release, and discharge of such Claim, Cash in an amount equal to the unpaid portion of such Allowed Priority Tax Claim, on the latest of (i) the Effective Date, (ii) thirty (30) days after the date such Priority Tax Claim becomes an Allowed Claim, or as soon thereafter as is practicable, and (iii) the date such Allowed Priority Tax Claim becomes due and payable under applicable non-bankruptcy law.

D. Treatment of Classified Claims and Interests

The proposed treatment of all other Allowed Claims and Interests is set forth in Article IV of the Plan and is summarized as follows:

1. *Class 1 – Priority Non-Tax Claims*

(a) Classification. Class 1 consists of all Priority Non-Tax Claims.

(b) Treatment. Except to the extent that the holder of an Allowed Priority Non-Tax Claim agrees to less favorable treatment, each holder of an Allowed Priority Non-Tax Claim shall receive, in full and complete settlement, release, and discharge of, and in exchange for, such Allowed Priority Non-Tax Claim, Cash in an amount equal to the Allowed amount of such Claim

on the later of (i) the Effective Date, and (ii) the date on which such Claim becomes Allowed, or, in each case, as soon as reasonably practicable thereafter.

(c) Impairment and Voting. Class 1 is Unimpaired under the Plan. Each holder of a Priority Non-Tax Claim is conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code and, accordingly, is not entitled to vote to accept or reject the Plan.

2. Class 2 – Secured Claims

(a) Classification. Class 2 consists of all Secured Claims.

(b) Treatment. Except to the extent that the holder of an Allowed Secured Claim agrees to less favorable treatment, on the Effective Date or as soon as reasonably practicable thereafter, each holder of an Allowed Secured Claim shall receive, at the option of the Debtor, and in full and complete settlement, release, and discharge of, and in exchange for, such Claim (i) payment in full in Cash; (ii) the collateral securing such Allowed Secured Claim; or (iii) other treatment rendering such Claim Unimpaired.

(c) Impairment and Voting. Class 2 is Unimpaired under the Plan. Each holder of a Secured Claim is conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code and, accordingly, is not entitled to vote to accept or reject the Plan.

3. Class 3 – General Unsecured Claims

(a) Classification. Class 3 consists of all General Unsecured Claims.

(b) Treatment. Except to the extent that the holder of an Allowed General Unsecured Claim agrees to less favorable treatment, each holder of an Allowed General Unsecured Claim shall receive, in full and complete settlement, release, and discharge of, and in exchange for, such Allowed General Unsecured Claim, Cash in an amount equal to its Pro Rata share of the General Unsecured Recovery Pool.

(c) Distributions shall be made to holders of Allowed General Unsecured Claims from the General Unsecured Recovery Pool on the later of (i) the Effective Date or as soon as reasonably practicable thereafter; and (ii) the date that is thirty (30) days after the applicable holder's General Unsecured Claim becomes Allowed. Solely for purposes of calculating Distributions to holders of Allowed General Unsecured Claims, on the Effective Date, all Disputed General Unsecured Claims will be treated as though they are Allowed in the amounts asserted or as estimated by the Bankruptcy Court pursuant to section 502(c) of the Bankruptcy Code, and a reserve will be set aside for such Disputed General Unsecured Claims.

(d) Impairment and Voting. Class 3 is Impaired under the Plan. Each holder of a General Unsecured Claim is entitled to vote to accept or reject the Plan.

4. Class 4 – Asbestos PI Claims

(a) Classification. Class 4 consists of all Asbestos PI Claims.

(b) Treatment. On the Effective Date, the liability for all Asbestos PI Claims shall automatically, and without further act, deed or court order, be transferred and assigned exclusively to and assumed by the Liquidation Trust in accordance with, and to the extent set forth in, Article VIII of the Plan, the applicable Plan Documents and the Confirmation Order. Each Asbestos PI Claim shall be resolved in accordance with the terms, provisions and procedures of the Trust Documents. The Liquidation Trust shall be funded in accordance with the provisions of Section 8.2(b) of the Plan. The sole recourse of the holder of an Asbestos PI Claim on account of such Asbestos PI Claim shall be through the Liquidation Trust in accordance with the Trust Distribution Procedures.

(c) Impairment and Voting. Class 4 is Impaired under the Plan. Each holder of an Asbestos PI Claim is entitled to vote to accept or reject the Plan.

5. Class 5 – Interests

(a) Classification. Class 5 consists of all Interests.

(b) Treatment. All Interests will remain outstanding and will be cancelled when the existence of the Debtor is cancelled in accordance with Section 8.10 of the Plan. The holders of Interests shall receive no distribution under the Plan.

(c) Impairment and Voting. Class 5 is Impaired under the Plan. Holders of Interests are deemed to reject the Plan pursuant to section 1126(g) of the Bankruptcy Code and, accordingly, are not entitled to vote to accept or reject the Plan.

E. Means for Implementation of the Plan

1. The Liquidation Trust

(a) Creation of the Liquidation Trust. On the Effective Date, the Liquidation Trust shall be created in accordance with the Plan Documents and the Trust Documents. The Liquidation Trust is intended to constitute a “qualified settlement fund” within the meaning of section 468B of the Internal Revenue Code and the regulations issued thereunder. The purpose of the Liquidation Trust shall be to assume, liquidate, and resolve Asbestos PI Claims and to use the Trust Assets available for distribution to pay holders of Allowed Asbestos PI Claims in accordance with the terms of the Trust Documents, the Plan, and the Confirmation Order.

(b) Transfer of Trust Assets. On the Effective Date, any and all Trust Assets shall be transferred to and be vested in the Liquidation Trust, without further notice, deed, or order by the Bankruptcy Court; *provided, however*, that any Excess Cash shall not be transferred to the Liquidation Trust until after all Distributions required under the Plan have been made to holders of Allowed Non-Asbestos Claims or as soon as reasonably practicable thereafter; *provided further*, that, to the extent that certain Trust Assets, because of their nature or because they will accrue subsequent to the Effective Date, cannot be transferred to and vested in the Liquidation Trust on the Effective Date, such Trust Assets shall be transferred to and be vested in the Liquidation Trust as soon as practicable after the Effective Date.

(c) Vesting of Trust Assets. Upon the transfer of the Trust Assets to the Liquidation Trust, all right, title and interest in and to the Trust Assets, and any proceeds thereof, will be transferred to, and vested in, the Liquidation Trust, free and clear of all Claims, Demands, Interests, Encumbrances and other interests of any Entity without any further action of the Bankruptcy Court or any Entity, subject to other provisions of the Plan.

(d) Transfer of Asbestos Claims to the Liquidation Trust. On the Effective Date, all Asbestos PI Claims shall be transferred to and assumed by the Liquidation Trust. The Asbestos PI Claims shall be satisfied solely by the Trust Assets. The Liquidation Trust shall have no liability for any Claims other than Asbestos PI Claims, and no Claims other than Asbestos PI Claims shall be transferred to and assumed by the Liquidation Trust; *provided, however*, to the extent the Debtor does not have sufficient funds to satisfy Allowed Administrative Expense Claims under the Plan, the Liquidation Trust shall pay such claims from the Trust Assets.

2. Management of the Liquidation Trust

(a) Appointment of the Liquidation Trustee. The initial Liquidation Trustee shall be identified in the Plan Supplement. All subsequent Liquidation Trustees shall be appointed in accordance with the terms of the Trust Agreement. The Confirmation Order shall constitute an order of the Bankruptcy Court appointing the initial Liquidation Trustee. The Liquidation Trustee shall have the functions, duties and rights provided in, and shall serve in accordance with, the Trust Agreement. The Liquidation Trustee also shall make the distributions contemplated by the Plan to holders of Allowed Asbestos PI Claims in accordance with the Trust Agreement and the related Trust Distribution Procedures. For purposes of performing the duties and fulfilling the obligations under the Trust Agreement and the Plan, the Liquidation Trustee shall be deemed to be a party in interest within the meaning of section 1109(b) of the Bankruptcy Code.

(b) Appointment of Trust Advisory Committee Members. The initial members of the Trust Advisory Committee shall be identified in the Plan Supplement. The Confirmation Order shall constitute an order of the Bankruptcy Court appointing the initial members of the Trust Advisory Committee. The Trust Advisory Committee shall have the functions, duties, and rights provided in, and shall serve in accordance with, the Trust Agreement. The Trust Advisory Committee shall remain in place and oversee the Liquidation Trustee, in accordance with the terms of the Trust Agreement, until the Trust has terminated in accordance with the terms of the Trust Agreement and no longer has any Trust Assets. Successor members of the Trust Advisory Committee will be appointed as provided in the Trust Agreement.

3. Establishment of Wind Down Reserve

On or before the Effective Date, from Cash on hand at the time thereof, the Debtor shall establish the Wind Down Reserve. The Wind Down Reserve shall be used to fund all actions necessary or appropriate to fully administer and wind-down the Debtor's Estate, to seek entry of the Final Decree and close the Chapter 11 Case, and to dissolve and cancel the Debtor's corporate existence, including, without limitation, the payment of the Debtor's post-Effective Date fees and expenses relating to the foregoing. The Wind Down Reserve shall be held and administered by the Debtor. At any point after the Effective Date, to the extent that any funds remain in the Wind Down Reserve after payment of all fees and costs to be paid from the Wind Down Reserve pursuant

to the Plan, such excess funds shall be considered Excess Cash and be transferred to the Liquidation Trust.

4. Cancellation of Corporate Existence

As soon as reasonably practicable following the Effective Date, the satisfaction of all Allowed Claims (other than Asbestos PI Claims), and the transfer of all Trust Assets to the Liquidation Trust, in each case pursuant to the terms of the Plan, and upon notice filed with the Court, Hopeman shall dissolve without the need for any further action or filing, including the filing of any documents with any state or local agency in Virginia or any other jurisdiction. The Liquidation Trust shall be authorized to reinstate Hopeman's corporate existence if the Liquidation Trust determines, in its sole discretion, that such reinstatement is necessary in order to enforce any Asbestos Insurance Rights as to Asbestos PI Claims and/or to seek recovery under any Asbestos Insurance Policy, consistent with the terms of this Plan. In the event of such reinstatement, the Liquidation Trust shall control Hopeman for all purposes.

F. Effect of Confirmation

(a) Vesting. On the Effective Date, pursuant to section 1141(b) of the Bankruptcy Code, all property of the Estate of Hopeman (except the Trust Assets, which are being transferred to the Liquidation Trust and shall vest therein) shall vest in Hopeman, except as otherwise provided in the Plan, the Plan Documents, or the Confirmation Order.

(b) Binding Effect. Subject to the occurrence of the Effective Date, on and after the Confirmation Date, the provisions of the Plan shall bind any holder of a Claim against, or Interest in, the Debtor, and such holder's respective successors and assigns, whether or not the Claim or Interest of such holder is Impaired under the Plan and whether or not such holder has accepted the Plan.

(c) Effect of Confirmation on Approved Asbestos Insurance Settlement Agreements. Nothing in the Plan shall enlarge or diminish the rights of any Settling Asbestos Insurance Entity set forth in any Approved Asbestos Insurance Settlement Agreement. The Policy Injunction shall not be amended so as to affect the rights of a Settling Asbestos Insurance Entity without the written consent of the affected Settling Asbestos Insurance Entity.

(d) Effect of Confirmation on Non-Settling Asbestos Insurance Entities and Non-Asbestos Insurance Entities. Except as may be limited by an order entered by the Bankruptcy Court or District Court (including the Confirmation Order), nothing in the Plan is intended to or shall enlarge or diminish, reduce, or eliminate the rights, duties, defenses, obligations and liabilities of any party, including, without limitation, a Non-Settling Asbestos Insurance Entity or Non-Asbestos Insurance Entity pursuant to or in connection with an Asbestos Insurance Policy not previously settled or settled by the Plan or Non-Asbestos Insurance Policy, as applicable. The Debtor's rights to any Asbestos Insurance Policy or proceeds therefrom and any Non-Asbestos Insurance Policy or proceeds therefrom shall be transferred to the Liquidation Trust. To the extent not previously purchased by the Debtor, the Liquidation Trust shall purchase a six (6) year tail for any director and officer liability insurance maintained by the Debtor.

(e) No Liability for Hopeman Claims. Neither Hopeman, the other Asbestos Protected Parties, nor the Liquidation Trust (except, as it relates to the Liquidation Trust, with respect to the Asbestos PI Claims) does, or shall be deemed to, assume, agree to perform, pay, or indemnify creditors for any liabilities or obligations of Hopeman relating to or arising out of the operations of, or assets of, Hopeman whether arising prior to or resulting from actions, events, or circumstances occurring or existing at any time prior to the Effective Date except that the Liquidation Trust shall assume its obligations specified in the Plan and Confirmation Order.

G. Exculpation, Injunctions, Releases and Settlement

(a) Exculpation. None of the Exculpated Parties shall have or incur any liability to any holder of a Claim or Interest, including, without limitation, the Asbestos PI Claims, for any act or omission in connection with, related to, or arising out of: (a) the Chapter 11 Case; (b) pursuit of confirmation of the Plan; (c) consummation of the Plan, or administration of the Plan or the property to be distributed under the Plan or the Trust Distribution Procedures; (d) the Plan; (e) the negotiation, formulation and preparation of the Plan and the Plan Documents; or (f) any of the terms and/or settlements and compromises approved by the Bankruptcy Court or reflected in the Plan and the Plan Documents; except for willful misconduct or gross negligence as determined by a Final Order. In all respects, the Exculpated Parties shall be entitled to rely on the advice of counsel and financial and other experts or professionals employed by them with respect to their duties and responsibilities in the Chapter 11 Case, and such reliance shall conclusively establish the absence of willful misconduct and gross negligence. In addition, any act or omission taken with the approval of the Bankruptcy Court shall be conclusively deemed not to constitute willful misconduct or gross negligence.

(b) General Injunction. Except as otherwise expressly provided in the Plan or in the Confirmation Order, and except in connection with the enforcement of the terms of the Plan or any documents provided for or contemplated in the Plan, all Entities who have held, hold or may hold Claims against or Interests in the Debtor or the Estate that arose prior to the Effective Date are permanently enjoined from: (i) commencing or continuing in any manner, directly or indirectly, any action or other proceeding of any kind against the Debtor, or any property of the Debtor, with respect to any such Claim or Interest; (ii) the enforcement, attachment, collection or recovery by any manner or means, directly or indirectly, of any judgment, award, decree or order against the Debtor, or any property of the Debtor, with respect to any such Claim or Interest; (iii) creating, perfecting or enforcing, directly or indirectly, any lien or encumbrance of any kind against the Debtor, or any property of the Debtor, with respect to any such Claim or Interest; (iv) effecting, directly or indirectly, any setoff or recoupment of any kind against any obligation due to the Debtor, or any property of the Debtor, with respect to any such Claim or Interest, unless approved by the Bankruptcy Court; and (v) any act, in any manner, in any place whatsoever, that does not conform to or comply with the provisions of this Plan with respect to such Claim or Interest.

Nothing in Section 10.2 of the Plan shall (i) prohibit the Holder of an Asbestos PI Claim from asserting such Claim against the Liquidation Trust, (ii) prohibit the Liquidation Trust from taking any action with respect to any Asbestos Insurance Policies or any Asbestos

Insurance Rights, or (iii) prohibit the Holder of a Disputed Claim from litigating its right to seek to have such Disputed Claim declared an Allowed Claim and paid in accordance with the distribution provisions of the Plan, or enjoin or prohibit the enforcement by the Holder of such Disputed Claim of any of the obligations of the Debtor under the Plan.

(c) Policy Injunction. Pursuant to sections 105(a) and 363(f) of the Bankruptcy Code, and to give further effect to the Approved Asbestos Insurance Settlement Agreements, the Confirmation Order shall contain an injunction permanently and forever prohibiting and enjoining the commencement, conduct, or continuation of any Claim (including a Direct Action Asbestos Claim and an Asbestos PI Claim), action or cause of action, whether known or unknown, present or future, the employment of process or any act to collect, recover from, or offset any Claim, known or unknown, present or future, against any Asbestos Protected Party based on, arising from, or attributable to, in any way, an Asbestos Insurance Policy settled pursuant to an Approved Asbestos Insurance Settlement Agreement, including (without limitation) any Claim released in an Approved Asbestos Insurance Settlement Agreement, whether such Asbestos Insurance Settlement Agreement is approved by the Bankruptcy Court pursuant to separate order previously entered or the Confirmation Order ; but such injunction pursuant to section 105(a) of the Bankruptcy Code shall not affect or modify the rights of any person who is insured, by agreement, under the express terms of any policy of insurance, except to the extent such rights were released or enjoined in an order previously entered by the Bankruptcy Court or the Confirmation Order that approved an Asbestos Insurance Settlement Agreement. For the avoidance of doubt, this Policy Injunction bars any Claim released in an Approved Asbestos Insurance Settlement Agreement, and any Claim otherwise barred or enjoined pursuant to the Confirmation Order or other order entered by the Bankruptcy Court, as to which a person asserts to be an insured on a third-party beneficiary theory or other similar theory or by virtue of having a judgment or Allowed Claim against the Debtor.

The protection of the foregoing injunction includes, but is not limited to, any and all Claims that are based, in whole or in part, on the insurance relationship between the Settling Asbestos Insurance Entity and the Debtor arising from, attributable to, in any way, or under an Asbestos Insurance Policy subject to an Approved Asbestos Insurance Settlement Agreement, whether arising from statute, common law, or otherwise.

(d) Debtor's Release of Directors and Officers. In addition to the protections afforded to former or current officers and directors of Hopeman as Asbestos Protected Parties, for good and valuable consideration, the Debtor hereby releases and waives any and all Claims or Causes of Action the Debtor holds against based upon, attributable to, or arising from any acts or omissions of such officer or directors occurring prior to the Effective Date.

(e) Holders' Release of Hopeman's Directors and Officers. In addition to the protections afforded to former or current officers and directors of Hopeman as Asbestos Protected Parties, the acceptance of any Distribution by a Release Party as it pertains to its Claim against Hopeman, and, with respect to Asbestos PI Claims, the acceptance of payment from the Liquidation Trust, will constitute a waiver and release of any and all Causes of Action that such holder, including the Liquidation Trust and any holder of an Asbestos PI

Claim, did commence or could have commenced against any former or current officer or director of Hopeman (serving in such capacity) that is based upon, attributable to, or arising from any acts or omissions of such officer or director occurring prior to the Effective Date.

(f) **No Discharge. For the avoidance of doubt, the Plan does not result in the Debtor receiving a discharge pursuant to section 1141(d)(3) of the Bankruptcy Code.**

V.

Alternatives To The Plan

If the Plan is not confirmed and consummated, the alternatives to the Plan include either (a) a dismissal of this Chapter 11 Case, (b) liquidation of the Debtor under chapter 7 of the Bankruptcy Code, or (c) an alternative chapter 11 plan in accordance with the requirements of chapter 11 of the Bankruptcy Code. As discussed below, the Debtor does not believe that any of these alternatives, even if viable, would afford holders of Claims or Interests a greater recovery than what is provided by the Plan.

A. Dismissal of the Debtor's Chapter 11 Case.

If the Plan cannot be confirmed, the Debtor could elect to dismiss this Chapter 11 Case. The Debtor anticipates that such a dismissal would trigger a "race to the courthouse" among Holders of Asbestos PI Claims, thereby eliminating any likelihood of an equality of distribution among similarly-situated Holders of Asbestos PI Claims. In addition, the cost of defending against such actions would likely exhaust the Debtor's remaining funds in the next twelve to eighteen months and deplete insurance coverage for defense costs that may remain available under the Asbestos Insurance Policies. At this time, Hopeman has a limited amount of funds on hand and no other significant assets except for its rights under the Asbestos Insurance Policies. Hopeman may lack the funds to fully litigate its Asbestos Insurance Rights and other claims and interests arising in connection with its Asbestos Insurance Policies on a case-by-case basis outside of this Chapter 11 Case.

B. Liquidation under Chapter 7.

If no plan can be confirmed, this Chapter 11 Case could also be converted to a case under chapter 7 of the Bankruptcy Code. Following a conversion to chapter 7, a chapter 7 trustee would be appointed to liquidate the assets of Hopeman and make distributions in accordance with the priorities established by the Bankruptcy Code. There would be no framework like the Plan for creating a trust which would take responsibility for administering Asbestos PI Claims through trust distribution procedures and making a distribution to holders of those Claims from assets of the Estate. Moreover, bankruptcy courts lack jurisdiction to enter judgments determining personal injury claims, including Asbestos PI Claims. Since a significant number of Asbestos PI Claims remain unliquidated, they would have to be determined through litigation in one or more other forums.

A chapter 7 trustee likely would also have greater difficulty providing the agreed-upon releases to Settling Asbestos Insurance Companies, *e.g.* the Chubb Insurers, which are inducements to the cooperation of those insurers in the liquidation of their Asbestos Insurance

Policies to fund recoveries against the Estate. As such, the administration of a chapter 7 estate would be made more difficult. Hopeman believes that liquidation under chapter 7 also would result in smaller distributions being made to creditors than those provided for in the Plan because, among other things, in a chapter 7 case, the Debtor's Estate would bear the cost of the chapter 7 trustee's compensation pursuant to section 326 of the Bankruptcy Code, the fees of the trustee's professionals who may be previously unfamiliar with this case and the issues in dispute, and the cost of litigating the Asbestos PI Claims. In addition, the time necessary to complete a chapter 7 liquidation likely would be extended by the need to resolve the Asbestos PI Claims through litigation in a non-bankruptcy forum.

Attached as **Exhibit 2** hereto is a liquidation value analysis for the Debtor (the "Liquidation Analysis"), which compares the liquidation proposal in the Plan with a hypothetical chapter 7 liquidation. The Liquidation Analysis assumes that: (i) a bankruptcy case under chapter 7 is commenced immediately; (ii) the liquidation of Hopeman's assets is completed by a court-appointed chapter 7 trustee rather than under the Plan; and (iii) the Asbestos PI Claims are resolved through liquidation in a non-bankruptcy forum rather than through trust distribution procedures under an asbestos claims liquidation trust. The Liquidation Analysis is based upon a number of estimates and assumptions which, although reasonable, are inherently beyond the control of Hopeman or any chapter 7 trustee. Accordingly, there can be no assurances that the net value reflected in the Liquidation Analysis would be realized if Hopeman were to undergo a chapter 7 liquidation. Instead, actual results could vary materially from those shown in the Liquidation Analysis. In addition, any liquidation necessarily would take place in the future under circumstances that presently cannot be predicted, and no representation or warranty can be made with respect to the actual net proceeds that could be available to distribute to creditors in a chapter 7 liquidation.

C. Alternate Chapter 11 Plan.

If the Plan is not confirmed, then the Debtor or any other party in interest could attempt to formulate a different chapter 11 plan. However, the Plan currently proposed by the Debtor takes into consideration the competing and conflicting interests held by holders of the Asbestos PI Claims, the Debtor's other creditors, and the Settling Asbestos Insurance Entities, as well as the priorities of the Bankruptcy Code. The Plan is the result of substantial negotiations.

Further, the fact that the Debtor no longer maintains any business operations suggests that a reorganization or liquidation on terms substantially different than those currently proposed under the Plan may be improbable or infeasible. As a result, any attempt to propose an alternative plan containing different terms for any of these parties may not be confirmable and could delay and/or dilute distributions to creditors.

In light of the above, the Debtor believes that confirmation and implementation of the Plan is preferable to any of these other alternatives and should provide greater recoveries than those available in a dismissal of this Chapter 11 Case, a liquidation under chapter 7 of the Bankruptcy Code, or an alternative chapter 11 plan.

VI.

Certain Federal Income Tax Consequences of the Plan

The following discussion is a summary of certain material U.S. federal income tax consequences of the Plan to the Debtor, the Liquidation Trust, and holders (which solely for purposes of this discussion means the beneficial owner for U.S. federal income tax purposes) of Claims. The following summary does not address the U.S. federal income tax consequences to holders of Claims or Interests not entitled to vote on the Plan. This summary is based on the Internal Revenue Code, Treasury Regulations promulgated and proposed thereunder, judicial decisions, and published administrative rules and pronouncements of the IRS, all as in effect on the date hereof and all of which are subject to change or differing interpretations, possibly with retroactive effect.

No legal opinions have been requested or obtained from counsel with respect to any of the tax aspects of the Plan and no rulings have been or will be requested from the IRS with respect to any of the issues discussed below. The discussion below is not binding upon the IRS or the courts. No assurance can be given that the IRS would not assert, or that a court would not sustain, a different position than any position discussed herein.

This discussion does not purport to address all aspects of U.S. federal income taxation that may be relevant to the Debtor or to certain holders of Claims in light of their individual circumstances, nor does the discussion deal with tax issues with respect to holders of Claims or Interests subject to special treatment under the U.S. federal income tax laws (including, for example, insurance companies, banks or other financial institutions, brokers, dealers, or traders in securities, real estate investment trusts, governmental authorities or agencies, tax-exempt organizations, retirement plans, individual retirement or other tax-deferred accounts, certain expatriates or former long-term residents of the United States, small business investment companies, regulated investment companies, S corporations, partnerships, or other pass-through entities for U.S. federal income tax purposes and their owners, persons whose functional currency is not the U.S. dollar, persons who use a mark-to-market method of accounting, persons required to report income on an applicable financial statement, persons holding Claims or Interests as part of a straddle, hedge, constructive sale, conversion transaction, or other integrated transaction, and persons who are not U.S. Holders. Furthermore, this discussion assumes that a holder of a Claim holds such claim as a “capital asset” within the meaning of section 1221 of the Internal Revenue Code (generally property held for investment). This discussion does not address any U.S. federal non-income (including estate or gift), state, local, or foreign taxation, alternative minimum tax, or the Medicare tax on certain net investment income.

If a partnership (or other entity or arrangement classified as a partnership for U.S. federal income tax purposes) is a holder of Claims or Interests, the U.S. federal income tax treatment of a partner in the partnership will generally depend on the status of the partner and the activities of the partnership. A holder of a Claim or Interest that is a partnership and the partners in such partnership should consult their tax advisors with regard to the U.S. federal income tax consequences of the Plan.

THE FOLLOWING SUMMARY IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING AND ADVICE BASED UPON THE INDIVIDUAL CIRCUMSTANCES PERTAINING TO A HOLDER OF A CLAIM OR INTEREST. EACH HOLDER OF A CLAIM OR INTEREST IS URGED TO CONSULT WITH SUCH HOLDER'S TAX ADVISORS CONCERNING THE U.S. FEDERAL, STATE, LOCAL, FOREIGN, AND OTHER TAX CONSEQUENCES OF THE PLAN.

A. General Consequences to Hopeman and Liquidation Trust.

In connection with the Plan, the Debtor and the Liquidation Trust shall comply with all applicable withholding and reporting requirements imposed by federal, state, local and foreign taxing authorities, and all distributions shall be subject to those withholding and reporting requirements. The Debtor and the Liquidation Trust, as applicable, may withhold from any assets or property distributed under the Plan any assets or property which must be withheld for foreign, federal, state and local taxes payable with respect thereto to the extent required by applicable law.

B. Treatment of Hopeman's Contribution to the Liquidation Trust and Taxation of the Liquidation Trust.

It is currently intended that the Liquidation Trust will constitute a "qualified settlement fund" within the meaning of section 468B of the Internal Revenue Code and the Treasury regulations promulgated thereunder. The applicable Treasury regulations provide that to be treated as a qualified settlement fund, a fund, account, or trust must be (i) established pursuant to an order of, or be approved by, a government authority, including a court, and must be subject to the continuing jurisdiction of that government authority; (ii) established to resolve or satisfy one or more contested or uncontested claims that have resulted or may result from an event or a related series of events that has occurred and that has given rise to at least one claim asserting, among other things, liability under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. 9601 et seq., or liability arising out of, a tort, breach of contract or violation of law; and (iii) be a trust under applicable state law or have its assets physically segregated from the other assets of the transferor and persons related to the transferor.

A transferor generally is entitled to a current federal income tax deduction for all transfers of cash and other property (other than its own notes) made to a qualified settlement fund to resolve or satisfy claims other than claims described in Treasury Regulation section 1.468B-1(c)(2) ("qualified claims") to the same extent the transferor would have been entitled to a deduction if such amounts had been paid directly to the holder of a claim that will be discharged upon the establishment of the qualified settlement fund. However, any cash or property transferred with respect to claims other than qualified claims cannot be deducted by the transferor at the time of such transfer; instead, the deduction would be deferred until cash or other property is actually paid by the qualified settlement fund in resolution of such claims. Assuming the Liquidation Trust is treated as a qualified settlement fund, the Board of Directors of Hopeman intends to work with the Liquidation Trustee (until the date Hopeman is dissolved which also serves to disband the Board of Directors) to cause Hopeman to claim a current federal income tax deduction for transfers of Cash to the Liquidation Trust to the same extent Hopeman would have been entitled to a deduction if such amounts had been paid directly to the holder of an Asbestos PI Claim. In connection

therewith, Hopeman generally will not be entitled to a deduction to the extent that it funds the Liquidation Trust with Cash attributable to amounts not included in its income.

Assuming the Liquidation Trust is treated as a qualified settlement fund, the Liquidation Trust generally will be subject to a separate entity level tax at the maximum rate applicable to trusts and estates, and, in determining the taxable income of the Liquidation Trust, (i) any amounts transferred to the Liquidation Trust to resolve or satisfy a liability for which the Liquidation Trust is established generally will be excluded from the Liquidation Trust's income; (ii) any sale, exchange, or distribution of property by the Liquidation Trust generally will result in the recognition of gain or loss in an amount equal to the difference between the fair market value of the property on the date of disposition and the adjusted tax basis of the Liquidation Trust in such property; and (iii) administrative costs (including state and local taxes) incurred by the Liquidation Trust generally will be deductible.

Assuming the Liquidation Trust is treated as a qualified settlement fund, trade or business expenses generally will not be deductible for federal income tax purposes. In general, the adjusted tax basis of property received (or treated as received for federal income tax purposes) by a qualified settlement fund from a transferor pursuant to the Plan will be the fair market value of such property at the time of receipt.

C. Consequences to Holders of Asbestos PI Claims.

The following discussion assumes that holders of Asbestos PI Claims are United States Persons for tax purposes. For purposes of the following discussion, a "United States Person" is any person or entity (1) who is a citizen or resident of the United States, (2) that is a corporation or partnership created or organized in or under the laws of the United States or any state thereof, (3) that is an estate, the income of which is subject to United States federal income taxation regardless of its source or (4) that is a trust (a) the administration over which a United States person can exercise primary supervision and all of the substantial decisions of which one or more United States persons have the authority to control; or (b) that has elected to continue to be treated as a United States Person for United States federal income tax purposes. In the case of a partnership, the tax treatment of its partners will depend on the status of the partner and the activities of the partnership. United States Persons who are partners in a partnership that is a holder of an Asbestos PI Claim should consult their tax advisors.

The following discussion does not apply to holders of Asbestos PI Claims who are Non-United States Persons. A "Non-United States Person" is any person or entity that is not a United States Person. A holder of an Asbestos PI Claim that is a Non-United States Person generally will not be subject to United States federal income tax with respect to property (including money) received in exchange for such Asbestos PI Claim pursuant to the Plan, unless (i) such holder is engaged in a trade or business in the United States to which income, gain or loss from the exchange is "effectively connected" for United States federal income tax purposes, or (ii) if such holder is an individual, such holder is present in the United States for 183 days or more during the taxable year of the exchange and certain other requirements are met. Non-United States Persons should consult their tax advisors regarding any tax consequences (including withholding) that may apply when such Non-United States Person receives property (including money) in exchange for such Asbestos PI Claim.

Each substantiated and payable Asbestos PI Claim will be liquidated and satisfied in cash from the Liquidation Trust in accordance with the TDP. The federal income tax treatment of the receipt of payments from the Liquidation Trust by a holder of such an Asbestos PI Claim generally will depend upon the nature of the Asbestos PI Claim. Because the amounts received by a holder of an Asbestos PI Claim (other than an Indirect Asbestos PI Claim or an expense of the Liquidation Trust) generally will be attributable to, and compensation for, such holder's personal physical injuries or sickness, within the meaning of section 104 of the Internal Revenue Code, any such amounts received by the holder generally should be nontaxable. However, to the extent payments from the Liquidation Trust to a holder of an Asbestos PI Claim are attributable to medical expense deductions allowed under section 213 of the Internal Revenue Code for a prior taxable year, such payments will be taxable as ordinary income to the recipient. To the extent that the payments from the Liquidation Trust to holders of Asbestos PI Claims constitute amounts received on account of claims other than personal injury or sickness, such payments generally will be includable in the gross income of such holders.

Because the tax treatment of any amounts received by a holder of an Asbestos PI Claim will depend on facts peculiar to each holder, all holders of Asbestos PI Claims are urged to consult their own tax advisors as to the proper tax treatment of such receipts in relation to their particular facts and circumstances.

All distributions to holders of Asbestos PI Claims under the Plan are subject to any applicable information reporting and withholding. Under federal income tax law, interest, dividends and other reportable payments may, under certain circumstances, be subject to "backup withholding" at the then-applicable rate. Backup withholding generally applies if the holder (i) fails to furnish its Social Security number or other taxpayer identification number ("TIN"), (ii) furnishes an incorrect TIN, (iii) fails properly to report interest or dividends, or (iv) under certain circumstances, fails to provide a certified statement, signed under penalty of perjury, that the TIN provided is its correct number and that it is not subject to backup withholding. Backup withholding is not an additional tax but merely an advance payment, which may be refunded to the extent it results in an overpayment of tax and the appropriate information is timely supplied to the Internal Revenue Service. Certain persons are exempt from backup withholding, including, in certain circumstances, corporations and financial institutions. Holders of Asbestos PI Claims are urged to consult their own tax advisors regarding whether information reporting or backup withholding may apply.

D. Consequences to Holders of Secured, Priority, and General Unsecured Claims.

A holder of a Claim in Classes 1, 2, and 3 will recognize gain or loss equal to the difference between (1) the amount of Cash and the fair market value of other property received by the holder in respect of such Claim (less the portion thereof attributable to accrued interest); and (2) the basis the holder has in such Claim (other than any basis attributable to accrued but unpaid interest). In general, if a holder held its Claim as a capital asset, any gain or loss will be treated as a gain or loss from the sale or exchange of such capital asset. Capital gain or loss will be long-term if the Claim was held by the holder for more than one year and otherwise will be short-term. Any capital losses realized generally may be used by a corporate holder only to offset capital gains, and by an individual holder only to the extent of capital gains plus \$3,000 of other income. A holder of a

Claim will have interest income to the extent of any consideration allocable to accrued but unpaid interest not previously included in income.

If such holder receives property under the Plan in satisfaction of the Claim, the holder will acquire a basis in the property equal to the fair market value of the property as of the date received. Such tax basis would be allocated among the items of property received based on the relative fair market values of such items of property on the Effective Date. The holder's holding period in property received in the exchange would commence on the day after the Effective Date.

A holder's adjusted tax basis in its Claim will be equal to the cost of the Claim to such holder, increased by any original issue discount ("OID") previously included in income. If applicable, a holder's tax basis in a Claim will also be (i) increased by any market discount previously included in income by such holder pursuant to an election to include market discount in gross income currently as it accrues and (ii) reduced by any cash payments received on the Claim other than payments of "qualified stated interest," and by any amortizable bond premium that the holder has previously deducted.

VII.

Certain Factors to Be Considered

A. Certain Bankruptcy Considerations.

Although Hopeman believes that the Plan satisfies all requirements necessary for confirmation by the Bankruptcy Court or District Court, as applicable, there can be no assurance that the Bankruptcy Court or District Court will reach the same conclusion. Moreover, there can be no assurance that modifications of the Plan will not be required for confirmation or that such modifications will not necessitate the re-solicitation of votes. In addition, although Hopeman believes that the Effective Date will occur soon after the Confirmation Date, there can be no assurance as to such timing.

For the Plan to be confirmed, at least two-thirds (2/3) in amount and more than fifty percent (50%) in number of the holders of either Class 3 (General Unsecured Claims) or Class 4 (Asbestos PI Claims) who vote must have voted to accept/voted in favor of the Plan.

Various provisions that are required to be included in the Confirmation Order as conditions precedent to confirmation are identified in Section 11.1 of the Plan. Specific provisions addressing the waiver of the aforementioned conditions precedent, modifications of the Plan, the Plan's Effective Date, and the effect of the failure of the Effective Date are set forth in Sections 11.2 through 11.5 of the Plan.

B. Risk Factors.

THE PLAN IS SUBJECT TO CERTAIN RISKS INCLUDING, BUT NOT LIMITED TO, THE RISK FACTORS SET FORTH BELOW. HOLDERS OF CLAIMS AGAINST AND INTERESTS IN HOPEMAN SHOULD READ AND CONSIDER CAREFULLY THE FACTORS SET FORTH BELOW, AS WELL AS THE OTHER INFORMATION SET FORTH IN THIS DISCLOSURE STATEMENT (AND THE DOCUMENTS DELIVERED TOGETHER

HEREWITH AND/OR REFERRED TO HEREIN BY REFERENCE), PRIOR TO VOTING TO ACCEPT OR REJECT THE PLAN. THESE RISK FACTORS SHOULD NOT, HOWEVER, BE REGARDED AS CONSTITUTING THE ONLY RISKS INVOLVED IN CONNECTION WITH THE PLAN AND ITS IMPLEMENTATION.

1. Overall Risks to Recovery by Holders of Claims.

The ultimate recoveries under the Plan to holders of Claims (other than holders whose entire Distribution is paid in Cash) depend upon a number of factors. Prior to voting on the Plan, each holder of a Claim should consider carefully the risk factors specified or referred to below, including the exhibits annexed hereto, as well as all of the information contained in the Plan.

2. Certain Bankruptcy Considerations.

Although Hopeman believes that the Plan will satisfy all requirements necessary for confirmation pursuant to the Bankruptcy Code, there is no guarantee that the Bankruptcy Court or District Court, as applicable, will reach the same conclusion, or that the Confirmation Order, if challenged on appeal, will be affirmed. There also is no assurance that the Plan, as proposed, will be accepted by the requisite number of holders or amount of Claims, that the Plan will not be modified up to and including the Confirmation Date, or that the Bankruptcy Court or District Court, as applicable, will enter an order confirming the Plan containing the findings of fact and conclusions of law that are conditions precedent to confirmation of the Plan.

If the Plan is not confirmed and consummated, there can be no assurance that the Chapter 11 Case will continue rather than be converted to a liquidation, or that any alternative plan would be on terms as favorable to the holders of Claims and Interests as the terms of the Plan. (Various alternatives are discussed above in Article V of this Disclosure Statement.) If a liquidation or protracted reorganization were to occur, there is a substantial risk that the value of Hopeman's assets would be substantially eroded to the detriment of all stakeholders.

3. Debtor Could Withdraw Plan.

The Debtor may withdraw the Plan, with the consent of the Chubb Insurers, prior to the Confirmation Date.

4. Debtor Has No Duty to Update.

The statements contained in this Disclosure Statement are made by the Debtor as of the date hereof, unless otherwise specified herein, and the delivery of this Disclosure Statement after that date does not imply that there has been no change in the information set forth herein since that date. The Debtor has no duty to update this Disclosure Statement unless otherwise ordered to do so by the Bankruptcy Court.

5. Risk of Non-Consensual Confirmation.

If any impaired class of Claims or Interests does not accept or is deemed not to accept the Plan, the Bankruptcy Court or District Court, as applicable, may nevertheless confirm such Plan if at least one impaired class has accepted the Plan (with such acceptance being determined without

including the vote of any “insider” in such class), and as to each impaired class that has not accepted the Plan, the Bankruptcy Court determines that the Plan “does not discriminate unfairly” and is “fair and equitable” with respect to such class. The Debtor believes that the Plan satisfies these requirements.

6. Plan May Not Be Confirmed.

Even if the Debtor receives the requisite acceptances, there is no assurance that the Bankruptcy Court or the District Court, as applicable, will confirm the Plan. Even if the Bankruptcy Court determines that the Plan and the balloting procedures and results were appropriate, the Bankruptcy Court or District Court could still decline to confirm the Plan if it finds that any of the statutory requirements for confirmation have not been met. While the Debtor believes that the Plan complies with, or will comply with, the requirements for confirmation of a chapter 11 plan as required by section 1129 of the Bankruptcy Code, there can be no guarantee that the Bankruptcy Court or District Court will agree.

Moreover, there can be no assurance that modifications to the Plan will not be required for confirmation or that such modifications would not necessitate the re-solicitation of votes. If the Plan is not confirmed, it is unclear what distributions holders of Claims or Interests ultimately would receive with respect to their Claims or Interests in a subsequent plan of liquidation.

If the Plan is not confirmed, it will need to be revised. It is unclear whether a chapter 11 liquidation of the Debtor’s assets could be implemented and what distribution the holders of Allowed Claims would receive. If an alternative could not be agreed to, it is possible that the Debtor would have to liquidate its remaining assets in a chapter 7 bankruptcy proceeding, in which case it is likely that the holders of Allowed Claims would receive substantially less favorable treatment than they would receive under the Plan. There can be no assurance that the terms of such alternative would be similar to or as favorable to the Debtor’s creditors as those proposed in the Plan.

7. Appointment of Liquidation Trustee and/or Members of the Trust Advisory Committee for the Liquidation Trust.

At the Confirmation Hearing, Hopeman will request that the Bankruptcy Court or District Court, as applicable, appoint the initial Liquidation Trustee of the Liquidation Trust, and the initial members of the Liquidation Trust Advisory Committee – each to be disclosed in a subsequent filing(s) with the Bankruptcy Court. The Bankruptcy Court or District Court, as applicable, however, may reject or otherwise decline to appoint the proposed Liquidation Trustee or one or more of the proposed members of the Trust Advisory Committee. In that case, one or more alternate Persons or Entities would have to be nominated, potentially resulting in significant delays in the occurrence of the Confirmation Date and Effective Date. The selection of a different Liquidation Trustee or different Trust Advisory Committee members also could materially affect administration of the Liquidation Trust.

8. Distributions under the Liquidation Trust Distribution Procedures.

There can be no certainty as to the precise amounts that will be distributed to a holder of an Allowed Trust Claim by the Liquidation Trust in any particular time period or when Trust Claims will be paid by the Liquidation Trust. Payments that will be made on Trust Claims will be determined under the TDP and will be based, on the one hand, on estimates of the predicted number, types, and amount of Trust Claims, and on the other hand, the value of the assets of the Liquidation Trust, the liquidity of the Liquidation Trust, the Liquidation Trust's expected future income and expenses, and other matters that are likely to affect the sufficiency of funds to pay all holders of Asbestos PI Claims. These determining factors may be affected by many factors that cannot be predicted or anticipated. Therefore, the Debtor cannot guarantee the timing or amount of any recovery on account of an Allowed Asbestos PI Claim.

9. Distributions to Holders of Allowed General Unsecured Claims.

There can be no assurance at this time of the number or amount of General Unsecured Claims that ultimately will be Allowed. In addition, the timing of actual distributions to holders of Allowed General Unsecured Claims may be affected by many factors that cannot be predicted. Therefore, the Debtor cannot guarantee the timing or amount of any recovery on account of an Allowed General Unsecured Claims.

10. Objections to Classification of Claims.

Section 1122 of the Bankruptcy Code provides that a plan may place a claim or an equity interest in a particular class only if such claim or equity interest is substantially similar to the other claims or equity interests in such class. As described in greater detail herein, the Debtor believes that the classification of Claims and Interests under the Plan complies with the requirements set forth in the Bankruptcy Code. Nonetheless, there can be no assurance the Bankruptcy Court or the District Court, as applicable, will reach the same conclusion.

The Bankruptcy Code also requires that the Plan provide the same treatment for each Claim or Interest of a particular Class unless the holder of a particular Claim or Interest agrees to less favorable treatment of its Claim or Interest. The Debtor believes that the Plan complies with the requirements of equal treatment. To the extent that the Bankruptcy Court or District Court finds that the Plan does not satisfy such requirements, the Bankruptcy Court or the District Court could deny confirmation of the Plan. Issues or disputes relating to the consummation of the Plan and the claim classifications thereunder could increase the risk that the Plan will not be consummated.

11. The Injunctions and Releases May Not be Approved.

There can be no assurance that the injunctions and releases set forth in Article X of the Plan will be granted. Failure of the Bankruptcy Court or the District Court, as applicable, to grant such relief may result in a plan that differs significantly from the Plan or the Plan not being confirmed.

12. No Representations Outside Disclosure Statement Are Authorized.

No representations concerning or related to the Debtor, the Chapter 11 Case, or the Plan are authorized by the Bankruptcy Court other than as set forth in this Disclosure Statement. Any representations or inducements made to secure your acceptance or rejection of the Plan that are other than those contained in, or included with, this Disclosure Statement should not be relied upon in making the decision to accept or reject the Plan.

13. No Legal or Tax Advice is Provided by Disclosure Statement.

The contents of this Disclosure Statement should not be construed as legal, business, or tax advice. Each Claim or Interest holder should consult their own legal counsel and accountant as to legal, tax, and other matters concerning their Claim or Interest.

This Disclosure Statement is not legal advice to you. This Disclosure Statement may not be relied upon for any purpose other than to determine how to vote on the Plan or object to confirmation of the Plan.

For a discussion of certain tax considerations to the Debtor and certain holders of Claims in connection with the implementation of the Plan, see Article VI hereof.

14. No Admission Made.

Nothing contained herein or in the Plan will constitute an admission of, or will be deemed evidence of, the tax or other legal effects of the Plan on the Debtor or holders of Claims or Interests.

VIII.

Voting Procedures and Requirements

Before voting to accept or reject the Plan, each holder of a Claim entitled to vote (each, a “Voting Creditor”) should carefully review the Plan attached hereto as **Exhibit A**. All descriptions of the Plan set forth in this Disclosure Statement are subject to the terms and provisions of the Plan.

Holders of a Claim belonging to Class 3 (General Unsecured Claims) and Class 4 (Asbestos PI Claims) are Voting Creditors entitled to vote to accept or reject the Plan and will receive a voting ballot (each, a “Ballot”). If a holder’s Claim is not in Classes 3 or 4, such holder is not entitled to vote on the Plan and will not receive a Ballot with this Disclosure Statement (each, a “Non-Voting Creditor”).

A. Voting Instructions and Voting Deadline.

Upon the Bankruptcy Court’s approval of the Disclosure Statement (as may be amended or otherwise modified) as containing adequate information pursuant to section 1125 of the Bankruptcy Code, all Voting Creditors will be sent a Ballot together with the solicitation version of this Disclosure Statement. Please read the Ballot carefully and follow the instructions contained therein. Please use only the Ballot that accompanies the Disclosure Statement to cast your vote.

The Debtor has engaged Verita as its voting agent (the “Voting Agent”) to assist in the transmission of voting materials and in the tabulation of votes on the Plan. **FOR YOUR VOTE TO BE COUNTED, YOUR VOTE MUST BE RECEIVED BY THE VOTING AGENT AT THE ADDRESS SET FORTH BELOW OR THROUGH THE E-BALLOT PORTAL ON OR BEFORE THE VOTING DEADLINE OF 4:00 P.M. (PREVAILING EASTERN TIME) ON OCTOBER 31, 2024 UNLESS EXTENDED BY THE DEBTOR.**

IF THE INSTRUCTIONS ON YOUR BALLOT REQUIRE YOU TO RETURN THE BALLOT TO YOUR ATTORNEYS, YOU MUST DELIVER YOUR BALLOT TO THEM IN SUFFICIENT TIME FOR THEM TO PROCESS IT AND RETURN IT TO THE BALLOTING AGENT BEFORE THE VOTING DEADLINE.

IF A BALLOT IS DAMAGED OR LOST, YOU MAY CONTACT THE VOTING AGENT AT THE NUMBER SET FORTH BELOW TO RECEIVE A REPLACEMENT BALLOT. ANY BALLOT THAT IS EXECUTED AND RETURNED BUT WHICH DOES NOT INDICATE AN ACCEPTANCE OR REJECTION OF THE PLAN WILL NOT BE COUNTED.

IF YOU HAVE ANY QUESTIONS CONCERNING VOTING PROCEDURES, YOU MAY CONTACT THE VOTING AGENT AT:

Hopeman Ballot Processing Center
c/o Kurtzman Carson Consultants LLC dba Verita Global
222 N. Pacific Coast Highway, Suite 300
El Segundo, CA 90245
Telephone: (877) 709-4752 (U.S./Canada) or (424) 236-7232 (International)
Submit an inquiry at <https://www.veritaglobal.net/hopeman/inquiry>

Additional copies of this Disclosure Statement and the Plan are available upon request made to the Voting Agent, at the telephone number or e-mail address set forth immediately above.

B. Solicitation and Voting Procedures.

Through the Solicitation Motion, the Debtor seeks Bankruptcy Court approval of certain procedures governing, among other things, the voting procedures for Voting Creditors – the holders of General Unsecured Claims and Asbestos PI Claims.

1. Solicitation Package for Voting Creditors and Non-Voting Status Notice for Non-Voting Creditors.

As set forth in further detail in the Solicitation Motion, upon the Bankruptcy Court’s approval of this Disclosure Statement as containing adequate information, the Debtor will provide, among other things, copies of (i) this Disclosure Statement (including all exhibits and appendices, including a copy of the Plan, and the TDP) and related materials, (ii) a Ballot for holders of General Unsecured Claims and either an individual or master Ballot for holders of Asbestos PI Claims, and

(iii) voting instructions and a pre-addressed, postage paid return envelope⁶ (collectively, a “Solicitation Package”) to all Voting Creditors or their attorneys. Voting Creditors or their attorneys should provide all of the information requested by the Ballot and return all Ballots received in the enclosed, self-addressed, postage-paid envelope provided with each such Ballot to the Voting Agent.

The Debtor does not have individual addresses for the majority of the holders of Asbestos PI Claims, most of whom have asserted Claims against the Debtor through the attorneys representing them. In order to avoid unnecessary administrative burden, the Debtor shall disseminate the Solicitation Package to all holders of Asbestos PI Claims and/or their counsel, as appropriate.

Non-Voting Creditors will receive a copy of a notice notifying them of (i) their non-voting status and, if applicable, the Opt-Out Release Form attached thereto as Exhibit A (which will provide detailed instructions on how to “opt-out” of the release contained in Section 10.8 of the Plan), (ii) instructions as to how to view or obtain copies of the Disclosure Statement, the Plan, and all other materials in the Solicitation Package (excluding Ballots), (iii) the settlement, release, exculpation, and injunction language set forth in Article X of the Plan, (iv) the Confirmation Objection Deadline and the date upon which the Confirmation Hearing will be held, and (v) additional information related thereto.

2. Voting Procedures for Voting Creditors

Most Asbestos PI Claims in Class 4 are unliquidated, contingent and disputed and, pursuant to the terms of the Plan, will be liquidated by application of the TDP (“Unliquidated Class 4 Claims”). As set forth in Section II.E. hereof, other Asbestos PI Claims in Class 4 were settled and liquidated prior to the Petition Date but, for various reasons, were not paid by the Debtor prepetition (“Liquidated Class 4 Claims”).⁷

Regarding the amount of Voting Creditors’ Liquidated Class 4 Claims, the Solicitation Motion proposes to *temporarily allow* the Liquidated Class 4 Claims for *voting purposes only* in their applicable settled amount known as of the Petition Date, except to the extent any prepetition settled amount exceeds the scheduled value established for the applicable Disease Level set forth below (as reflected in the TDP), in which case such Liquidated Class 4 Claim will be capped for voting purposes at the scheduled value for the applicable Disease Level as follows:

⁶ As set forth in the solicitation procedures attached to the Solicitation Motion, a holder of a Class 3 may timely submit its Ballot via electronic online transmission through an online balloting portal on the Debtor’s case website, and a holder of a Class 4 Claim may timely submit its Ballot via electronic online transmission through the dedicated email address for submitting such Ballots. As such, holders of Class 3 and Class 4 Claims do not have to mail in a completed Ballot as physical mailing is not the only means of submitting a Ballot. The pre-addressed, postage paid return envelope is provided as a courtesy to facilitate Voting Creditors to submit their Ballots in the manner most convenient for him or her.

⁷ For the avoidance of doubt, regardless of whether a Class 4 Claim was settled and liquidated prepetition, thereby deeming it no longer contingent, unliquidated, or disputed, all Allowed Class 4 Claims shall receive the same scheduled value for the appropriate Disease Level on account of their Trust Claim, as prescribed by the TDP.

<u>Disease Category</u>	<u>Temporary Allowance For Voting</u>
Mesothelioma	\$180,000
Lung Cancer	\$20,000
Other Cancer	\$3,500
Other Asbestos Disease	\$3,000

The Solicitation Motion further proposes that all other Asbestos PI Claims considered to be Unliquidated Class 4 Claims are to be *temporarily allowed, for voting purposes only*, each in the amount of \$1.00 per claimant. This includes Class 4 Claims identified in connection with a claimant submitting a Class 4 Intake Form for Voting Purposes Only (the “Class 4 Intake Form”), as described further directly below and in the Solicitation Motion.

The Debtor believes there may exist a subset of Unliquidated Class 4 Claims for which the holder of an Asbestos PI Claim *never asserted his or her Asbestos PI Claim against Hopeman prior to the Petition Date*⁸ but who nevertheless wishes to vote to accept or reject the Plan and would like to request a voting ballot to vote as a member of Class 4. Such claimant, or his or her counsel, will be able to obtain a copy of the Class 4 Intake Form by either downloading the form directly by visiting the Debtor’s case website maintained by Verita: <https://www.veritaglobal.net/hopeman>, or by submitting an inquiry to Verita through the following webpage link: <https://www.veritaglobal.net/hopeman/inquiry>.

The Class 4 Intake Form must be timely submitted to Verita by no later than **October 16, 2024, at 11:59 p.m. (prevailing Eastern Time)**. Upon a determination that a claimant does hold an Asbestos PI Claim for voting purposes only and has not previously asserted such claim against the Debtor, Verita will circulate to such claimant a Class 4 voting ballot in accordance with the solicitation procedures attached to the Solicitation Motion. If the claimant timely submits a Class 4 voting ballot the claimant’s Asbestos PI Claim will be *temporarily allowed, for voting purposes only*, in the aggregate amount of \$1.00.

The Class 4 Intake Form will *not* require the claimant to submit medical or exposure records evidencing asbestos exposure, but will instead ask basic information that will aid in establishing whether—as a threshold matter only and with no admission of liability by Hopeman or guarantee of payment by the Liquidation Trust pursuant to the TDP—such claimant holds an Asbestos PI Claim for voting purposes.

Holders of Claims in Class 3 (General Unsecured Claims) are entitled to vote their Claim in the amount thereof unless it has been objected to by Hopeman.

⁸ Holders of Asbestos PI Claims that were asserted against the Debtor as of the Petition Date are already known claimants and therefore will be receiving a voting ballot on account of their Class 4 Claim. For the avoidance of doubt, to the extent Hopeman settled and paid, or denied, a claimant’s Asbestos PI Claim prior to the Petition Date, such claimant will not be eligible to vote on the Plan in connection with a submitted a Class 4 Intake Form.

C. Vote Required for Acceptance by a Class.

Under the Bankruptcy Code, acceptance of a plan by a class of claims is determined by calculating the number and the amount of claims voting to accept, based on the total of allowed claims actually voting. It is a condition to confirmation of the Plan that at least two-thirds (2/3) in amount and fifty percent (50%) of the number of holders of Claims voting in Class 3 or 4 must vote to accept/in favor of the Plan.

Pursuant to section 1126(e) of the Bankruptcy Code, Hopeman or any other party in interest may petition the Bankruptcy Court to “designate” (*i.e.*, disqualify from the vote count) a vote on the Plan that was not in good faith. Pursuant to section 1129(b) of the Bankruptcy Code, Hopeman may seek to confirm the Plan even if Class 3 has voted to reject the Plan so long as Class 4 has voted to approve the Plan, or vice versa.

IX.

Confirmation of the Plan

A. Confirmation Hearing.

Section 1128(a) of the Bankruptcy Code requires the Bankruptcy Court, after appropriate notice, to hold a hearing on confirmation of a plan. Pursuant to the Solicitation Motion, the Debtor is requesting that the Bankruptcy Court set the hearing on confirmation of the Plan for **November 12, 2024, at 10:00 a.m. (prevailing Eastern Time)**.

B. Objections to Confirmation.

Section 1128(b) of the Bankruptcy Code provides that any party in interest may object to the confirmation of a plan. As set forth in the Solicitation Motion, any objection to confirmation of the Plan must (i) be in writing, (ii) set forth in detail the name and address of any party filing the objection, the grounds for the objection, any relevant and admissible evidence in support of the objection, and the amount of the objector’s claim(s) or such other grounds that give the objector standing to assert the objection, (iii) conform to the Bankruptcy Rules and the Bankruptcy Local Rules, (iv) be filed with the Court, and (v) served in accordance with the Bankruptcy Rules and Bankruptcy Local Rules upon the parties at the addresses set forth in the Combined Hearing Notice (as defined in the Solicitation Motion) so as to be actually received on or before **4:00 p.m. (prevailing Eastern Time) on October 31, 2024**.

UNLESS AN OBJECTION TO CONFIRMATION IS TIMELY SERVED AND FILED, IT MAY NOT BE CONSIDERED BY THE BANKRUPTCY COURT.

C. General Requirements of Section 1129 of the Bankruptcy Code.

At the Confirmation Hearing, the Bankruptcy Court will determine whether the following confirmation requirements specified in section 1129 of the Bankruptcy Code have been satisfied:

1. The Plan complies with the applicable provisions of the Bankruptcy Code.

2. Hopeman has complied with the applicable provisions of the Bankruptcy Code.
3. The Plan has been proposed in good faith and not by any means proscribed by law.
4. Any payment made or promised by Hopeman or by a person acquiring property under the Plan for services or for costs and expenses in, or in connection with, the Chapter 11 Case, or in connection with the Plan and incident to the Chapter 11 Case, has been or will be approved by the Bankruptcy Court.
5. With respect to each Class of Claims or Interests, each holder of an impaired Claim or impaired Interest either has accepted the Plan or will receive or retain under the Plan, on account of such holder's Claim or Interest, property of a value, as of the Effective Date, that is not less than the amount such holder would receive or retain if Hopeman were liquidated on the Effective Date under chapter 7 of the Bankruptcy Code. *See* discussion of "Best Interests Test," below.
6. Each Class of Claims and Interests has either accepted the Plan or is not Impaired under the Plan.
7. Except to the extent that the holder of a particular Claim has agreed to different treatment of such Claim, the Plan provides that Administrative Expense Claims and Priority Claims (other than Priority Tax Claims) will be paid in full on the Effective Date. Priority Tax Claims, if any, will be paid in full in Cash in an amount equal to the unpaid portion of such Allowed Priority Tax Claim, on the latest of (i) the Effective Date, (ii) thirty (30) days after the date such Priority Tax Claim becomes an Allowed Claim, or as soon thereafter as is practicable, and (iii) the date such Allowed Priority Tax Claim becomes due and payable under applicable non-bankruptcy law.
8. At least one Class of Impaired Claims has accepted the Plan, with the determination of such Class acceptance not including any acceptance of the Plan by any insider holding a Claim in such Class.

D. Best Interests Test.

The Bankruptcy Code requires that each holder of an impaired Claim or Equity Interest either (i) accept the Plan; or (ii) receive or retain under the Plan property of a value, as of the Effective Date, that is not less than the value such holder would receive if Hopeman was liquidated under chapter 7 of the Bankruptcy Code.

Hopeman's Liquidation Analysis is discussed above in Section V.B. of this Disclosure Statement and is attached hereto as **Exhibit 2**. When the results of the Liquidation Analysis are compared to the distributions expected under the Plan, as set forth in Articles IV and V of the Plan, it is clear that every creditor and interest holder will receive at least as much under the Plan as such creditor or interest holder would receive in a chapter 7 liquidation.

E. Feasibility.

Section 1129(a)(11) of the Bankruptcy Code requires that confirmation of a plan not be likely to be followed by the liquidation, or the need for further financial reorganization, of the Debtor or any successor to the Debtor (unless such liquidation or reorganization is proposed in the plan). Because the Plan proposes a liquidation of all of the Debtor's assets and the cancellation of the Debtor's corporate existence, for purposes of this test, the Debtor has analyzed the ability of the Debtor to meet its obligations under the Plan and Disclosure Statement. Based on the Debtor's analysis, the Debtor will have sufficient assets to accomplish its tasks under the Plan, as summarized and described herein.

F. Cramdown.

Section 1129(b) of the Bankruptcy Code provides that if the applicable requirements of section 1129(a) of the Bankruptcy Code, except for section 1129(a)(8),⁹ are met with respect to a plan, then a court, on request of the plan proponent, "shall confirm the plan . . . if the plan does not discriminate unfairly, and is *fair and equitable*, with respect to each class of claims or interests that is impaired under, and has not accepted, the plan." 11 U.S.C. § 1129(b) (emphasis added). The "fair and equitable" test applies to classes of different priority and statures (*e.g.*, secured versus unsecured) and includes the general requirement that no class of claims receives more than 100% of the allowed amount of the claims in such class.

The holders of Interests in Hopeman are not receiving a distribution under the Plan and thus are deemed to vote "no" to the Plan. Assuming the other confirmation requirements of section 1129 of the Bankruptcy Code are satisfied, the Plan Proponent may seek confirmation of the Plan pursuant to section 1129(b) of the Bankruptcy Code on the basis that the Plan is "fair and equitable" to holders of claims in Classes 3, 4 and 5.

X.

Conclusion

The Plan Proponent believes that the Plan is in the best interests of all of Hopeman's creditors and equity holders and therefore urges the holders of Claims in Classes 3 and 4 to vote to accept the Plan and to evidence such acceptance by returning their Ballots so that they will be received by the Balloting Agent not later than **4:00 p.m. (prevailing Eastern Time) on October 31, 2024.**

Dated: July 12, 2024

HOPEMAN BROTHERS, INC.

By: /s/ Christopher Lascell
Christopher Lascell
President

⁹ Section 1129(a)(8) of the Bankruptcy Code states "[w]ith respect to each class of claims or interests—
(A) such class has accepted the plan; or
(B) such class is not impaired under the plan."

EXHIBIT 1

PLAN OF LIQUIDATION

A DISCLOSURE STATEMENT WITH RESPECT TO THIS PLAN HAS NOT BEEN APPROVED BY THE BANKRUPTCY COURT AS CONTAINING “ADEQUATE INFORMATION” WITHIN THE MEANING OF SECTION 1125(a) OF THE BANKRUPTCY CODE. ACCORDINGLY, UNTIL SUCH APPROVAL, NO SOLICITATION OF THIS PLAN MAY OCCUR.

HUNTON ANDREWS KURTH LLP
Joseph P. Rovira (admitted *pro hac vice*)
Catherine A. Rankin (admitted *pro hac vice*)
600 Travis Street, Suite 4200
Houston, Texas 77002
Telephone: (713) 220-4200

HUNTON ANDREWS KURTH LLP
Tyler P. Brown (VSB No. 28072)
Henry P. (Toby) Long, III (VSB No. 75134)
Riverfront Plaza, East Tower
951 East Byrd Street
Richmond, Virginia 23219
Telephone: (804) 788-8200

Proposed Attorneys 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 (KLP)
	:	
Debtor.	:	
	:	

**PLAN OF LIQUIDATION OF HOPEMAN BROTHERS, INC.
UNDER CHAPTER 11 OF THE BANKRUPTCY CODE**

Dated: July 12, 2024

This Plan of Liquidation provides for releases and injunctions pursuant to sections 105 and 363 of the Bankruptcy Code. For a description of the releases and causes of action to be enjoined and the identities of the entities that would be subject to the releases and injunctions, as applicable, see Article X of this Plan.

PLAN OF LIQUIDATION OF HOPEMAN BROTHERS, INC.

INTRODUCTION

On June 30, 2024, Hopeman Brothers, Inc., the debtor and debtor in possession in the above-captioned chapter 11 case (the “Debtor”), filed a voluntary petition for relief under chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the Eastern District of Virginia.

As set forth in further 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”) [Docket No. 8] and the *Disclosure Statement with Respect to the Plan of Liquidation of Hopeman Brothers, Inc. Under Chapter 11 of the Bankruptcy Code* (the “Disclosure Statement”) filed contemporaneously herewith, in 2003 the Debtor ceased its business operations and sold all of its operating assets. Since that asset sale, the Debtor’s business activity has been focused exclusively on defending and resolving thousands of asbestos-related personal injury claims asserted against the Debtor. As of June 23, 2024, over 2,700 such claims against the Debtor remained unresolved.

This plan of liquidation (the “Plan”) contemplates the establishment of the Liquidation Trust, which will assume responsibility for the Asbestos PI Claims.¹ The Liquidation Trust will review, resolve, and pay (if Allowed) Asbestos PI Claims asserted against the Debtor. The Plan also treats Non-Asbestos Claims asserted against and Interests in the Debtor.

In the months leading up to the Petition Date, the Debtor conducted extensive, good faith negotiations with two of its liability insurers, Century Indemnity Company (“Century”, as successor to CCI Insurance Company, as successor to Insurance Company of North America) and Westchester Fire Insurance Company (“Westchester” and, together with Century, along with their

¹ Capitalized terms used but not defined in this Introduction shall have the meanings ascribed to them in the Plan.

respective predecessors, successors, subsidiaries, affiliates, directors, officers, and representatives, the “Chubb Insurers”) for the purpose of resolving the Debtor’s unexhausted insurance policies issued by the Chubb Insurers that, subject to their respective terms, conditions, and exclusions cover or allegedly cover Asbestos PI Claims asserted against the Debtor. Those negotiations resulted in the Chubb Insurer Settlement Agreement that monetizes the policies issued to the Debtor by the Chubb Insurers in the aggregate amount of \$31,500,000. By separate motion, the Debtor seeks Bankruptcy Court approval of the Chubb Insurer Settlement Agreement [Docket No. 9].

Similarly, prior to the Petition Date, the Debtor began arm’s length, good faith negotiations with its following liability insurers: Continental Casualty Company, Fidelity & Casualty Company, Lexington Insurance Company, Granite State Insurance Company, the Insurance Company of the State of Pennsylvania, National Union fire Insurance Company of Pittsburgh, PA, and General Reinsurance Corporation (collectively, the “Certain Settling Insurers”), for the purpose of resolving the Debtor’s unexhausted insurance policies issued by the Certain Settling Insurers that, subject to their respective terms, conditions, and exclusions cover or allegedly cover Asbestos PI Claims asserted against the Debtor. These negotiations resulted in the Certain Insurer Settlement Agreement that monetizes the policies issued to the Debtor by the Certain Settling Insurers in the aggregate amount of \$18,395,011. By separate motion, the Debtor seeks Bankruptcy Court approval of the Certain Insurer Settlement Agreement [Docket No. 53].

Pursuant to the terms of this Plan, the settlement proceeds paid to the Debtor pursuant to the Chubb Insurer Settlement Agreement and the Certain Insurer Settlement Agreement, along with the proceeds from any other settlement the Debtor reaches with its insurers, will be transferred to the Liquidation Trust. These settlement proceeds, together with the Debtor’s other assets, will

be used by the Liquidation Trust to make payments to holders of valid, Allowed Asbestos PI Claims against the Debtor and to make other payments contemplated by the Plan.

The Disclosure Statement discusses, among other things, the Debtor's history, former business operations, assets, the Asbestos PI Claims, risk factors, and a summary and analysis of this Plan. Creditors are urged to read both this Plan and the Disclosure Statement for a full explanation of the Plan and its impact.

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EXHIBITS TO PLAN

EXHIBIT A	TRUST AGREEMENT
EXHIBIT B	TRUST DISTRIBUTION PROCEDURES

Hopeman Brothers, Inc., the debtor and debtor in possession in the above-captioned chapter 11 case (the “Debtor”), proposes the following plan of liquidation pursuant to section 1121(a) of title 11 of the United States Code:

**ARTICLE I
DEFINITIONS AND INTERPRETATIONS**

A. Definitions. The following terms provided in this Article I apply to the Plan and shall have the respective meanings specified below:

1.1 Administrative Expense Claim means a Claim for any cost or expense of administration of the Estate under sections 503(b), 507(a)(1), 507(b), or 1114(e)(2) of the Bankruptcy Code, including: (a) any actual and necessary cost and expense of preserving the Estate or operating the Debtor’s business incurred after the Petition Date and through the Effective Date; (b) any indebtedness or obligations incurred or assumed by the Debtor after the Petition Date and through the Effective Date; (c) any Allowed compensation for Professional services rendered, and Allowed reimbursement of expenses incurred, by a Professional retained by order of the Bankruptcy Court or otherwise Allowed pursuant to section 503(b) of the Bankruptcy Code; and (d) all fees due and payable pursuant to section 1930 of title 28 of the United States Code.

1.2 Administrative Expense Claim Bar Date means the first Business Day that is sixty (60) calendar days after the Effective Date, which will be the deadline by which parties seeking payment of Administrative Expense Claims must file a motion seeking Allowance of such claim.

1.3 Administrative Expense Claims of Professionals means any compensation for Professional services rendered and reimbursement of expenses incurred, to the extent Allowed by Final Order under section 330 or 503 of the Bankruptcy Code.

1.4 Allowed means: (I) with respect to any Non-Asbestos Claim or Interest, such Non-Asbestos Claim or Interest or portion thereof against or in the Debtor: (a) that has been listed by the Debtor in the Schedules as liquidated in amount and not disputed or contingent and for which no contrary Proof of Claim has been filed; (b) as to which the deadline for objecting or seeking estimation has passed, and no objection or request for estimation has been filed, or the Debtor otherwise has assented to the validity thereof; (c) as to which any objection or request for estimation that has been filed has been settled, waived, withdrawn, overruled, or denied by a Final Order; or (d) that is allowed pursuant to the terms of (i) a Final Order, (ii) an agreement by and between the holder of such Claim or Interest and the Debtor, or (iii) the Plan; and (II) with respect to any Asbestos PI Claim, such Asbestos PI Claim or portion thereof that is liquidated and allowed pursuant to the Trust Agreement and the Trust Distribution Procedures, or, if applicable, pursuant to a Final Order of the Bankruptcy Court.

1.5 Allowed Amount means, with respect to any Claim (excluding Asbestos PI Claims), the lesser of: (a) the dollar amount of such Claim as Allowed; (b) the estimated amount of such Claim; and (c) the dollar amount agreed to by Hopeman. Unless otherwise provided in the Plan or a Final Order of the Bankruptcy Court or the District Court, the Allowed Amount of an Allowed Claim shall not include interest or penalties accruing on such Allowed Claim from and

after the Petition Date. In addition, unless a Final Order of the Bankruptcy Court provides otherwise, the Allowed Amount of an Allowed Claim shall not, for any purpose under the Plan, include interest at any default rate of interest. The allowed amounts for Asbestos PI Claims will be determined pursuant to the Trust Distribution Procedures.

1.6 Approved Asbestos Insurance Settlement Agreement means an Asbestos Insurance Settlement Agreement that has been approved by a Final Order, regardless of whether such Final Order is entered before or after the Confirmation Date or before or after the Effective Date; *provided that* the Confirmation Order shall be considered the Final Order to the extent approval of an Asbestos Insurance Settlement Agreement occurs as part of the Plan confirmation.

1.7 Asbestos Insurance Action(s) means, solely as related to an Asbestos PI Claim, any Claim, Cause of Action, or right of Hopeman against any Non-Settling Asbestos Insurance Entity related to any Asbestos Insurance Policy, including but not limited to, any Claim, Cause of Action, or right arising from, under or related to: (a) any such Non-Settling Asbestos Insurance Entity's failure to provide coverage or pay amounts billed to it for Asbestos PI Claims, whether prior to or after the Petition Date; (b) the refusal of any Non-Settling Asbestos Insurance Entity to pay any obligations on, or compromise and settle, any Asbestos PI Claim under or pursuant to any Asbestos Insurance Policy; (c) the interpretation or enforcement of the terms of any Asbestos Insurance Policy issued by a Non-Settling Asbestos Insurance Entity; or (d) any conduct of a Non-Settling Asbestos Insurance Entity constituting "bad faith" or other wrongful conduct under applicable law with respect to any Asbestos Insurance Policy.

1.8 Asbestos Insurance Entity means any Entity, including any insurance company, broker, or guaranty association, that has issued, or that has any actual or potential liabilities, duties or obligations under or with respect to any Asbestos Insurance Policy.

1.9 Asbestos Insurance Policy means any insurance policy or portion thereof that provides coverage to Hopeman for Asbestos PI Claims.

1.10 Asbestos Insurance Rights means, solely with respect to an Asbestos PI Claim, any and all rights, titles, privileges, interests, claims, demands, or entitlements of Hopeman to any insurance coverage, defense, indemnity, proceeds, payments, escrowed funds, initial or supplemental dividends, causes of action, and choses in action with respect to any Asbestos Insurance Policy, including all Asbestos Insurance Actions, whether now existing or hereafter arising, accrued or unaccrued, liquidated or unliquidated, matured or unmatured, disputed or undisputed, fixed or contingent, including:

(a) any and all rights of Hopeman to pursue or receive payment, reimbursement, or proceeds under any Asbestos Insurance Policy, whether for indemnity, liability, defense costs, or otherwise;

(b) the proceeds of any and all payments received by Hopeman on account of an Asbestos Insurance Policy at any time on, before, or after the Effective Date, together with all interest earned on such proceeds;

(c) any and all rights of Hopeman to pursue or receive payments from any insolvent Asbestos Insurance Entity, whether in receivership, liquidation, rehabilitation, run-off, or scheme of arrangement, or any other form of proceeding, or from any insolvent insurer's estate, and the proceeds of all payments received by Hopeman from any such insolvent Asbestos Insurance Entity or such insolvent insurer's estate, at any time on, before, or after the Effective Date, together with all interest earned on such proceeds;

(d) any and all rights of Hopeman to pursue or receive payments with respect to Asbestos PI Claims from any insurance guaranty association; and

(e) any other rights arising under any Asbestos Insurance Policy and/or applicable law that may be necessary or useful for recovery of insurance proceeds for any Asbestos PI Claim.

1.11 Asbestos Insurance Settlement Agreements means (a) the Chubb Insurer Settlement Agreement; (b) the Certain Insurer Settlement Agreement; and (c) any other settlement agreement that an Asbestos Insurance Entity enters into with the Debtor.

1.12 Asbestos PI Claim means each of the following: (a) a Hopeman Asbestos PI Claim; (b) a Derivative Liability Asbestos Claim; (c) a Direct Action Asbestos Claim; and (d) an Indirect Asbestos PI Claim. Notwithstanding anything to the contrary contained in the definitions of any of the foregoing terms or otherwise in the Plan, the term Asbestos PI Claim shall not include any Demand.

1.13 Asbestos Protected Party means each of the following:

(a) the Debtor;

(b) any Settling Asbestos Insurance Entity; and

(c) any current or former Representative of any of the above solely in their capacities as such.

1.14 Avoidance Action(s) means any avoidance or recovery action under any of sections 502(d), 542, 544, 545, 547, 548, 549, 550, 551 and 553 of the Bankruptcy Code, or under related state or federal statutes and common law, whether or not litigation has been commenced with respect to such Cause of Action as of the Effective Date.

1.15 Bankruptcy Code means title 11 of the United States Code, 11 U.S.C. §§ 101 et seq., as in effect on the Petition Date, together with all amendments, modifications and replacements of the foregoing, as the same may exist on any relevant date to the extent applicable to the Chapter 11 Case.

1.16 Bankruptcy Court means the United States Bankruptcy Court for the Eastern District of Virginia, Richmond Division, or such other court as may have jurisdiction over the Chapter 11 Case or any proceeding within, or appeal of an order entered in, the Chapter 11 Case including, to the extent of a withdrawal of reference under 28 U.S.C. § 157 or the requirement for final approval, the District Court.

1.17 Bankruptcy Rules means, collectively: (a) the Federal Rules of Bankruptcy Procedure as promulgated by the United States Supreme Court under section 2075 of title 28 of the United States Code; (b) the Federal Rules of Civil Procedure, as applicable to the Chapter 11 Case or any proceedings therein; and (c) the local rules of the Bankruptcy Court, all as amended from time to time and applicable to the Chapter 11 Case.

1.18 Bar Date means the date to be later established by the Bankruptcy Court for holders of Claims (other than Asbestos PI Claims and Claims belonging to governmental units) to file proofs of claim or otherwise have their Claims forever barred.

1.19 Books and Records means the books and records of the Debtor's which are kept by or on behalf of the Debtor in the ordinary course of business including, without limitation, all operational and accounting records relevant to the administration and reconciliation of the Asbestos PI Claims that are not privileged documents or materials.

1.20 Business Day means any day except: (a) Saturday; (b) Sunday; (c) any other day on which banking institutions in New York, New York, are required or authorized to be closed by law or executive order; and (d) the Friday immediately after Thanksgiving.

1.21 Cash means legal tender of the United States of America and equivalents thereof.

1.22 Cause of Action means any action, including any cause of action, liability, obligation, account, controversy, right to legal remedy, right to equitable remedy, right to payment, suit, debt, sum of money, damage, judgment, or claim whatsoever, whether known or unknown, now or in the future, reduced to judgment, not reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, secured, or unsecured, whether asserted or assertable directly or derivatively, in law, equity or otherwise, which may be brought by or on behalf of Hopeman and/or the Estate, arising under any provision of the Bankruptcy Code or other applicable law or regulation or similar governmental pronouncement.

1.23 Certain Insurer Settlement Agreement means the Settlement Agreement and Release, dated as of July 10, 2024 by and among the Debtor, Continental Casualty Company, Fidelity & Casualty Company, Lexington Insurance Company, Granite State Insurance Company, the Insurance Company of the State of Pennsylvania, National Union fire Insurance Company of Pittsburgh, PA, and General Reinsurance Corporation.

1.24 Chapter 11 Case means Hopeman's case under chapter 11 of the Bankruptcy Code, captioned In re Hopeman Brothers, Inc., Case No. 24-32428 (KLP) pending in the Bankruptcy Court.

1.25 Chubb Insurer Settlement Agreement means the Settlement Agreement and Release, dated as of 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), and Westchester Fire Insurance Company.

1.26 Claim means a claim, as defined in section 101(5) of the Bankruptcy Code.

1.27 Class means a category of Claims or Interests established under Section 3.1 pursuant to sections 1122 and 1123(a)(1) of the Bankruptcy Code.

1.28 Confirmation Date means the date on which the District Court adopts and affirms the findings of fact and conclusions of law of the Bankruptcy Court recommending confirmation of the Plan pursuant to section 1129 of the Bankruptcy Code and the Confirmation Order is entered by the District Court, or the date the Bankruptcy Court enters the Confirmation Order if entry of the Confirmation Order by the District Court is not required by law.

1.29 Confirmation Hearing means the hearing(s) to be held by the Bankruptcy Court and/or the District Court pursuant to section 1129 of the Bankruptcy Code to consider confirmation of the Plan, as such hearing(s) may be adjourned or continued from time to time.

1.30 Confirmation Order means, as the context requires, (a) the order of the District Court confirming the Plan pursuant to section 1129 of the Bankruptcy Code; (b) collectively, the findings of fact and conclusions of law of the Bankruptcy Court recommending confirmation of the Plan pursuant to section 1129 of the Bankruptcy Code and the order of the District Court adopting and affirming such order; or (c) the Final Order of the Bankruptcy Court confirming the Plan pursuant to section 1129 of the Bankruptcy Code which, in any case, shall contain the General Injunction and the Policy Injunction.

1.31 Debtor means Hopeman Brothers, Inc. in the Chapter 11 Case and each of its predecessors in interest.

1.32 Debtor in Possession means Hopeman Brothers, Inc., as debtor in possession in the Chapter 11 Case pursuant to section 1101(1) of the Bankruptcy Code.

1.33 Demand means any demand for payment, present or future, within the meaning of section 524(g)(5) of the Bankruptcy Code.

1.34 Derivative Liability Asbestos Claim means any Claim against an Asbestos Protected Party other than the Debtor based upon a legal or equitable theory of liability in the nature of veil piercing, alter ego, successor liability, fraudulent transfer, or conspiracy, upon which an Asbestos Protected Party other than the Debtor is liable, or is allegedly liable, arising out of, resulting from, or attributable to, directly or indirectly, death, bodily injury, sickness, disease, or other personal injury, physical, emotional, or otherwise, to Persons, caused, or allegedly caused, directly or indirectly, by the presence of, or exposure to, asbestos, asbestos-containing products, or asbestos-containing materials, to the extent arising, directly or indirectly, from acts, omissions, business, or operations of the Debtor, including all related claims, debts, obligations, or liabilities for compensatory damages (such as loss of consortium, medical monitoring, personal or bodily injury, wrongful death, survivorship, proximate, consequential, general, and special damages). For purposes of this definition, “veil piercing, alter ego, successor liability, fraudulent transfer, or conspiracy” claims shall include, without limitation, fraudulent transfer or fraudulent conveyance claims under applicable state or federal law, denuding the corporation claims, single business enterprise claims, claims that the Debtor was the predecessor, mere instrumentality, agent, or alter ego of such an Asbestos Protected Party other than the Debtor, trust fund claims, claims that such an Asbestos Protected Party other than the Debtor conspired with the Debtor, and any causes of

action against an Asbestos Protected Party other than the Debtor that belong to the Debtor or the Estate, whether or not included in the foregoing list.

1.35 Direct Action Asbestos Claim means any Claim by any Person other than the Debtor directly against any Settling Asbestos Insurance Entity under any insurance policy that arises from (a) the activities involving asbestos-containing products, or (b) asbestos or asbestos-containing products produced, manufactured, distributed, supplied, and/or installed by the Debtor, in each case for which the Debtor may have liability, or any insurance policy that may in the future be, asserted to provide coverage for any of the aforementioned Claims, whether arising by contract, or tort or under the laws of any jurisdiction, including any statute that gives a third party a direct cause of action against an insurer.

1.36 Disallowed means, (I) when used with respect to any Non-Asbestos Claim or Interest or any portion thereof that is not Allowed and (a) has been disallowed by a Final Order, (b) is listed in the Schedules as zero or as contingent, disputed, or unliquidated and as to which no Proof of Claim or request for payment of an Administrative Expense Claim has been timely filed or deemed timely filed with the Bankruptcy Court, (c) is not listed in the Schedules and as to which no Proof of Claim or request for payment of an Administrative Expense Claim has been timely filed or deemed timely filed with the Bankruptcy Court, (d) has been withdrawn by agreement of the Debtor and the holder thereof, or (e) has been withdrawn by the holder thereof; and (II) with respect to any Asbestos PI Claim, such Asbestos PI Claim or portion thereof that is disallowed pursuant to the Trust Distribution Procedures or, if applicable, pursuant to a Final Order of the Bankruptcy Court.

1.37 Disclosure Statement means the written disclosure statement that relates to the Plan, including the exhibits and schedules thereto, as approved by the Bankruptcy Court after the Petition Date as containing adequate information pursuant to section 1125 of the Bankruptcy Code and Rule 3017 of the Bankruptcy Rules, as such disclosure statement may be amended, modified, or supplemented from time to time.

1.38 Disputed Claim means all or any portion of a Non-Asbestos Claim, Asbestos PI Claim, or Interest that is neither Allowed nor Disallowed.

1.39 Distribution means any: (a) Cash; (b) property; or (c) interest in property to be paid or distributed hereunder to the holders of Allowed Claims or Interests; provided that distributions on account of Allowed Asbestos PI Claims shall be made in accordance with the Trust Distribution Procedures.

1.40 Distribution Record Date means the record date for determining an entitlement to receive Distributions under the Plan on account of Allowed Claims which, in the case of all Claims other than Asbestos PI Claims shall be the Effective Date and, with respect to Asbestos PI Claims, shall be the date set forth in the Trust Distribution Procedures.

1.41 District Court means the United States District Court for the Eastern District of Virginia.

1.42 Effective Date means the first Business Day upon which each condition set forth in Section 11.1 has been satisfied or duly waived pursuant to Section 11.3.

1.43 Encumbrance means, with respect to any property (whether real or personal, or tangible or intangible), any mortgage, Lien, pledge, charge, security interest, assignment, or encumbrance of any kind or nature in respect of such property (including any conditional sale or other title retention agreement, any security agreement, and the filing of, or agreement to give, any financing statement under the Uniform Commercial Code or comparable law of any jurisdiction) to secure payment of a debt or performance of an obligation.

1.44 Entity means any Person or organization created by law, including, without limitation, any individual, company, corporation, limited liability company, partnership, association, joint stock company, joint venture, estate, trust, unincorporated organization, or government or any political subdivision thereof.

1.45 Estate means the estate created under section 541 of the Bankruptcy Code in the Chapter 11 Case.

1.46 Excess Cash means all Cash remaining in the Estate net of the Wind Down Reserve, after all Distributions required under the Plan have been made to holders of Allowed Non-Asbestos Claims, plus any funds remaining in the Wind Down Reserve after payment of all fees and costs to be paid from the Wind Down Reserve pursuant to the Plan.

1.47 Exculpated Parties means, collectively, (a) the Debtor, (b) any Settling Asbestos Insurance Entity, and (c) any Representative of the foregoing.

1.48 Executory Contract means any unexpired lease or executory contract of Hopeman that is subject to treatment under section 365 of the Bankruptcy Code.

1.49 Final Decree means an order of the Bankruptcy Court that closes the Chapter 11 Case.

1.50 Final Judgment or Final Order means a judgment or an order, as the case may be, as to which the time to appeal, petition for certiorari, or move for reargument or rehearing has expired and as to which no appeal, petition for certiorari or other proceedings for reargument or rehearing shall then be pending; provided, however, that if an appeal, writ of certiorari, reargument or rehearing thereof has been filed or sought: (a)(i) such judgment or order shall have been affirmed by the highest court to which such judgment or order was appealed; or (ii) certiorari shall have been denied or reargument or rehearing shall have been denied or resulted in no modification of such order, and the time to take any further appeal, petition for certiorari or move for reargument or rehearing shall have expired; or (b) such appeal, writ of certiorari, or request for reargument or rehearing shall have been dismissed with prejudice by the filing or seeking party.

1.51 General Injunction means the injunction provided in Section 10.2.

1.52 General Unsecured Claim means a Claim against Hopeman that is not secured by a valid and enforceable Lien against property of Hopeman and that is not a Secured Claim, an Administrative Expense Claim, a Priority Tax Claim, a Priority Non-Tax Claim, an Asbestos PI Claim, or an Asbestos PI Defense Claim.

1.53 General Unsecured Recovery Pool means Cash in an amount to be disclosed in the Plan Supplement.

1.54 Hopeman means (a) Hopeman Brothers, Inc., a Virginia corporation, and its predecessors; and (b) the Debtor and Debtor in Possession in the Chapter 11 Case.

1.55 Hopeman Asbestos PI Claim means any Claim (except a Derivative Liability Asbestos Claim or an Indirect Asbestos Claim) or allegation or portion thereof against, or any debt, liability, or obligation of, Hopeman, or any other Asbestos Protected Party, whether now existing or hereafter arising, whether in the nature of or sounding in tort, or under contract, warranty, or any other theory of law, equity, or admiralty for, arising out of, resulting from, or attributable to directly or indirectly, death, bodily injury, sickness, disease, or any other actual or alleged personal injury, physical, emotional or otherwise, to persons, caused, or allegedly caused, directly or indirectly, by the presence of, or exposure to asbestos, including, without limitation, asbestos-containing products or materials engineered, designed, marketed, manufactured, fabricated, constructed, sold, supplied, produced, installed, maintained, serviced, specified, selected, repaired, removed, replaced, released, distributed, or in any other way used by Hopeman or any other Entity for whose products or operations Hopeman has liability or is alleged to have liability, but only to the extent arising, directly or indirectly, from acts, omissions, business, or operations of Hopeman (including the acts, omissions, business, or operations of any other Entity for whose products or operations Hopeman has liability, but only to the extent of Hopeman's liability for such acts, omissions, business, or operations) including all related claims, debts, obligations, or liabilities for compensatory damages (such as loss of consortium, medical monitoring, personal or bodily injury, wrongful death, survivorship, proximate, consequential, general, and special damages). Notwithstanding the foregoing, any such Claim, allegation, debt, liability or obligation shall be a Hopeman Asbestos PI Claim only to the extent of Hopeman's or any other Asbestos Protected Party's, as applicable, liability for that Claim, allegation, debt, liability or obligation.

1.56 Hopeman Asbestos PI Trust Contribution means (a) the assignment to the Liquidation Trust of Hopeman's Asbestos Insurance Rights in connection with any Asbestos Insurance Policy executed between Hopeman and any Non-Settling Asbestos Insurance Entity; (b) the assignment to the Liquidation Trust of Hopeman's rights in connection with any Approved Asbestos Insurance Settlement Agreement including, for the avoidance of doubt, Hopeman's rights to and interests in the settlement proceeds to be paid by a Settling Asbestos Insurance Entity in connection with any Approved Asbestos Insurance Settlement Agreement, pursuant to the terms thereof; (c) the assignment to the Liquidation Trust of Hopeman's interests and rights in connection with any Non-Asbestos Insurance Policy and excluding, for the avoidance of doubt, any Representative of Hopeman's rights and interests under any such Non-Asbestos Insurance Policy; and (d) any other rights that Hopeman might hold excluding, for the avoidance of doubt, the Wind Down Reserve and any Excess Cash unless and until such Wind Down Reserve or Excess Cash become available to transfer to the Liquidation Trust pursuant to Sections 8.2(b) and 8.8 of this Plan.

1.57 Impaired means, with respect to a Class of Claims or Interests, a Class of Claims or Interests that is impaired within the meaning of section 1124 of the Bankruptcy Code.

1.58 Indirect Asbestos PI Claim means those cross-claims, contribution claims, subrogation claims, reimbursement claims, indemnity claims, and other similar derivative Claims, or allegations against Hopeman, any Representative of the Debtor, or any other Asbestos Protected Party, whether or not any such Claim, debt, liability or obligation is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured or unsecured, whether or not the facts of or legal bases therefore are known or unknown, and whether in the nature of or sounding in tort, or under contract, warranty, guarantee, contribution, joint and several liability, subrogation, reimbursement, or indemnity, or any other theory of law, equity, or admiralty for, arising out of, resulting from, or attributable to directly or indirectly, death, bodily injury, sickness, disease, or other personal or emotional injuries to persons caused, or allegedly caused, directly or indirectly, by the presence of, or exposure to, asbestos, including asbestos-containing products, or materials engineered, designed, marketed, manufactured, fabricated, constructed, sold, supplied, produced, installed, maintained, serviced, specified, selected, repaired, removed, replaced, released, distributed, or in any way used by Hopeman or any Entity for whose products or operations Hopeman has liability or is alleged to have liability, but only to the extent arising, directly or indirectly from acts, omissions, business or operations of Hopeman (including the acts, omissions, business or operations of any other Entity for whose products or operations Hopeman has liability, but only to the extent of Hopeman's liability for such acts, omissions, business, or operations) including claims, debts, obligations, or liabilities for compensatory damages (such as loss of consortium, medical monitoring, personal or bodily injury, wrongful death, survivorship, proximate, consequential, general, and special damages). Notwithstanding the foregoing, a Claim, allegation, debt, liability or obligation shall only be an Indirect Asbestos PI Claim, to the extent of Hopeman's liability for that Claim, allegation, debt, liability or obligation.

1.59 Interest means any right, title and ownership interest in Hopeman.

1.60 Lien means any charge against or interest in property to secure payment of a debt or performance of an obligation.

1.61 Liquidation Trust means the liquidating trust that is to be established in accordance with the Plan, the Trust Agreement, and the Confirmation Order, for the purpose of reviewing, resolving, and, if appropriate, paying Asbestos PI Claims, which trust shall be treated as a "qualified settlement fund" under section 468B of the Internal Revenue Code.

1.62 Liquidation Trustee means the Person appointed in accordance with Section 8.3(a) to serve as the trustee for the Liquidation Trust in accordance with the terms of the Plan and the Trust Agreement.

1.63 Non-Asbestos Claim means any Claim against the Debtor that is not an Asbestos PI Claim.

1.64 Non-Settling Asbestos Insurance Entity means an Asbestos Insurance Entity that is not a Settling Asbestos Insurance Entity.

1.65 Non-Asbestos Insurance Entity means any Entity, including any insurance company, broker, or guaranty association, that has issued, or that has any actual or

potential liabilities, duties or obligations under or with respect to any Non-Asbestos Insurance Policy.

1.66 Non-Asbestos Insurance Policy means any insurance policy that provides coverage to Hopeman that is not an Asbestos Insurance Policy.

1.67 Person means person as defined in section 101(41) of the Bankruptcy Code.

1.68 Petition Date means June 30, 2024, the date on which the petition was filed by Hopeman pursuant to section 301 of the Bankruptcy Code to commence this Chapter 11 Case.

1.69 Plan means this plan of liquidation of Hopeman under chapter 11 of the Bankruptcy Code, including any supplements, schedules and exhibits hereto, either in its present form or as the same may be amended, modified or supplemented from time to time in accordance with the terms hereof.

1.70 Plan Documents means, collectively, (a) the Disclosure Statement, (b) Trust Documents, (c) any document contained in the Plan Supplement, (d) all of the exhibits and schedules attached to any of the foregoing, and (e) any other document necessary to implement the Plan.

1.71 Plan Proponent means the Debtor.

1.72 Plan Supplement means the compilation of documents or forms specified in Section 13.3 below and any exhibits to the Plan (in each case, as may be altered, amended, modified, or supplemented from time to time in accordance with the Bankruptcy Code and the Bankruptcy Rules), if any, to be filed no later than five (5) Business Days prior to the deadline for the filing and service of objections to the Plan or such later date as the Bankruptcy Court may approve, all of which are incorporated herein by reference.

1.73 Policy Injunction means the injunction provided in Section 10.4.

1.74 Priority Non-Tax Claim means any Claim entitled to priority in right of payment pursuant to section 507(a) of the Bankruptcy Code that is not an Administrative Expense Claim or a Priority Tax Claim.

1.75 Priority Tax Claim means any Claim entitled to priority pursuant to section 507(a)(8) of the Bankruptcy Code.

1.76 Pro Rata means the proportion that the face amount of a Claim in a particular Class or Classes bears to the aggregate face amount of all Claims (including Disputed Claims, but excluding Disallowed Claims) in such Class or Classes, unless this Plan provides otherwise.

1.77 Professional means any person retained or to be compensated pursuant to section 327, 328, 330, 363, 503(b), or 1103 of the Bankruptcy Code.

1.78 Proof of Claim means any proof of claim or interest filed with the Bankruptcy Court or the Balloting Agent pursuant to section 501 of the Bankruptcy Code and Rule 3001 or 3002 of the Bankruptcy Rules that asserts a Claim against or Interest in the Debtor.

1.79 Releasing Party means collectively: (a) all holders of Claims that vote to accept or are presumed to accept the Plan; (b) all holders of Claims that abstain from voting on the Plan and who do not affirmatively opt out of the releases provided by the Plan by checking the box on the applicable form indicating that they opt not to grant the releases provided in the Plan in accordance with the procedures set forth in the Solicitation Procedures Order; (c) all holders of Claims and Interests that vote to reject the Plan or are deemed to reject the Plan and who do not affirmatively opt out of the releases provided by the Plan by checking the box on the applicable form indicating that they opt not to grant the releases provided in the Plan in accordance with the procedures set forth in the Solicitation Procedures Order; and (d) with respect to the Debtor and each of the foregoing Entities in clauses (a) through (c), such Entity and its current and former affiliates, and such Entities' and their current and former affiliates' current and former directors, managers, officers, equity holders (regardless of whether such interests are held directly or indirectly), interest holders, predecessors, successors, and assigns.

1.80 Representative means, with respect to any specified Entity, any current or former officer, director, employee, agent, attorney, accountant, financial advisor, expert, consultant, or other representative of any specified Entity.

1.81 Schedules means the schedules of assets and liabilities and the statements of financial affairs of Hopeman as filed with the Bankruptcy Court by Hopeman after the Petition Date in accordance with section 521 of the Bankruptcy Code and Bankruptcy Rule 1007, as such schedules and statements may be amended or supplemented from time to time.

1.82 Secured Claim means a Claim that is: (a) secured by a valid, duly perfected, non-avoidable security interest in the interest of Hopeman in property, to the extent of the value, as of the Effective Date or such other date as is established by the Bankruptcy Court, of such claimholder's interest in Hopeman's interest in such property, as determined by a Final Order of the Bankruptcy Court pursuant to section 506(a) of the Bankruptcy Code or as otherwise agreed in writing by Hopeman and the claimholder; or (b) secured by the amount of any valid, non-avoidable rights of setoff of the holder thereof under section 553 of the Bankruptcy Code.

1.83 Settling Asbestos Insurance Entity means any Asbestos Insurance Entity that is a party to an Approved Asbestos Insurance Settlement Agreement.

1.84 Settling Asbestos Insurance Entity Asbestos PI Trust Contribution means the amount a Settling Asbestos Insurance Entity is to pay to the Debtor or the Liquidation Trust in accordance with the terms of the Approved Asbestos Insurance Settlement Agreement to which it is a party.

1.85 Solicitation Procedures Order means the Order of the Bankruptcy Court approving the Disclosure Statement as containing adequate information within the meaning of section 1125 of the Bankruptcy Code and approving the method of solicitation of votes on the Plan.

1.86 Trust Advisory Committee means the advisory committee established pursuant to the terms of the Plan and the Trust Agreement for the Liquidation Trust.

1.87 Trust Agreement means the agreement, to be dated as of the Effective Date, by and among the Debtor, the Liquidation Trustee, and the Trust Advisory Committee, in substantially the form attached hereto as Exhibit A, as it may be modified from time to time.

1.88 Trust Assets means, collectively, (a) the Hopeman Asbestos PI Trust Contribution, (b) the Settling Asbestos Insurance Entity Asbestos PI Trust Contribution, except to the extent a portion of such monies shall be used to fund the Wind-Down Reserve and make any other payments required pursuant to this Plan, and (c) all Excess Cash.

1.89 Trust Claim means a Claim of a holder of an Asbestos PI Claim against the Asbestos Trust.

1.90 Trust Distribution Procedures means the trust distribution procedures for the Liquidation Trust, in substantially the form attached hereto as Exhibit B, and such additional procedures as subsequently may be adopted by the Liquidation Trust pursuant to the terms of the Trust Agreement, which shall provide for the resolution, liquidation, and satisfaction of Asbestos PI Claims.

1.91 Trust Documents means, collectively: (a) the Trust Agreement; (b) the Trust Distribution Procedures; and (c) any other agreements, instruments, and documents governing the establishment and administration of the Liquidation Trust, as the same may be amended or modified from time to time, in accordance with the terms thereof.

1.92 Trust Expense means any of the liabilities, fees, costs, or expenses incurred by the Liquidation Trust (other than liabilities to holders of Asbestos PI Claim) in carrying out the terms of the Trust Agreement.

1.93 Unimpaired means, when used with respect to a Claim or an Interest, any Claim or Interest that is not Impaired.

1.94 United States Trustee means the United States Trustee appointed under section 591 of title 28 of the United States Code to serve in the Eastern District of Virginia.

1.95 United States Trustee Fees means the fees payable to the United States Trustee in accordance with 28 U.S.C. § 1930.

1.96 Wind Down Reserve means a fund to be established by the Debtor on the Effective Date in an amount sufficient (to be disclosed in the Plan Supplement) to fund all actions necessary or appropriate to fully administer and wind-down the Debtor's Estate, to seek entry of the Final Decree and close the Chapter 11 Case, and to dissolve and cancel the Debtor's corporate existence, including, without limitation, the payment of the Debtor's post-Effective Date fees and expenses relating to the foregoing.

B. Interpretation; Application of Definitions and Rules of Construction.

Unless otherwise specified, all Article, schedule or exhibit references in the Plan are to the respective Article of or schedule or exhibit to the Plan or the Plan Supplement, as the same may be amended or modified from time to time. The words “herein,” “hereof,” “hereto,” “hereunder,” and other words of similar import refer to the Plan as a whole and not to any particular Article, subsection or clause. With respect to a distribution under the Plan, “on” a date means on or as soon as reasonably practical thereafter. A term used but not defined herein shall have the meaning ascribed to that term in the Bankruptcy Code. The rules of construction contained in section 102 of the Bankruptcy Code shall apply to the construction of the Plan. The headings in the Plan are for convenience of reference only and shall not limit or otherwise affect the provisions hereof.

C. References to Monetary Figures.

All references in the Plan to monetary figures shall refer to legal tender of the United States of American, unless otherwise expressly provided.

D. Controlling Document.

In the event of an inconsistency between the terms and provisions in the Plan (without reference to the Plan Supplement) and the terms and provisions in the Disclosure Statement, the Plan Supplement, any other instrument or document created or executed pursuant to the Plan or any order (other than the Confirmation Order) referenced in the Plan (or any exhibits, schedules, appendices, supplements or amendments to any of the foregoing), the Plan (without reference to the Plan Supplement) shall govern and control; *provided*, that notwithstanding anything herein to the contrary, in the event of a conflict between the Confirmation Order, on the one hand, and the Plan or any of the instruments in the Plan Supplement, on the other hand, the Confirmation Order shall govern and control in all respects.

**ARTICLE II
ADMINISTRATIVE EXPENSE AND PRIORITY TAX CLAIMS**

2.1. Administrative Expense Claims.

(a) Filing Administrative Expense Claims. The holder of an Administrative Expense Claim, other than (a) a Claim covered by Section 2.3 hereof, (b) a liability incurred and payable in the ordinary course of business by the Debtor after the Petition Date, or (c) an Administrative Expense Claim that has been Allowed and/or paid in full on or before the Effective Date, must file and serve on Hopeman a request for payment of such Administrative Expense Claim pursuant to section 503(a) of the Bankruptcy Code so that it is received no later than the Administrative Expense Claim Bar Date. Holders required to file and serve but who fail to file and serve a request for payment of Administrative Expense Claims by the Administrative Expense Claim Bar Date shall be forever barred from asserting such Administrative Expense Claims against the Debtor and its property, and such Administrative Expense Claims shall be deemed waived and released as of the Effective Date. Notwithstanding the foregoing, pursuant to section 503(b)(1)(D) of the Bankruptcy Code, no governmental unit shall be required to file a request for payment of any Administrative Expense Claim of a type described in sections 503(b)(1)(B) or 503(b)(1)(C) of the Bankruptcy Code as a condition to such Claim being Allowed.

(b) Allowance of Administrative Expense Claims. An Administrative Expense Claim, with respect to which a request for payment has been properly and timely filed pursuant to Section 2.2(a), shall become an Allowed Administrative Expense Claim if no objection to such request is filed with the Bankruptcy Court and served on Hopeman and the requesting party on or before the thirtieth (30th) calendar day after the Administrative Expense Claim Bar Date, as the same may be modified or extended from time to time by order of the Bankruptcy Court. If an objection is timely filed, the Administrative Expense Claim shall become an Allowed Administrative Expense Claim only to the extent Allowed by a Final Order or as such Claim is settled, compromised, or otherwise resolved pursuant to Article VII.

(c) Payment of Allowed Administrative Expense Claims. Except to the extent that an Administrative Expense Claim already has been paid during the Chapter 11 Case or the holder of an Allowed Administrative Expense Claim agrees to less favorable treatment, and except as provided in Section 2.3, each holder of an Allowed Administrative Expense Claim against Hopeman shall receive, in full and complete settlement, release, and discharge of such Claim, Cash equal to the unpaid amount of such Allowed Administrative Expense Claim on the latest of (i) the Effective Date or as soon thereafter as reasonably practicable; (ii) the first Business Day that is at least thirty (30) calendar days after the date on which such Administrative Expense Claim becomes Allowed; and (iii) such other date as may be agreed to by such holder and Hopeman or as otherwise ordered by the Bankruptcy Court; *provided, however,* that Allowed Administrative Expense Claims (other than a Claim covered by Section 2.2) representing liabilities incurred in the ordinary course of business by Hopeman, as debtor in possession, may be paid by Hopeman, as applicable, in the ordinary course of business, consistent with past practice and in accordance with the terms and subject to the conditions of any agreements governing, instruments evidencing, or other documents relating to such transactions.

2.2. Professional Fees.

(a) Final Fee Applications. Each Professional requesting compensation pursuant to section(s) 327, 328, 330, 331, 363, 503(b), or 1103 of the Bankruptcy Code for services rendered in connection with the Chapter 11 Case before the Effective Date shall (a) file with the Bankruptcy Court, and serve on the Debtor, an application for allowance of final compensation and reimbursement of expenses in the Chapter 11 Case on or before the date that is forty-five (45) calendar days after the Effective Date, and (b) after notice and a hearing in accordance with the procedures established by the Bankruptcy Code and the Bankruptcy Rules and any prior orders of the Bankruptcy Court in the Chapter 11 Case, be paid by Hopeman, in Cash, in such amounts as are Allowed by the Bankruptcy Court (i) no later than thirty (30) calendar days after the date upon which the order relating to any such Allowed Claim is entered or (ii) upon such other terms as may be mutually agreed upon between the holder of such an Allowed Claim and Hopeman or as otherwise ordered by the Bankruptcy Court.

(b) Post-Effective Date Fees and Expenses. From and after the Effective Date, Hopeman and/or the Liquidation Trustee, as applicable, may, upon submission of appropriate documentation and in the ordinary course of business, pay the post-Effective Date charges incurred by Hopeman or the Liquidation Trustee, as applicable, for any Professional's fees, disbursements, expenses, or related support services without application to or approval from the Bankruptcy Court. On the Effective Date, any requirement that Professionals comply with sections 327 through

331 and 1103 of the Bankruptcy Code in seeking retention or compensation for services rendered after such date shall terminate, and Hopeman may employ and pay any Professional for fees and charges incurred from and after the Effective Date in the ordinary course of business without any notice to or approval from the Bankruptcy Court. For the avoidance of doubt, the Liquidation Trustee may employ and pay any Professionals for fees and charges incurred pertaining to the Trust pursuant to the terms of the Trust Agreement.

2.3. Priority Tax Claims. Except to the extent that the holder of an Allowed Priority Tax Claim has been paid by Hopeman prior to the Effective Date or agrees to less favorable treatment, each holder of an Allowed Priority Tax Claim shall receive, in full and complete settlement, release, and discharge of such Claim, Cash in an amount equal to the unpaid portion of such Allowed Priority Tax Claim, on the latest of (i) the Effective Date, (ii) thirty (30) days after the date such Priority Tax Claim becomes an Allowed Claim, or as soon thereafter as is practicable, and (iii) the date such Allowed Priority Tax Claim becomes due and payable under applicable non-bankruptcy law.

**ARTICLE III
CLASSIFICATION OF CLAIMS AND INTERESTS**

Pursuant to section 1122 of the Bankruptcy Code, set forth below is a designation of classes of Claims against and Interests in Hopeman.

3.1. Classification. The categories of Claims and Interests listed below, other than Administrative Expense Claims (including Administrative Claims of Professionals) and Priority Tax Claims, are classified for all purposes, including voting, confirmation, and distribution pursuant to the Plan, as follows:

Class	Designation	Impairment	Entitled to Vote
Class 1	Priority Non-Tax Claims	Unimpaired	No (presumed to accept)
Class 2	Secured Claims	Unimpaired	No (presumed to accept)
Class 3	General Unsecured Claims	Impaired	Yes
Class 4	Asbestos PI Claims	Impaired	Yes
Class 5	Interests in Hopeman	Impaired	No (deemed to reject)

**ARTICLE IV
TREATMENT OF CLASSIFIED CLAIMS AND INTERESTS**

4.1. Class 1 – Priority Non-Tax Claims.

(a) Classification. Class 1 consists of all Priority Non-Tax Claims.

(b) Treatment. Except to the extent that the holder of an Allowed Priority Non-Tax Claim agrees to less favorable treatment, each holder of an Allowed Priority Non-Tax Claim shall receive, in full and complete settlement, release, and discharge of, and in exchange for, such Allowed Priority Non-Tax Claim, Cash in an amount equal to the Allowed amount of such Claim on the later of (i) the Effective Date, and (ii) the date on which such Claim becomes Allowed, or, in each case, as soon as reasonably practicable thereafter.

(c) Impairment and Voting. Class 1 is Unimpaired under the Plan. Each holder of a Priority Non-Tax Claim is conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code and, accordingly, is not entitled to vote to accept or reject the Plan.

4.2. Class 2 - Secured Claims.

(a) Classification. Class 2 consists of all Secured Claims.

(b) Treatment. Except to the extent that the holder of an Allowed Secured Claim agrees to less favorable treatment, on the Effective Date or as soon as reasonably practicable thereafter, each holder of an Allowed Secured Claim shall receive, at the option of the Debtor, and in full and complete settlement, release, and discharge of, and in exchange for, such Claim (i) payment in full in Cash; (ii) the collateral securing such Allowed Secured Claim; or (iii) other treatment rendering such Claim Unimpaired.

(c) Impairment and Voting. Class 2 is Unimpaired under the Plan. Each holder of a Secured Claim is conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code and, accordingly, is not entitled to vote to accept or reject the Plan.

4.3. Class 3 - General Unsecured Claims.

(a) Classification. Class 3 consists of all General Unsecured Claims.

(b) Treatment. Except to the extent that the holder of an Allowed General Unsecured Claim agrees to less favorable treatment, each holder of an Allowed General Unsecured Claim shall receive, in full and complete settlement, release, and discharge of, and in exchange for, such Allowed General Unsecured Claim, Cash in an amount equal to its Pro Rata share of the General Unsecured Recovery Pool.

(c) Distributions shall be made to holders of Allowed General Unsecured Claims from the General Unsecured Recovery Pool on the later of (i) the Effective Date or as soon as reasonably practicable thereafter; and (ii) the date that is thirty (30) days after the applicable holder's General Unsecured Claim becomes Allowed. Solely for purposes of calculating Distributions to holders of Allowed General Unsecured Claims, on the Effective Date, all Disputed General Unsecured Claims will be treated as though they are Allowed in the amounts asserted or as estimated by the Bankruptcy Court pursuant to section 502(c) of the Bankruptcy Code, and a reserve will be set aside for such Disputed General Unsecured Claims.

(d) Impairment and Voting. Class 3 is Impaired under the Plan. Each holder of a General Unsecured Claim is entitled to vote to accept or reject the Plan.

4.4. Class 4 - Asbestos PI Claims.

(a) Classification. Class 4 consists of all Asbestos PI Claims.

(b) Treatment. On the Effective Date, the liability for all Asbestos PI Claims shall automatically, and without further act, deed or court order, be transferred and assigned exclusively to and assumed by the Liquidation Trust in accordance with, and to the extent set forth in, Article VIII below, the applicable Plan Documents and the Confirmation Order. Each Asbestos PI Claim shall be resolved in accordance with the terms, provisions and procedures of the Trust Documents. The Liquidation Trust shall be funded in accordance with the provisions of Section 8.2(b) below. The sole recourse of the holder of an Asbestos PI Claim on account of such Asbestos PI Claim shall be through the Liquidation Trust in accordance with the Trust Distribution Procedures.

(c) Impairment and Voting. Class 4 is Impaired under the Plan. Each holder of an Asbestos PI Claim is entitled to vote to accept or reject the Plan.

4.5. Class 5 – Interests.

(a) Classification. Class 5 consists of all Interests.

(b) Treatment. All Interests will remain outstanding and will be cancelled when the existence of the Debtor is cancelled in accordance with Section 8.10 below. The holders of Interests shall receive no distribution under the Plan.

(c) Impairment and Voting. Class 5 is Impaired under the Plan. Holders of Interests are deemed to reject the Plan pursuant to section 1126(g) of the Bankruptcy Code and, accordingly, are not entitled to vote to accept or reject the Plan.

**ARTICLE V
DISTRIBUTIONS UNDER THE PLAN ON ACCOUNT
OF CLAIMS OTHER THAN ASBESTOS PI CLAIMS**

5.1. Distributions. Other than with respect to Distributions to be made to Asbestos PI Claims from the Liquidation Trust, Hopeman shall make all Distributions required to be made under the Plan as provided under this Article V. Except as otherwise provided herein, all Distributions to be made on account of Asbestos PI Claims shall be made in accordance with the terms of the Trust Documents.

5.2. Date of Distributions. Except as otherwise provided herein or in a Final Order of the Bankruptcy Court, any and all Distributions and deliveries to be made hereunder on account of Allowed Claims or Interests (other than Asbestos PI Claims) shall be made on the Effective Date or as soon thereafter as is practicable. In the event that any payment or act under the Plan is required to be made or performed on a date that is not a Business Day, then the making of such payment or the performance of such act may be completed on or as soon as reasonably practicable after the next succeeding Business Day, but shall be deemed to have been completed as of the required date. No interest shall accrue or be payable on the unpaid amount of any Distribution that is paid pursuant to the Plan.

5.3. Postpetition Interest on Claims. Unless expressly provided for in the Plan, the Plan Documents and the Confirmation Order, or any contract, instrument, release, settlement or other agreement entered into in connection with the Plan, or unless required by applicable bankruptcy law (including the fair and equitable rule), interest shall not accrue on or after the Petition Date on account of any Claim.

5.4. Means of Cash Payment. At the option of the Debtor, any Cash payment to be made hereunder may be made by a check or wire transfer or as otherwise required or provided in any applicable agreement.

5.5. Delivery of Distributions. Subject to Bankruptcy Rule 9010, all Distributions to any holder of an Allowed Claim or Interest shall be made at the address of such holder as set forth on the Schedules filed, as may be required, with the Bankruptcy Court, or on the Books and Records of Hopeman or its agents, or in a letter of transmittal, unless Hopeman has been notified in writing of a change of address.

If any holder's Distribution is returned as undeliverable, then no further Distributions to such holder shall be made unless and until Hopeman is notified of such holder's then-current address, at which time all missed Distributions shall be made to such holder without interest. A Cash Distribution that is not claimed by the expiration of ninety (90) days from the date that such Distribution was made shall be deemed unclaimed property under section 347(b) of the Bankruptcy Code and shall, in the discretion of Hopeman, be used to satisfy the costs of administering and fully consummating the Plan or be transferred and delivered to the Liquidation Trust, and the Claim of any holder to such Distributions shall be discharged and forever barred. Nothing contained in the Plan shall require Hopeman to attempt to locate any holder of an Allowed Claim.

For the avoidance of doubt, except as otherwise provided herein, all distributions to be made on account of Asbestos PI Claims shall be made in accordance with the terms of the Trust Documents.

5.6. Time Bar to Cash Payments. Checks issued by Hopeman in respect of Distributions on Allowed Claims shall be null and void if not presented for payment within sixty (60) days after the date of issuance thereof. Requests for reissuance of any check shall be made in writing to Hopeman by the holder of the Allowed Claim to whom such check originally was issued on or before thirty (30) days after the expiration of the sixty (60) day period following the date of issuance of such check. After expiration of the thirty (30) day period, all funds held on account of such void check shall, in the discretion of Hopeman, be used to satisfy the costs of administering and fully consummating the Plan or become property of the Liquidation Trust, and the Claim of any holder to such Distributions shall be discharged and forever barred. For the avoidance of doubt, except as otherwise provided herein, all distributions to be made on account of Asbestos PI Claims shall be made in accordance with the terms of the Trust Documents.

5.7. Record Date for Holders of Claims. Except as otherwise provided in a Final Order of the Bankruptcy Court, the transferees of Claims that are transferred pursuant to Rule 3001 of the Bankruptcy Rules on or prior to the Distribution Record Date shall be treated as

the holders of such Claims for all purposes, notwithstanding that any period provided by Rule 3001 for objecting to such transfer has not expired by the Distribution Record Date.

5.8. Distributions after Effective Date. Distributions made after the Effective Date shall be deemed to have been made on the Effective Date. No interest shall accrue or be payable on such Distributions. Except as otherwise provided herein, all distributions to be made on account of Asbestos PI Claims shall be made in accordance with the terms of the Trust Documents.

5.9. Minimum Distributions; Fractional Cents. Notwithstanding any other provision in the Plan to the contrary, no Distribution will be made to any holder of a General Unsecured Claim for which the Allowed Amount is less than \$50.00, and no payment of fractional cents will be made pursuant to the Plan. Whenever any payment of a fraction of a cent under the Plan would otherwise be required, the actual Distribution made will reflect a rounding of such fraction to the nearest whole penny (up or down), with fractions of more than half a penny being rounded up and fractions of half a penny or less being rounded down.

5.10. Setoff. Hopeman may, but shall not be required to, set off against any Claim (for purposes of determining the Allowed Amount of such Claim on which Distribution shall be made), any claims of any nature whatsoever that Hopeman may have against the holder of such Claim, and the failure to do so shall not constitute a waiver or release by Hopeman of any such Claims that Hopeman may have against the holder of such Claim.

ARTICLE VI TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

6.1. General Treatment. As of the Effective Date, all Executory Contracts to which Hopeman is a party are hereby rejected, except for any Executory Contract that (a) has previously been rejected pursuant to a Final Order of the Bankruptcy Court, (b) is the subject of a separate rejection motion filed by the Debtor under section 365 of the Bankruptcy Code before the Confirmation Date, (c) is an Asbestos Insurance Policy, or (d) is a Non-Asbestos Insurance Policy. The Confirmation Order shall constitute the Bankruptcy Court's approval of the rejection of the contracts and leases rejected hereby.

For the avoidance of doubt, none of the Asbestos Insurance Policies or the Non-Asbestos Insurance Policies are being rejected, altered, or otherwise modified pursuant to this Plan and all parties' respective rights, duties, defenses, obligations, and liabilities thereunder are hereby preserved, except to the extent of an Asbestos Insurance Policy that is the subject of and only to the extent contemplated by and provided for in an Approved Asbestos Insurance Settlement Agreement and only to the extent approved pursuant to the entry of an order by the Bankruptcy Court or the District Court.

In addition, nothing in the Plan, any Plan Supplement, or any other document related to or made as an exhibit to the Plan is intended to or shall limit the right of any Asbestos Insurance Entity or Non-Asbestos Insurance Entity to assert any insurance coverage defense available under the applicable Asbestos Insurance Policy to any Asbestos PI Claim, or the applicable Non-Asbestos

Insurance Policy to any non-Asbestos PI Claim, as appropriate, asserted against the Debtor or administered by the Liquidation Trust.

6.2. Bar to Rejection Damages. In the event that the rejection of an Executory Contract by Hopeman pursuant to the Plan results in damages to the non-Debtor party or parties to such Executory Contract, a claim for such damages shall be forever barred and shall not be enforceable against Hopeman or its properties or interests in property, unless a Proof of Claim with respect to such damages is filed with the Bankruptcy Court and served upon counsel for Hopeman no later than thirty (30) calendar days after the date of entry of an order by the Bankruptcy Court approving such rejection. Any Claim resulting from the rejection of an Executory Contract shall be treated as a General Unsecured Claim pursuant to the terms of the Plan.

6.3. Reservation of Rights. Neither the exclusion nor inclusion of any contract or lease by Hopeman on any exhibit, schedule, or other annex to the Plan or in the Plan Supplement, nor anything contained in the Plan, will constitute an admission by Hopeman that any such contract or lease is or is not in fact an Executory Contract or Unexpired Lease or that Hopeman has any liability thereunder. Nothing in the Plan will waive, excuse, limit, diminish, or otherwise alter any of the defenses, Claims, Causes of Action, or other rights of Hopeman under any executory or non-executory contract or any unexpired or expired lease. Nothing in the Plan will increase, augment, or add to any of Hopeman's duties, obligations, responsibilities, or liabilities under any executory or non-executory contract or any unexpired or expired lease.

ARTICLE VII PROCEDURES FOR RESOLVING AND TREATING DISPUTED CLAIMS OTHER THAN ASBESTOS PI CLAIMS

7.1. Disputed Claims. All Disputed Claims against Hopeman other than Asbestos PI Claims shall be subject to the provisions of this Article VII. All Asbestos PI Claims shall be resolved by the Liquidation Trust in accordance with the Trust Documents. All Asbestos PI Claims must be submitted solely to the Liquidation Trust for payment, and only the Liquidation Trust will have the right to object to and/or resolve Asbestos PI Claims.

7.2. Objection to Claims. Hopeman shall be entitled to file objections to Claims that have been or properly should have been brought in the Bankruptcy Court (other than Asbestos PI Claims), on or before the Bar Date and shall be authorized to settle, compromise, withdraw or litigate to judgment such objections without further approval of the Bankruptcy Court.

7.3. Payments and Distributions with Respect to Disputed Claims. Notwithstanding any other provision hereof, if any portion of a Claim (other than an Asbestos PI Claim) is a Disputed Claim, no payment or Distribution provided for herein shall be made on account of such Claim, unless and until such Claim becomes an Allowed Claim.

7.4. Estimation of Claims. Hopeman may at any time request that the Bankruptcy Court estimate any contingent, unliquidated or Disputed Claim (not including any Asbestos PI Claims) for any reason pursuant to section 502(c) of the Bankruptcy Code, regardless of whether Hopeman previously objected to such Claim or whether the Bankruptcy Court has ruled

on any such objection, and the Bankruptcy Court will retain jurisdiction to estimate such Claim at any time, including, without limitation, during the pendency of litigation concerning any objection to any Claim or of any appeal relating thereto. Claims (other than Asbestos PI Claims) may be estimated and subsequently compromised, settled, withdrawn or otherwise resolved by any mechanism approved by the Bankruptcy Court.

7.5. Preservation of Rights to Settle Claims. In accordance with section 1123(b) of the Bankruptcy Code, after the Effective Date, Hopeman shall retain and may enforce, sue on, settle, or compromise (or decline to do any of the foregoing) all Claims (other than Asbestos PI Claims), rights, causes of action, suits and proceedings, whether in law or in equity, whether known or unknown, that Hopeman or its estate may hold against any Entity, without the necessity for Bankruptcy Court approval under Bankruptcy Rule 9019.

ARTICLE VIII MEANS FOR IMPLEMENTATION OF THE PLAN

8.1. Generally. On the Confirmation Date, Hopeman shall be empowered and authorized to take or cause to be taken, prior to the Effective Date, all actions necessary to enable it to implement the provisions of the Plan, including, without limitation, the creation of the Liquidation Trust.

8.2. The Liquidation Trust.

(a) Creation of the Liquidation Trust. On the Effective Date, the Liquidation Trust shall be created in accordance with the Plan Documents and the Trust Documents. The Liquidation Trust is intended to constitute a “qualified settlement fund” within the meaning of section 468B of the Internal Revenue Code and the regulations issued thereunder. The purpose of the Liquidation Trust shall be to assume, liquidate, and resolve Asbestos PI Claims and to use the Trust Assets available for distribution to pay holders of Allowed Asbestos PI Claims in accordance with the terms of the Trust Documents, the Plan, and the Confirmation Order.

(b) Transfer of Trust Assets. On the Effective Date, any and all Trust Assets shall be transferred to and be vested in the Liquidation Trust, without further notice, deed, or order by the Bankruptcy Court; *provided, however*, that any Excess Cash shall not be transferred to the Liquidation Trust until after all Distributions required under the Plan have been made to holders of Allowed Non-Asbestos Claims or as soon as reasonably practicable thereafter; *provided further*, that, to the extent that certain Trust Assets, because of their nature or because they will accrue subsequent to the Effective Date, cannot be transferred to and vested in the Liquidation Trust on the Effective Date, such Trust Assets shall be transferred to and be vested in the Liquidation Trust as soon as practicable after the Effective Date.

(c) Vesting of Trust Assets. Upon the transfer of the Trust Assets to the Liquidation Trust, all right, title and interest in and to the Trust Assets, and any proceeds thereof, will be transferred to, and vested in, the Liquidation Trust, free and clear of all Claims, Demands, Interests, Encumbrances and other interests of any Entity without any further action of the Bankruptcy Court or any Entity, subject to other provisions of the Plan.

(d) Transfer of Asbestos Claims to the Liquidation Trust. On the Effective Date, all Asbestos PI Claims shall be transferred to and assumed by the Liquidation Trust. The Asbestos PI Claims shall be satisfied solely by the Trust Assets. The Liquidation Trust shall have no liability for any Claims other than Asbestos PI Claims, and no Claims other than Asbestos PI Claims shall be transferred to and assumed by the Liquidation Trust; *provided, however*, to the extent the Debtor does not have sufficient funds to satisfy Allowed Administrative Expense Claims under the Plan, the Liquidation Trust shall pay such claims from the Trust Assets.

(e) Liquidation Trust Expenses. The Liquidation Trust shall pay all Trust Expenses from the Trust Assets.

(f) Asbestos PI Claims-Related Books and Records. On the Effective Date, or as soon as reasonably practicable thereafter, Hopeman will reasonably make available to the Liquidation Trustee and its advisors and effectuate the transfer of all of the Books and Records to the Liquidation Trust, *provided, that* the costs of such transfer shall be borne by the Liquidation Trust. The Liquidation Trustee shall be authorized to abandon or destroy the Books and Records, in his or her discretion, that are no longer necessary to administer the Liquidation Trust without further notice to or order of the Bankruptcy Court.

(g) Indemnification. The Liquidation Trust shall, pursuant to the terms of the Trust Agreement, indemnify and hold harmless the Asbestos Protected Parties for any liability or alleged liability arising out of, or resulting from, or attributable to, an Asbestos PI Claim, including fines and penalties resulting from the Liquidation Trust's failure to comply with Section 8.4 of the Plan or the Trust Agreement. Indemnification claims arising under this Section 8.2(g) will not be subject to the Trust Distribution Procedures.

(h) Release. As a condition to making any payment to a holder of an Asbestos PI Claim, the Liquidation Trust shall obtain a release (i) of all of such holder's Asbestos PI Claims against the Debtor, each Asbestos Protected Party, and the Liquidation Trust, and (ii) that verifies that such holder 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), or any related rules or regulations, or guidance in connection with, or relating to, the applicable Asbestos PI Claim(s) of holder's. The form of such release shall be approved by the Debtor, with such approval not to be unreasonably withheld. The form of such release shall be attached to the Trust Distribution Procedures.

8.3. Management of the Liquidation Trust.

(a) Appointment of the Liquidation Trustee. The initial Liquidation Trustee shall be identified in the Plan Supplement. All subsequent Liquidation Trustees shall be appointed in accordance with the terms of the Trust Agreement. The Confirmation Order shall constitute an order of the Bankruptcy Court appointing the initial Liquidation Trustee. The Liquidation Trustee shall have the functions, duties and rights provided in, and shall serve in accordance with, the Trust Agreement. The Liquidation Trustee also shall make the distributions contemplated by this Plan to holders of Allowed Asbestos PI Claims in accordance with the Trust Agreement and the related Trust Distribution Procedures. For purposes of performing the duties and fulfilling the obligations under the Trust Agreement and the Plan, the Liquidation Trustee shall be deemed to be a party in interest within the meaning of section 1109(b) of the Bankruptcy Code.

(b) Appointment of Trust Advisory Committee Members. The initial members of the Trust Advisory Committee shall be identified in the Plan Supplement. The Confirmation Order shall constitute an order of the Bankruptcy Court appointing the initial members of the Trust Advisory Committee. The Trust Advisory Committee shall have the functions, duties, and rights provided in, and shall serve in accordance with, the Trust Agreement. The Trust Advisory Committee shall remain in place and oversee the Liquidation Trustee, in accordance with the terms of the Trust Agreement, until the Trust has terminated in accordance with the terms of the Trust Agreement and no longer has any Trust Assets. Successor members of the Trust Advisory Committee will be appointed as provided in the Trust Agreement.

8.4. Liquidation Trust Compliance with Documentation Requirements.

The Trust Distribution Procedures shall specifically provide for a form of release attached thereto as Exhibit B, to be executed by each holder of an Asbestos PI Claim as a condition of, and prior to, payment of such holder.

With respect to any payment made for an Asbestos PI Claim, the Trust Agreement shall provide that the Liquidation Trust will perform any actions and make any filings that may be required by Hopeman for timely compliance with all requirements of the Medicare Secondary Payer Act, 42 U.S.C. § 1395y *et seq.*, or any other similar statute or regulation, 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 another similar statute or regulation and any related rules, regulations, or guidance issued or amendments or amendatory statutes passed in connection therewith (“MMSEA”). Such performance by the Liquidation Trust shall continue regardless of dissolution or other termination of the existence of Hopeman.

The Liquidation Trust’s obligations to each Settling Asbestos Insurance Entity with respect to the statutes referenced in the foregoing paragraph, including as to reporting, indemnity, and certification by holders of Asbestos PI Claims as to payment resolution of obligations under such statutes, will be set forth in the Trust Agreement and the Trust Distribution Procedures.

The Trust Agreement may provide for retention of a qualified third-party service provider to perform any actions required for timely compliance with MSP and/or MMSEA.

8.5. Institution and Maintenance of Legal and Other Proceedings. As of the Effective Date, the Liquidation Trust shall be empowered to initiate, prosecute, defend, settle, and resolve all legal actions and other proceedings related to any asset (including the Trust Assets), liability, or responsibility of the Liquidation Trust. The Liquidation Trust shall be responsible for payment of all damages, awards, judgments, settlements, expenses, costs, fees, and other charges incurred subsequent to the Effective Date arising from or associated with any legal action or other proceeding that is the subject of this Section 8.5. To facilitate the powers granted to the Liquidation Trust herein, the Liquidation Trust may initiate legal actions in the name of “Hopeman Brothers, Inc.” Notwithstanding anything to the contrary in this Section 8.5, nothing in this Section creates, modifies, or eliminates any right, duty, or obligation addressed, resolved, or released pursuant to this Plan.

8.6. Excess Trust Assets. After the payment in full of all Allowed Asbestos PI Claims in accordance with the Trust Distribution Procedures and payment in full of all expenses of the Liquidation Trust, the Liquidation Trustee, in its discretion and after consultation with the TAC, and to the extent sufficient monies remain in the Liquidation Trust to warrant a subsequent distribution on a pro rata basis to holders of Allowed Asbestos PI Claims, may make supplemental distributions in accordance with the Trust Distribution Procedures. Following any subsequent distribution(s) made by the Liquidation Trust to holders of Allowed Asbestos PI Claims in accordance with the Trust Distribution Procedures, if any, to the extent there are monies remaining in the Liquidation Trust that are, in the opinion of the Liquidation Trustee after consultation with the TAC, insufficient to make another distribution to holders of Allowed Asbestos PI Claims on a pro rata basis, such monies shall be transferred to one or more charities qualified under section 501(c)(3) of the Internal Revenue Code, which are to be determined by the Liquidation Trustee using his or her reasonable discretion; *provided, however*, that if practicable, the tax-exempt organization(s) shall be related to the treatment of, research on, or the relief of suffering of individuals with asbestos-related disorders.

8.7. Additional Support of Consummation. In the event the Debtor's funds are insufficient to enable consummation of the Plan, the Debtor may use proceeds of any Approved Asbestos Insurance Settlement Agreement to consummate the Plan, as provided for in the applicable Approved Asbestos Insurance Settlement Agreement.

8.8. Establishment of Wind Down Reserve. On or before the Effective Date, from Cash on hand at the time thereof, the Debtor shall establish the Wind Down Reserve. The Wind Down Reserve shall be used to fund all actions necessary or appropriate to fully administer and wind-down the Debtor's Estate, to seek entry of the Final Decree and close the Chapter 11 Case, and to dissolve and cancel the Debtor's corporate existence, including, without limitation, the payment of the Debtor's post-Effective Date fees and expenses relating to the foregoing. The Wind Down Reserve shall be held and administered by the Debtor. At any point after the Effective Date, to the extent that any funds remain in the Wind Down Reserve after payment of all fees and costs to be paid from the Wind Down Reserve pursuant to the Plan, such excess funds shall be considered Excess Cash and be transferred to the Liquidation Trust.

8.9. Corporate Action. On the Effective Date, all actions contemplated by the Plan or that are necessary to implement the provisions of the Plan shall be deemed authorized, approved, and, to the extent taken prior to the Effective Date, ratified in all respects without the need for any further corporate action, including, to the extent applicable, (a) the creation of the Liquidation Trust, (b) the rejection of Executory Contracts and Unexpired Leases, (c) the cancellation of the Debtor's corporate existence, and (d) all other acts or actions contemplated or reasonably necessary or appropriate to consummate the Plan (whether to occur before, on, or after the Effective Date).

8.10. Cancellation of Corporate Existence. As soon as reasonably practicable following the Effective Date, the satisfaction of all Allowed Claims (other than Asbestos PI Claims), and the transfer of all Trust Assets to the Liquidation Trust, in each case pursuant to the terms of the Plan, and upon notice filed with the Court, Hopeman shall dissolve without the need for any further action or filing, including the filing of any documents with any state or local agency in Virginia or any other jurisdiction. For the avoidance of doubt, Hopeman is authorized to

abandon or destroy any of its records and materials not constituting the Books and Records to be transferred to the Liquidation Trust in accordance with Section 8.2(f) of this Plan without further notice to or order of the Bankruptcy Court. The Liquidation Trust shall be authorized to reinstate Hopeman's corporate existence if the Liquidation Trust determines, in its sole discretion, that such reinstatement is necessary in order to enforce any Asbestos Insurance Rights as to Asbestos PI Claims and/or to seek recovery under any Asbestos Insurance Policy, consistent with the terms of this Plan. In the event of such reinstatement, the Liquidation Trust shall control Hopeman for all purposes.

8.11. Effectuating Documents; Further Transactions. Any officer or director of Hopeman shall be, and hereby is, authorized to execute, deliver, file, and record such contracts, instruments, releases, indentures, certificates, and other agreements or documents, and take such other actions as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan. The President of Hopeman is hereby authorized to certify or attest to any of the foregoing, if necessary.

8.12. Authority of Liquidation Trust to Petition for Final Decree. If Hopeman's corporate existence is cancelled prior to filing a motion for the Final Decree, the Liquidation Trustee shall have authority to petition for the Final Decree and to take all actions that are necessary and appropriate to secure entry of the Final Decree and close this Chapter 11 Case.

ARTICLE IX EFFECT OF CONFIRMATION

9.1. Compromise and Settlement. Pursuant to sections 105(a), 363(f), and 1123(b)(3) of the Bankruptcy Code and Bankruptcy Rule 9019, and in consideration for the Distribution and other benefits provided pursuant to the Plan, the provisions of the Plan shall constitute a good faith compromise of all Claims and Interests. To the extent not previously approved by the Bankruptcy Court, by motion or otherwise, the entry of the Confirmation Order shall constitute approval of the Asbestos Insurance Settlement Agreements and the settlements contemplated thereby, and the Bankruptcy Court's approval of the compromises or settlements of all Claims and Interests, as well as a finding by the Bankruptcy Court that such compromises or settlements are fair, equitable, reasonable and in the best interests of the Debtor, the Estate, and holders of Claims and Interests. To the extent not previously authorized by the Bankruptcy Court, by motion or otherwise, upon the entry of the Confirmation Order, the Debtor is authorized to take all actions necessary and appropriate to consummate the transactions and settlements contemplated thereby, including by the Asbestos Insurance Settlement Agreements.

9.2. Vesting. On the Effective Date, pursuant to section 1141(b) of the Bankruptcy Code, all property of the Estate of Hopeman (except the Trust Assets, which are being transferred to the Liquidation Trust and shall vest therein) shall vest in Hopeman, except as otherwise provided in the Plan, the Plan Documents, or the Confirmation Order.

9.3. Binding Effect. Subject to the occurrence of the Effective Date, on and after the Confirmation Date, the provisions of the Plan shall bind any holder of a Claim against, or Interest in, the Debtor, and such holder's respective successors and assigns, whether or not the

Claim or Interest of such holder is Impaired under the Plan and whether or not such holder has accepted the Plan.

9.4. Preservation of Certain Causes of Action; Defenses. Except as otherwise provided in the Plan, pursuant to section 1123(b) of the Bankruptcy Code, Hopeman shall retain and may enforce, sue on, settle, compromise, otherwise resolve, discontinue, abandon, or dismiss, or decline to do any of the foregoing with regard to, any and all Claims, rights, Causes of Action, suits, and proceedings, whether in law or in equity, whether known or unknown, accruing to or that are property of the Debtor or its Estate against any Entity without the approval of the Bankruptcy Court, including (i) any and all Claims against any Entity, to the extent such Entity asserts a cross-claim, counterclaim, and/or Claim for setoff which seeks affirmative relief against Hopeman or its Representatives; (ii) all defenses and counterclaims to all Claims asserted against Hopeman or the Estate, including, without limitation, setoff, recoupment, and any rights under section 502(d) of the Bankruptcy Code; and (iii) turnover of any property of the Estate. Hopeman or its successor(s) may pursue such retained Claims, rights, Causes of Action, suits, and proceedings, as appropriate, in accordance with the best interests of Hopeman or its successor(s) that hold such rights.

9.5. Effect of Confirmation on Approved Asbestos Insurance Settlement Agreements. Nothing in this Plan shall enlarge or diminish the rights of any Settling Asbestos Insurance Entity set forth in any Approved Asbestos Insurance Settlement Agreement. The Policy Injunction shall not be amended so as to affect the rights of a Settling Asbestos Insurance Entity without the written consent of the affected Settling Asbestos Insurance Entity.

9.6. Effect of Confirmation on Non-Settling Asbestos Insurance Entities and Non-Asbestos Insurance Entities. Except as may be limited by an order entered by the Bankruptcy Court or District Court (including the Confirmation Order), nothing in this Plan is intended to or shall enlarge or diminish, reduce, or eliminate the rights, duties, defenses, obligations and liabilities of any party, including, without limitation, Non-Settling Asbestos Insurance Entity or Non-Asbestos Insurance Entity pursuant to or in connection with an Asbestos Insurance Policy not previously settled or settled by this Plan or Non-Asbestos Insurance Policy, as applicable. The Debtor's rights to any Asbestos Insurance Policy or proceeds therefrom and any Non-Asbestos Insurance Policy or proceeds therefrom shall be transferred to the Liquidation Trust. To the extent not previously purchased by the Debtor, the Liquidation Trust shall purchase a six (6) year tail for any director and officer liability insurance maintained by the Debtor.

9.7. No Liability for Hopeman Claims. Neither Hopeman, the other Asbestos Protected Parties, nor the Liquidation Trust (except, as it relates to the Liquidation Trust, with respect to the Asbestos PI Claims) does, or shall be deemed to, assume, agree to perform, pay, or indemnify creditors for any liabilities or obligations of Hopeman relating to or arising out of the operations of, or assets of, Hopeman whether arising prior to or resulting from actions, events, or circumstances occurring or existing at any time prior to the Effective Date except that the Liquidation Trust shall assume its obligations specified in the Plan and Confirmation Order.

9.8. Dissolution of Official Committees; Creation of the Trust Advisory Committee. On the Effective Date, any statutory committee appointed in the Chapter 11 Case shall be dissolved automatically, whereupon its members, Professionals, and agents shall be

released from any further duties and responsibilities in the Chapter 11 Case and under the Bankruptcy Code, except with respect to applications for compensation by Professionals or reimbursement of expenses incurred as a member of an official committee and any motions or other actions seeking enforcement or implementation of the provisions of the Plan or the Confirmation Order or pending appeals of any other order entered in the Chapter 11 Case.

As provided in Article VIII above, the Confirmation Order shall provide for the establishment of the Liquidation Trust and for the appointment of the Trust Advisory Committee effective as of the Effective Date. Effective as of the Effective Date, the Trust Advisory Committee shall succeed to, and exclusively hold, the attorney-client privilege and any other privilege held by any statutory committee appointed during the pendency of this Chapter 11 Case and shall enjoy the work product protections that were applicable or available to such committee before its dissolution. Further, the Trust Advisory Committee shall be a party in interest on and after the Effective Date within the meaning of section 1109(b) of the Bankruptcy Code.

ARTICLE X EXCULPATION, INJUNCTIONS, RELEASES AND SETTLEMENT

10.1. Exculpation. *None of the Exculpated Parties shall have or incur any liability to any holder of a Claim or Interest, including, without limitation, the Asbestos PI Claims, for any act or omission in connection with, related to, or arising out of: (a) the Chapter 11 Case; (b) pursuit of confirmation of the Plan; (c) consummation of the Plan, or administration of the Plan or the property to be distributed under the Plan or the Trust Distribution Procedures; (d) the Plan; (e) the negotiation, formulation and preparation of the Plan and the Plan Documents; or (f) any of the terms and/or settlements and compromises approved by the Bankruptcy Court or reflected in the Plan and the Plan Documents; except for willful misconduct or gross negligence as determined by a Final Order. In all respects, the Exculpated Parties shall be entitled to rely on the advice of counsel and financial and other experts or professionals employed by them with respect to their duties and responsibilities in the Chapter 11 Case, and such reliance shall conclusively establish the absence of willful misconduct and gross negligence. In addition, any act or omission taken with the approval of the Bankruptcy Court shall be conclusively deemed not to constitute willful misconduct or gross negligence.*

10.2. General Injunction. *Except as otherwise expressly provided in this Plan or in the Confirmation Order, and except in connection with the enforcement of the terms of this Plan or any documents provided for or contemplated in this Plan, all Entities who have held, hold or may hold Claims against or Interests in the Debtor or the Estate that arose prior to the Effective Date are permanently enjoined from: (i) commencing or continuing in any manner, directly or indirectly, any action or other proceeding of any kind against the Debtor, or any property of the Debtor, with respect to any such Claim or Interest; (ii) the enforcement, attachment, collection or recovery by any manner or means, directly or indirectly, of any judgment, award, decree or order against the Debtor, or any property of the Debtor, with respect to any such Claim or Interest; (iii) creating, perfecting or enforcing, directly or indirectly, any lien or encumbrance of any kind against the Debtor, or any property of the Debtor, with respect to any such Claim or Interest; (iv) effecting, directly or indirectly, any setoff or recoupment of any kind against any obligation due to the Debtor, or any property of the Debtor, with respect*

to any such Claim or Interest, unless approved by the Bankruptcy Court; and (v) any act, in any manner, in any place whatsoever, that does not conform to or comply with the provisions of this Plan with respect to such Claim or Interest.

Nothing in this Section 10.2 shall (i) prohibit the Holder of an Asbestos PI Claim from asserting such Claim against the Liquidation Trust, (ii) prohibit the Liquidation Trust from taking any action with respect to any Asbestos Insurance Policies or any Asbestos Insurance Rights, or (iii) prohibit the Holder of a Disputed Claim from litigating its right to seek to have such Disputed Claim declared an Allowed Claim and paid in accordance with the distribution provisions of this Plan, or enjoin or prohibit the enforcement by the Holder of such Disputed Claim of any of the obligations of the Debtor under this Plan.

10.3. [RESERVED]

10.4. Policy Injunction. *Pursuant to sections 105(a) and 363(f) of the Bankruptcy Code, and to give further effect to the Approved Asbestos Insurance Settlement Agreements, the Confirmation Order shall contain an injunction permanently and forever prohibiting and enjoining the commencement, conduct, or continuation of any Claim (including a Direct Action Asbestos Claim and an Asbestos PI Claim), action or cause of action, whether known or unknown, present or future, the employment of process or any act to collect, recover from, or offset any Claim, known or unknown, present or future, against any Asbestos Protected Party based on, arising from, or attributable to, in any way, an Asbestos Insurance Policy settled pursuant to an Approved Asbestos Insurance Settlement Agreement, including (without limitation) any Claim released in an Approved Asbestos Insurance Settlement Agreement, whether such Asbestos Insurance Settlement Agreement is approved by the Bankruptcy Court pursuant to separate order previously entered or the Confirmation Order ; but such injunction pursuant to section 105(a) of the Bankruptcy Code shall not affect or modify the rights of any person who is insured, by agreement, under the express terms of any policy of insurance, except to the extent such rights were released or enjoined in an order previously entered by the Bankruptcy Court or the Confirmation Order that approved an Asbestos Insurance Settlement Agreement. For the avoidance of doubt, this Policy Injunction bars any Claim released in an Approved Asbestos Insurance Settlement Agreement, and any Claim otherwise barred or enjoined pursuant to the Confirmation Order or other order entered by the Bankruptcy Court, as to which a person asserts to be an insured on a third-party beneficiary theory or other similar theory or by virtue of having a judgment or Allowed Claim against the Debtor.*

The protection of the foregoing injunction includes, but is not limited to, any and all Claims that are based, in whole or in part, on the insurance relationship between the Settling Asbestos Insurance Entity and the Debtor arising from, attributable to, in any way, or under an Asbestos Insurance Policy subject to an Approved Asbestos Insurance Settlement Agreement, whether arising from statute, common law, or otherwise.

The injunctions provided for in Sections 10.2 and 10.4 are an integral part of the Plan and are essential to the Plan's consummation and implementation. In the event of a violation of any such injunctions, the Debtor, the Liquidation Trustee, and/or any Asbestos Protected Party, as applicable, may seek an order from the Bankruptcy Court enforcing the injunctions provided for herein and in the Confirmation Order and enjoining such violation and, in connection therewith,

may seek an award of costs (including reasonable attorneys' fees and expenses) against the Person or Entity who is found to have violated the applicable injunction(s), and such other legal or equitable remedies as are just and proper, after notice and a hearing.

10.5. Terms of Existing Injunction and Automatic Stay.

(a) All of the injunctions and/or stays in existence immediately prior to the Confirmation Date provided for in or in connection with the Chapter 11 Case, whether pursuant to section 105, 362 or any other provision of the Bankruptcy Code, the Bankruptcy Rules or other applicable law, shall remain in full force and effect until the injunctions set forth in the Plan become effective, and shall continue to remain in full force and effect thereafter as and to the extent provided herein or in the Confirmation Order.

(b) Each of the injunctions contained in this Plan or the Confirmation Order shall become effective on the Effective Date and shall continue in effect at all times thereafter unless otherwise provided herein or in the Confirmation Order. All actions of the type or nature of those to be enjoined by such injunctions shall be enjoined during the period between the Confirmation Date and the Effective Date. Additionally, on and after the Confirmation Date, the Debtor may seek such further orders as it may deem necessary or appropriate to preserve the status quo during the time between the Confirmation Date and the Effective Date.

10.6. Release of Avoidance Actions. As of the Effective Date, Hopeman hereby fully, finally, and forever releases, relinquishes, and discharges all Avoidance Actions and all other Claims and Causes of Action that it holds against any third parties solely as a result of its status as a Debtor in Possession. Nothing herein shall be deemed to release rights against a Non-Settling Asbestos Insurance Entity, a Non-Asbestos Insurance Entity, or rights preserved under Section 9.4 herein.

10.7. Debtor's Release of Directors and Officers. In addition to the protections afforded to former or current officers and directors of Hopeman as Asbestos Protected Parties, for good and valuable consideration, the Debtor hereby releases and waives any and all Claims or Causes of Action the Debtor holds against directors and officers of Hopeman based upon, attributable to, or arising from any acts or omissions of such officer or director occurring prior to the Effective Date.

10.8. Holders' Release of Hopeman's Directors and Officers. In addition to the protections afforded to former or current officers and directors of Hopeman as Asbestos Protected Parties, the acceptance of any Distribution by a Releasing Party as it pertains to its Claim against Hopeman, and, with respect to Asbestos PI Claims, the acceptance by a Releasing Party of payment from the Liquidation Trust, will constitute a waiver and release of any and all Causes of Action that such holder, including the Liquidation Trust and any holder of an Asbestos PI Claim, did commence or could have commenced against any former or current officer or director of Hopeman (serving in such capacity) that is based upon, attributable to, or arising from any acts or omissions of such officer or director occurring prior to the Effective Date.

10.9. Compromise and Settlement of Claims and Interests. Pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, and in consideration of the Distributions

and other benefits provided under the Plan, the provisions of the Plan shall, on the Effective Date, constitute a compromise and settlement of all claims and controversies relating to the rights that a holder of a Claim or Interest may have against the Debtor with respect to any Claim, Interest, or Distribution on account thereof, as well as all potential Causes of Action against the Debtor. The entry of the Confirmation Order will constitute the Bankruptcy Court's approval of such compromise and settlement and the Bankruptcy Court's finding that such compromise and settlement are (i) in the best interest of the Debtor, the Estate, and holders of Claims and Interests; and (ii) fair, equitable, and reasonable.

10.10. No Discharge. For the avoidance of doubt, the Plan does not result in the Debtor receiving a discharge pursuant to section 1141(d)(3) of the Bankruptcy Code.

**ARTICLE XI
CONDITIONS PRECEDENT TO CONFIRMATION
AND CONSUMMATION OF THE PLAN**

11.1. Conditions Precedent to Confirmation of the Plan. The following are conditions precedent to confirmation of the Plan that must be satisfied, unless waived in accordance with Section 11.3 below:

(a) The Confirmation Order shall have been entered by the Bankruptcy Court and/or the District Court and be acceptable in form and substance to Hopeman;

(b) The Confirmation Order shall, among other things:

(i) order that the Confirmation Order shall supersede any Bankruptcy Court orders issued prior to the Confirmation Date that may be inconsistent with the Confirmation Order;

(ii) to the extent not previously approved by the Bankruptcy Court, approve any applicable Asbestos Insurance Settlement Agreements;

(iii) provide for the General, Asbestos, and Policy Injunctions;

(iv) provide that Hopeman shall make the Hopeman Asbestos PI Trust Contribution to the Liquidation Trust;

(v) provide that, subject to the limitations expressly set forth in Section 9.5 above, all transfers of assets of Hopeman contemplated under the Plan shall be free and clear of all Claims and Encumbrances against or on such assets;

(vi) authorize the implementation of the Plan in accordance with its terms and provide that, on the Effective Date, all of the transactions listed in Section 8.2 shall occur, as set forth therein;

(vii) provide that any transfers effected or entered into, or to be effected or entered into, under the Plan shall be and are exempt under section 1146(a) of the

Bankruptcy Code from any state, city or other municipality transfer taxes, mortgage recording taxes and any other stamp or similar tax;

(viii) provide that notwithstanding the other injunctions issued in connection with the Plan, the automatic stay of section 362(a) of the Bankruptcy Code shall continue in effect until the first anniversary of the Effective Date;

(ix) ratify all releases provided in each Approved Asbestos Insurance Settlement Agreement;

(x) incorporate by reference all previously issued orders approving an Asbestos Insurance Settlement Agreement and provide that nothing in the Plan or the Confirmation Order is intended to modify or limit such orders;

(xi) approve in all respects the other settlements, transactions and agreements to be effected pursuant to the Plan, including, without limitation, the Trust Agreement, the Trust Distribution Procedures, and the other Trust Documents; and

(xii) provide that, subject to the consent of the Liquidation Trustee (such consent to not be unreasonably withheld), Hopeman is authorized and directed to file any and all documents, and to take any other actions that may be necessary and appropriate to cancel its corporate existence within thirty (30) days after it has paid or otherwise satisfied all Allowed Claims (other than Asbestos PI Trust Claims) and completed its transfer of all Trust Assets to the Liquidation Trust, each in accordance with the Plan; and (xi) provide that, if Hopeman's corporate existence has been cancelled prior to filing a motion for Final Decree, the Liquidation Trust is authorized to move for the Final Decree and to take all actions that are necessary and appropriate to secure entry of the Final Decree and close this Chapter 11 Case.

(c) In addition to the foregoing, the Confirmation Order shall contain the following findings of fact and conclusions of law, among others:

(i) The Plan complies with all applicable provisions of the Bankruptcy Code, including, without limitation, those requiring that the Plan was proposed in good faith and that the Confirmation Order was not procured by fraud;

(ii) To the extent not previously approved by the Bankruptcy Court, any applicable Asbestos Insurance Settlement Agreements are approved and are fair equitable, reasonable and in the best interests of the Debtor, the Estate, and holders of Claims and Interests;

(iii) The Liquidation Trust is to be funded by the Trust Assets;

(iv) The Liquidation Trust is to use its assets and income to pay Asbestos PI Claims and make any other payments contemplated by the Plan;

(v) The Plan separately classifies General Unsecured Claims and Asbestos PI Claims, and at least two-thirds (2/3) in amount and more than fifty (50%) percent of the persons voting in at least one of those Classes that voted on the Plan have voted to accept the Plan;

(vi) The Plan and its acceptance otherwise comply with section 1126 of the Bankruptcy Code, and confirmation of the Plan is in the best interests of all creditors;

(vii) The Liquidation Trust will have the sole and exclusive authority as of the Effective Date to resolve all Asbestos PI Trust Claims;

(viii) The assignment by Hopeman to the Liquidation Trust of the Asbestos Insurance Rights is valid and binding in accordance with the provisions of the Bankruptcy Code;

(ix) The rights, duties, defenses, obligations and liabilities of any Asbestos Insurance Entity pursuant to or in connection with an Asbestos Insurance Policy are not enlarged or diminished, reduced or eliminated by any aspect of this Chapter 11 Case except as set forth in Sections 9.5 and 9.6 of the Plan;

(x) The General, Asbestos, and Policy Injunctions are essential to the Plan and Hopeman's liquidation, including (without limitation) the creation of the Liquidation Trust;

(xi) Each Asbestos Protected Party is entitled to the protection of the Policy Injunction;

(xii) The Liquidation Trust to be established pursuant to the Plan is a valid legal Entity that is separate and distinct from the Debtor, and the Liquidation Trust is not and may not in the future be held liable for any liability of the Debtor based upon any legal or equitable theory, including those consisting of or relating to veil piercing, alter ego, successor liability, fraudulent transfer, or conspiracy, including but not limited to fraudulent transfer or fraudulent conveyance claims under applicable state or federal law; and

(xiii) The exculpation provided in Section 10.1 of the Plan, and the releases provided in Sections 10.6, 10.7, and 10.8 of the Plan are in each case essential to the settlement of Asbestos PI Claims as reflected in the Plan.

11.2. Effective Date of the Plan. The Plan shall become effective on the Effective Date.

11.3. Waiver of Conditions Precedent to the Confirmation Order. To the fullest extent permitted by law, but subject to the Approved Asbestos Insurance Settlement Agreements, any of the conditions precedent set forth in Section 11.1 above may be waived or modified, in whole or in part, by Hopeman. Any such waiver or modification may be effected at

any time without leave or order of the Bankruptcy Court or District Court, and without any other formal action.

11.4. Nonconsensual Confirmation. In the event any Impaired Class of Claims entitled to vote on the Plan does not accept the Plan by the requisite statutory majority under section 1126(c) of the Bankruptcy Code, then the Debtor reserves the right to undertake to have the Bankruptcy Court confirm the Plan under section 1129(b) of the Bankruptcy Code.

11.5. Effect of Failure of the Effective Date of the Plan. In the event that Hopeman determines it is appropriate, prior to the Effective Date, upon notification submitted by Hopeman to the Bankruptcy Court: (A) the Confirmation Order shall be vacated; (B) no Distributions under the Plan shall be made; and (C) Hopeman and all holders of Claims against and Interests in Hopeman shall be restored to the status quo ante as of the day immediately preceding the Confirmation Date as though the Confirmation Date never occurred. If the Confirmation Order is vacated pursuant to this Section 11.5, nothing contained in the Plan shall: (A) constitute or be deemed a waiver or release of any Claims or Interests by, against, or in Hopeman or any other Entity; or (B) prejudice in any manner the rights of Hopeman or any other Entity in the Chapter 11 Case or any other or further proceedings involving Hopeman.

ARTICLE XII JURISDICTION OF BANKRUPTCY COURT

12.1. Retention of Jurisdiction. Pursuant to sections 105(a) and 1142 of the Bankruptcy Code, the Bankruptcy Court shall, to the fullest extent permitted by law, retain and have exclusive jurisdiction over all matters arising out of and related to the Chapter 11 Case and the Plan, including, among other things, jurisdiction to:

(a) hear and determine any and all objections to and proceedings involving the allowance, estimation, classification, and subordination of Claims that have been or properly should have been brought in the Bankruptcy Court (other than Asbestos PI Claims) or Interests;

(b) hear and determine any and all adversary proceedings, applications, motions, and contested or litigated matters that may be pending on the Effective Date or that, pursuant to the Plan, may be instituted by the Liquidation Trust after the Effective Date, including any proceedings with respect to any Avoidance Actions (except to the extent that any such Avoidance Actions have been released under the Plan or the Confirmation Order) or otherwise to recover assets for the benefit of the Estate or the Asbestos Claims Liquidation Trust;

(c) hear and determine all objections to the termination of the Liquidation Trust;

(d) hear and determine such other matters that may be set forth in or arise in connection with the Plan, the Confirmation Order, the Trust Agreement, or the General, Asbestos, and Policy Injunctions;

(e) hear and determine any conflict or other issues that may arise in the Chapter 11 Case and the administration of the Liquidation Trust;

(f) enter such orders as are necessary to implement and enforce the injunctions described herein;

(g) hear and determine any and all applications pursuant to section 330 or 503 of the Bankruptcy Code for allowance of any compensation for Professional services rendered and reimbursement of expenses incurred in connection therewith any other fees and expenses authorized to be paid or reimbursed under the Bankruptcy Code or the Plan;

(h) enter such orders authorizing non-material modifications to the Plan as may be necessary to comply with section 468B of the Internal Revenue Code;

(i) hear and determine any applications pending on the Effective Date for the assumption, assumption and assignment, or rejection, as the case may be, of Executory Contracts to which Hopeman is a party, and to hear and determine and, if necessary, liquidate any and all Claims arising therefrom;

(j) consider any technical modifications of the Plan, and remedy any defect or omission or reconcile any inconsistency in any order of the Bankruptcy Court, including the Confirmation Order, to the extent authorized by the Bankruptcy Code; *provided*, that there shall be no modification made at any time that would reduce or eliminate any of the protections provided herein to the Protected Parties without the consent of such parties;

(k) issue orders in aid of confirmation, consummation and execution of the Plan to the extent authorized by section 1142 of the Bankruptcy Code, including but not limited to compelling the conveyance of property and other performance contemplated under the Plan and documents executed in connection herewith;

(l) hear and determine any proposed compromise and settlement of any Claim against or cause of action by or against Hopeman that has been or properly should have been brought in the Bankruptcy Court;

(m) hear and determine any timely objections to Administrative Expense Claims or Administrative Expense Claims of Professionals asserted, or to Proofs of Claim filed, both before and after the Confirmation Date, including any objections to the classification of any Claim, and to Allow or Disallow any Disputed Claim, in whole or in part;

(n) hear and determine matters concerning state, local and federal taxes in accordance with sections 346, 505, and 1146 of the Bankruptcy Code;

(o) hear and determine such other matters as may be set forth in the Confirmation Order or other orders of the Bankruptcy Court, or which may arise in connection with the Plan, the Confirmation Order, or the Effective Date, as may be authorized under the provisions of the Bankruptcy Code or any other applicable law;

(p) hear and determine all controversies, suits, and disputes that may arise in connection with the interpretation, enforcement, or consummation of the Plan or any Entity's obligations hereunder, including, but not limited to, performance of Hopeman's duties under the Plan;

- (q) enforce remedies upon any default under the Plan;
- (r) hear and determine any other matter not inconsistent with the Bankruptcy Code;
- (s) hear and determine any claim that in any way challenges or is related to any provision in the Confirmation Order; and
- (t) enter a final decree closing the Chapter 11 Case.

If and to the extent that the Bankruptcy Court is not permitted under applicable law to exercise jurisdiction over any of the matters specified above, the reference to the “Bankruptcy Court” in the preamble to this Section 12.1 shall be deemed to be a reference to the “District Court.” Notwithstanding the terms of this Section 12.1, the Bankruptcy Court shall retain continuing but not exclusive jurisdiction over Asbestos Insurance Actions. Notwithstanding anything in this Section 12.1 to the contrary the Trust Documents shall govern the satisfaction of Trust Claims and the forum in which such Claims shall be determined.

12.2. Modification of Plan. Except as limited by prior orders of the Bankruptcy Court, and subject to the Approved Asbestos Insurance Settlement Agreements, Hopeman may alter, amend, or modify the Plan or any Schedules or Exhibits thereto under section 1127(a) of the Bankruptcy Code at any time prior to the Confirmation Date and may include any such amended Schedules or Exhibits in the Plan or the Plan Supplement, *provided*, that the Plan, as modified, meets the requirements of sections 1122 and 1123 of the Bankruptcy Code, and Hopeman shall have complied with section 1125 of the Bankruptcy Code, to the extent necessary. Further, Hopeman may alter, amend, or modify the Plan or any Schedules or Exhibits thereto at any time after entry of the Confirmation Order and before the Plan’s substantial consummation; *provided*, that: (a) the Plan, as modified, altered, or amended, meets the requirements of sections 1122 and 1123 of the Bankruptcy Code; and (b) the Bankruptcy Court, after notice and a hearing, confirms the Plan, as modified, under section 1129 of the Bankruptcy Code, and finds that the circumstances warrant such modification. A holder of a Claim that has accepted or rejected the Plan shall be deemed to have accepted or rejected, as the case may be, such Plan as modified, unless, within the time fixed by the Bankruptcy Court, if any, such holder changes its previous acceptance or rejection.

Notwithstanding anything in this Section 12.2, there shall be no modification to the Plan made at any time that would reduce or eliminate any of the protections provided herein to the Protected Parties without the consent of such parties.

12.3. Compromises of Controversies. From and after the Effective Date, Hopeman shall be authorized to compromise controversies not involving the Liquidation Trust, or Asbestos PI Claims, on such terms as Hopeman may determine, in its sole discretion, to be appropriate.

12.4. Revocation or Withdrawal of the Plan. The Plan Proponent reserves the right to revoke or withdraw the Plan at any time prior to entry of the Confirmation Order. If the Plan Proponent revokes or withdraws the Plan, or if confirmation of the Plan does not occur, then the Plan shall be null and void in all respects; any settlement or compromise embodied in the Plan

including the fixing or limiting to an amount any Claim or Interest or Class of Claims or Interests, any assumption or rejection of Executory Contracts effected by the Plan, and any document or agreement executed pursuant to the Plan, shall be deemed null and void; and nothing contained in the Plan, and no acts taken in preparation for consummation of the Plan, shall: (a) constitute or be deemed to constitute a waiver or release of any Claims by or against, or any Interests in, Hopeman or any other Entity; (b) prejudice in any manner the rights of Hopeman or any Entity in any further proceedings involving Hopeman; or (c) constitute an admission of any sort by Hopeman or any other Entity.

ARTICLE XIII MISCELLANEOUS PROVISIONS

13.1. Governing Law. Unless a rule of law or procedure is supplied by federal law (including the Bankruptcy Code and Bankruptcy Rules), or a Schedule or Exhibit hereto or instrument, agreement or other document executed under the Plan provides otherwise, the rights, duties and obligations arising under the Plan, and the instruments, agreements and other documents executed in connection with the Plan, shall be governed by, and construed and enforced in accordance with, the internal laws of the State of Virginia without giving effect to the principles of conflicts of law thereof.

13.2. Notices. To be effective, all notices, requests and demands to or upon Hopeman shall be in writing and, unless otherwise expressly provided herein, shall be deemed to have been duly given or made when actually delivered and addressed as follows:

If to Hopeman:

Hopeman Brothers, Inc.
6 Auburn Ct., Unit 3
Brookline, Massachusetts 02446
Attention: Christopher Lascell, President

with a copy (which alone will not constitute notice) to:

Hunton Andrews Kurth LLP
600 Travis Street, Suite 4200
Houston, Texas 77002
Attention: Joseph P. Rovira, Esq. (josephrovira@HuntonAK.com)
Catherine A. Rankin, Esq. (crankin@HuntonAK.com)

and

Hunton Andrews Kurth LLP
Riverfront Plaza, East Tower
951 East Byrd Street
Richmond, Virginia 23219
Attention: Tyler P. Brown, Esq. (tpbrown@HuntonAK.com)
Henry P. (Toby) Long, III (hlong@HuntonAK.com)

13.3. Plan Supplement. Any and all Exhibits, lists, or Schedules referred to herein or in the Disclosure Statement but not filed with the Plan shall be contained in the Plan Supplement and filed with the Clerk of the Bankruptcy Court at least five (5) Business Days prior to the deadline established by the Bankruptcy Court for the filing and service of objections to the Plan. Thereafter, the Plan Supplement will be available for inspection in the office of the Clerk of the Bankruptcy Court during normal court hours and at an internet site maintained for Hopeman by the Claims and Balloting Agent, with the web address set forth in the Disclosure Statement. Claimants also may obtain a copy of the Plan Supplement, once filed, from Hopeman by written request sent to the following address:

Hopeman Ballot Processing Center
Kurtzman Carson Consultants LLC dba Verita Global
222 N. Pacific Coast Highway, Suite 300
El Segundo, CA 90245
Attention: Plan Request

13.4. Inconsistencies. To the extent the Plan is inconsistent with the Disclosure Statement, the provisions of the Plan shall be controlling. To the extent the Plan is inconsistent with the Confirmation Order, the provisions of the Confirmation Order shall be controlling.

13.5. Reservation of Rights. If the Plan is not confirmed by a Final Order, or if the Plan is confirmed and does not become effective, the rights of all parties in interest in the Chapter 11 Case are and shall be reserved in full. Any concessions or settlements reflected herein, if any, are made for purposes of the Plan only, and if the Plan does not become effective, no party in interest in the Chapter 11 Case shall be bound or deemed prejudiced by any such concession or settlement. Moreover, if the Plan does not become effective no party in interest in the Chapter 11 Case shall be bound or prejudiced by any representation, written or oral, made by any party in connection with the Plan or the negotiation or prosecution of the Plan, including without limitation the representations made in the Plan, the Disclosure Statement or the Confirmation Order.

13.6. Bankruptcy Rule 9019 Request; Impact. The Plan, including the Plan Supplement or other Plan Documents, may provide for one or more compromises or settlements. Pursuant to Bankruptcy Rule 9019, the Debtor hereby requests approval of all compromises and settlements included in the Plan, and entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019 and section 1123(b)(3)(A) of the Bankruptcy Code, of any such compromise or settlement.

13.7. Tax Reporting and Compliance. In connection with the Plan and all instruments issued in connection therewith and Distributions thereon, Hopeman shall comply with all withholding and reporting requirements imposed by any federal, state, local or foreign taxing authority and all Distributions hereunder shall be subject to any such withholding and reporting requirements. No holder of an Allowed Claim against Hopeman shall effectuate any withholding with respect to the cancellation or satisfaction of such Allowed Claim under the Plan. Hopeman is hereby authorized to request an expedited determination of taxes under section 505(b) of the Bankruptcy Code for all taxable periods of Hopeman ending after the Petition Date through, and including, the Effective Date of the Plan.

13.8. Exemption from Transfer Taxes. Pursuant to section 1146(a) of the Bankruptcy Code, the issuance, transfer, or exchange of notes or equity securities under the Plan, the creation of any mortgage, deed of trust, or other security interest, the making or assignment of any lease or sublease, or the making or delivery of any deed or other instrument of transfer under, in furtherance of, or in connection with the Plan shall be exempt from all taxes as provided in such section 1146(a).

13.9. Binding Effect. The rights, benefits and obligations of any Entity named or referred to in the Plan, or whose actions may be required to effectuate the terms of the Plan, shall be binding on, and shall inure to the benefit of, any heir, executor, administrator, successor or assign of such Entity (including, but not limited to, any trustee appointed for Hopeman under chapters 7 or 11 of the Bankruptcy Code). The Confirmation Order shall provide that the terms and provisions of the Plan and the Confirmation Order shall survive and remain effective after entry of any order which may be entered converting the Chapter 11 Case to a case under chapter 7 of the Bankruptcy Code, and the terms and provisions of the Plan shall continue to be effective in this or any superseding case under the Bankruptcy Code.

13.10. Further Authorizations. Hopeman and, after the Effective Date, the Liquidation Trust, if and to the extent necessary, may seek such orders, judgments, injunctions, and rulings as each deems necessary to carry out the intentions and purposes of, and to give full effect to the provisions of, the Plan.

13.11. Payment of Statutory Fees. All fees and United States Trustee Fees, due and owing under section 1930 of title 28 of the United States Code, shall be paid on the Effective Date, or as soon as reasonably practicable thereafter. Quarterly fees owed to the Office of the United States Trustee following the Effective Date shall be paid by the Debtor when due in accordance with applicable law. Following the Effective Date and until the Chapter 11 Case is closed pursuant to section 350 of the Bankruptcy Code, the Debtor and any other authorized parties who have been charged with administering the Plan must file with the Bankruptcy Court and serve upon the United States Trustee quarterly post-confirmation reports.

13.12. Prepayment. Except as otherwise provided in the Plan, the Plan Documents, or the Confirmation Order, Hopeman shall have the right to prepay, without penalty, all or any portion of an Allowed Claim at any time; *provided*, that any such prepayment shall not violate or otherwise prejudice the relative priorities and parities among the Classes of Claims.

13.13. Effective Date Actions Simultaneous. Unless the Plan or the Confirmation Order provides otherwise, actions required to be taken on the Effective Date shall take place and be deemed to have occurred simultaneously, and no such action shall be deemed to have occurred prior to the taking of any other such action. Actions required to be taken after the Effective Date or as soon as thereafter as is reasonably practicable shall be deemed to have been made on the Effective Date.

13.14. General Statements. Statements of a general nature set forth in this Plan shall not be construed to limit or restrict the specific provisions herein.

IN WITNESS WHEREOF, the undersigned has duly executed the Plan as of the date first above written.

Respectfully submitted,

Richmond, Virginia
Dated: July 12, 2024

Hopeman Brothers, Inc.

By: /s/ Christopher Lascell
Name: Christopher Lascell
Title: President

EXHIBIT A

TRUST AGREEMENT

**HOPEMAN BROTHERS, INC. ASBESTOS PERSONAL INJURY
LIQUIDATION TRUST AGREEMENT**

This Liquidation Trust Agreement (this “Trust Agreement”) is entered into this _____ day of _____, 2024 pursuant to the *Plan of Liquidation of Hopeman Brothers, Inc. Under Chapter 11 of the Bankruptcy Code*, dated as of July 12, 2024, as the same may be modified or amended (the “Plan”) by and among Hopeman Brothers, Inc. in its capacity as debtor and debtor in possession and on behalf of itself and its chapter 11 estate (the “Debtor”), as settlor, [_____] as the liquidation trustee under this Trust Agreement (the “Trustee”), and the members of the Trust Advisory Committee identified on the signature pages hereof (the “TAC”).

Preamble

WHEREAS, on June 30, 2024, the Debtor filed a petition for relief under Chapter 11 of the United States Bankruptcy Code (the “Code”) in the United States Bankruptcy Court for the Eastern District of Virginia Richmond Division (the “Bankruptcy Court”);

WHEREAS, on July 12, 2024, the Debtor filed the Plan with the Bankruptcy Court;

WHEREAS, on [____], 2024, the Court entered a confirmation order (the “Confirmation Order”) approving the Plan which provides for, among other things, a means of holding, managing, and distributing certain assets to be received directly or by assignment from the Debtor in an expeditious but orderly and commercially reasonable manner and dealing with liability the Debtor may have to persons holding personal injury claims arising from asbestos (collectively, the “Asbestos PI Claims”); and

WHEREAS, the Plan contemplates the creation of a trust and the transfer by the Debtor of certain assets to the trust, with the assets of the trust to be held, managed, and liquidated to pay Allowed Asbestos PI Claims as and to the extent provided in the Confirmation Order and the Plan.

Agreement

NOW THEREFORE, in consideration of the promises and mutual covenants contained herein, the Debtor, the Trustee and the TAC agree as follows:

ARTICLE I

GENERAL

1.1. Definitions. Unless the context requires otherwise, all capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them by the Plan or the Bankruptcy Code, as applicable, which are both incorporated by reference herein.

1.2. Preamble. The statements and provisions of the foregoing recitals are, by this reference, incorporated into and made a part of this Trust Agreement.

ARTICLE II

DECLARATION OF TRUST

2.1. Creation and Name. There is hereby created a trust which shall be known as the Hopeman Brothers, Inc. Asbestos Personal Injury Liquidation Trust (the “Trust”), which is the trust contemplated by the Plan and the Confirmation Order.

2.2. Purpose of the Trust. The purpose of the Trust is to implement the Plan on behalf of and for the benefit of the holders of Allowed Asbestos PI Claims (*i.e.*, the Allowed Class 4 Claims under the Plan), by holding the assets to be transferred to it pursuant to the Plan (the “Trust Assets”), to liquidate and convert to cash any non-cash Trust Assets, and to distribute the Trust Assets available for distribution, after payment of or reservation for Trust Expenses, to holders of Allowed Asbestos PI Claims, in accordance with this Trust Agreement, the Plan and the Trust Distribution Procedures adopted in connection with the Plan, which are attached hereto as **Exhibit B** (the “Trust Distribution Procedures”).

2.3. Transfer of Assets.

In full satisfaction of all Allowed Asbestos PI Claims, as contemplated by the Plan, and pursuant to sections 1123(a)(5)(B) and 1123(b)(3)(B) of the Bankruptcy Code, the Debtor hereby transfers to the Trust on the Effective Date¹ for, at the request of, and on behalf of Allowed Asbestos PI Claims, the Trust Assets described in Section 1.88 of the Plan, free and clear of any and all liens, claims, encumbrances and interests (legal, beneficial or otherwise) of all other entities to the maximum extent contemplated by and permissible under section 1141(c) of the Bankruptcy Code.

For all federal, state and local income tax purposes, each holder of an Allowed Asbestos PI Claim shall be treated as transferring such Allowed Asbestos PI Claim to the Debtor in exchange for the holder’s share of the Trust Assets (subject to the liabilities of the Debtor assumed by the Trust), and then as transferring the holder’s share of the Trust Assets (subject to the liabilities) to the Trust in exchange for the holder’s beneficial share of the Trust Assets available for distribution by the Trust in accordance with the terms of the Plan (the “Beneficial Interests”).

2.4. Acceptance of Assets and Assumption of Liabilities. In furtherance of the purposes of the Trust, the Trust hereby expressly accepts the transfer, issuance, and assignment, as applicable, to the Trust of the Trust Assets at the time and in the manner contemplated by the Plan, in accordance with the terms of this Trust Agreement.

In furtherance of the purposes of the Trust, the Trust hereby expressly assumes all Asbestos PI Claims. The Trust shall have all defenses, cross-claims, offsets, and recoupments, as well as rights of indemnification, contribution, subrogation, and similar rights, regarding Asbestos PI Claims that the Debtor or any successors of the Debtor has or would have had under applicable law or under any agreement related thereto, including, without limitation, insurance policies and rights to proceeds thereof. The Trust shall indemnify and hold harmless the Asbestos Protected

¹ For the avoidance of doubt the term Effective Date, as used herein and in the Trust Distribution Procedures, is in reference to the term Effective Date as defined in the Plan.

Parties for any liability or alleged liability arising out of, or resulting from, or attributable to, an Asbestos PI Claim, including, without limitation, fines and penalties resulting from the Trust's failure to comply with Section 8.4 of the Plan.

Nothing in this Trust Agreement shall be construed in any way to limit the scope, enforceability, or effectiveness of the injunctions issued in connection with the Plan or the Trust's assumption of the Asbestos PI Claims as and when provided herein.

2.5. Liquidation of Trust Assets.

The Trust shall be responsible for liquidating the Trust Assets and performing all obligations of the Trust specified under the Plan, with no objective to engage in the conduct of a trade or business. In accordance with such express and limited purposes, as of the Effective Date, the Trustee is hereby authorized to take any and all steps necessary to maintain the Trust as a liquidating trust for federal income tax purposes in accordance with Treasury Regulation Section 301.7701-4(d) subject to the provisions of Subchapter J, Subpart E of the Internal Revenue Code unless otherwise required. In the event of any inconsistency between the recitation of the duties and powers of the Trustee as set forth in this Trust Agreement and the Plan, the provisions of the Plan shall govern.

2.6. Division of Assets Among Holders of Claims. Holders of Allowed Asbestos PI Claims will receive distributions from the Trust in accordance with and reflecting the terms set forth in the Plan and in accordance with the Trust Distribution Procedures.

2.7. No Reversion to Debtor. In no event shall any part of the Trust Assets revert to or be distributed to the Debtor.

2.8. Beneficial Ownership and Trustee's Incidents of Ownership. The beneficial owners of the Trust and the Trust Assets are the holders of Allowed Asbestos PI Claims (the "Beneficial Owners"); *provided*, that the Beneficial Owners shall (i) have only such rights with respect to the Trust and the Trust Assets as are set forth in the Trust Distribution Procedures, (ii) not have any title in or to the Trust Assets or any right to call for a partition or division of the Trust or Trust Assets or to require an accounting, and (iii) have no greater or other rights, including upon liquidation, termination or winding up of the Trust, shall be deemed to apply to the holders of Asbestos PI Claims in their capacity as Beneficial Owners. The Trustee shall retain only such incidents of ownership as are necessary to undertake the actions and transactions authorized herein, in the Plan and in the Confirmation Order, including, but not limited to, those powers set forth in Article III hereof.

ARTICLE III

POWERS; TRUST ADMINISTRATION

3.1. Powers of and Directions to the Trustee.

(a) Except as otherwise provided in this Trust Agreement or the Plan, the Trustee shall have the power to take any and all such actions as, in the good faith judgment of the Trustee, are

necessary or convenient to effectuate the purposes of the Trust, including, without limitation, each power expressly granted in Subsection 3.1(c) hereof and any power reasonably incidental thereto.

(b) Except as provided in the Plan or otherwise specified herein, the Trustee need not obtain the order or approval of any court, including the Bankruptcy Court, in the exercise of any power or discretion conferred hereunder, or account to any court, including the Bankruptcy Court, in the absence of a breach of trust.

(c) Without limiting the generality of Subsections 3.1(a) above, the Trustee shall have the power to:

- (i) perform the Trust's obligations under the Plan;
- (ii) receive and hold legal title to the Trust Assets;
- (iii) protect and enforce the rights to the Trust Assets vested in the Trust by this Trust Agreement by any method deemed reasonably appropriate, including without limitation, by judicial or other proceedings;
- (iv) establish such accounts, funds, and reserves as are deemed by the Trustee in his or her discretion to be useful in carrying out the purposes of the Trust;
- (v) invest the funds of the Trust as provided in Section 4.2 hereof;
- (vi) delegate any or all of the discretionary power and authority herein conferred at any time with respect to all or any portion of the Trust estate to any one or more reputable individuals or recognized institutional advisers or investment managers without liability for any action taken or omission made because of any such delegation, except for such liability as is provided in Section 5.5 hereof;
- (vii) determine and satisfy from Trust Assets any and all liabilities, including Trust Expenses, created, incurred or assumed by the Trust;
- (viii) establish and/or amend established procedures for the evaluation and liquidation of Asbestos PI Claims, including, but not limited to, the Trust Distribution Procedures; *provided*, any amendments to the Trust Distribution Procedures shall be subject to the consent of the TAC, such consent not to be unreasonably withheld;
- (ix) calculate and pay all distributions authorized to be made by the Trustee under the Plan and other Orders of the Bankruptcy Court;
- (x) file, prosecute, compromise or otherwise resolve any objections to Asbestos PI Claims;
- (xi) sell, either by private sale or by auction, or otherwise liquidate assets of the Trust;

(xii) sue and be sued and participate, as parties or otherwise, in any other judicial, administrative, arbitratve or other proceedings;

(xiii) employ, supervise and compensate professionals retained by the Trust;

(xiv) in accordance with Section 5.7 hereof, indemnify (and purchase insurance indemnifying) the Trustee, the TAC and the employees, agents and representatives of the Trust, to the fullest extent that a corporation organized under the laws of the Trust's domicile is entitled to indemnify its directors, officers, employees, agents and representatives;

(xv) make and file tax returns, periodic operating reports, and other documents, as necessary, on behalf of the Trust;

(xvi) amend this Trust Agreement, with the consent of the TAC (such consent not to be unreasonably withheld), except to the extent that such amendment would be inconsistent with the provisions of the Plan;

(xvii) close the Chapter 11 Case, including seeking entry of a final decree from the Court;

(xviii) wind up the affairs of the Trust, including distributing any excess Trust monies pursuant to Section 8.2(c) hereof;

(xix) abandon or destroy the Books and Records (as defined in the Plan), in his or her discretion, that are no longer necessary to administer the Liquidation Trust without further notice to or order of the Bankruptcy Court (in accordance with Section 8.2(f) of the Plan);² and

(xx) take any and all other actions necessary or appropriate to implement or consummate the Plan and operate the Trust.

(d) The Trustee shall not have the power to guarantee any debt of other persons.

3.2. Administration and Distributions.

(a) Trust Expenses. The reasonable fees, costs and expenses incurred by the Trustee in connection with the performance of the Trustee's duties, obligations and rights under the Plan and this Trust Agreement, including without limitation the fees, costs and expenses of professional persons retained by the Trust, and other costs incurred by the Trust, shall be paid from the funds of the Trust Assets as Trust Expenses. The Debtor shall not be liable for any expenses or fees incurred by the Trust as part of its duties under the Plan or this Trust Agreement, including, without limitation, any attorneys' fees or other costs and expenses. The Trust shall maintain reasonable reserves in its administrative funds account to pay fees, expenses and costs of the Trust and its professional persons. In accordance with the Plan, to the extent the Debtor does not have sufficient

² Pursuant to Section 8.2(f) of the Plan, on the Effective Date, or as soon as reasonably practicable thereafter, Hopeman will reasonably make available to the Liquidation Trustee and its advisors and effectuate the transfer of all of the Books and Records (as defined in the Plan) to the Liquidation Trust, *provided, that* the costs of such transfer shall be borne by the Liquidation Trust.

funds to satisfy Allowed Administrative Expense Claims under the Plan, the Trust shall pay such claims from the Trust Assets.

(b) Tax Returns and Reports. The Trustee shall cause to be obtained, at the cost and expense of the Trust, a Federal Employer Identification Number for the Trust and shall cause such income tax and other returns and statements as are required by the applicable provisions of the IRC and the Treasury Regulations and such other state or local laws and regulations as may be applicable to be timely filed on behalf of the Trust on the basis of a December 31 year end. The Trustee shall take all steps necessary to ensure that any tax obligations imposed upon the Trust are paid and shall otherwise comply with Section 1.468B-2 of the Treasury Regulations and all other reporting obligations of the Trust. The Trustee shall comply with all applicable withholding obligations as required under the applicable provisions of the IRC and such other state and local laws as may be applicable, and the regulations promulgated thereunder.

The Trustee shall cause the Trust to qualify and maintain qualification as a “qualified settlement fund” within the meaning of Section 1.468B-1(c) of the Treasury Regulations promulgated under Section 468B of the IRC.

Within seventy-five (75) days (or earlier if required by law) after the end of each calendar year, the Trust shall cause to be prepared and mailed such information as required by law to enable payees to complete and file each of their respective federal, state, and local income and other tax returns.

(c) The taxable year for the Trust shall be the calendar year. The Trust may use either the accrual or cash method of accounting within the meaning of Section 446(c) of the Internal Revenue Code.

(d) In connection with the performance of his or her duties pursuant to the terms of this Trust Agreement and all instruments issued in connection herewith and distributions hereunder, the Trustee shall timely file such income tax and other returns and statements and shall comply with all withholding and reporting requirements, imposed by any applicable federal, state, local, or foreign taxing authority, or required under any applicable federal, state, local, or foreign tax law or regulation, and all distributions hereunder shall be subject to any such withholding and reporting requirements, imposed by any applicable federal, state, local, or foreign taxing authority, or required under any applicable federal, state, local, or foreign tax law or regulation.

ARTICLE IV

ACCOUNTS, PAYMENTS AND INVESTMENTS

4.1. Accounts; Reserves. The Trustee may, from time to time, establish and maintain such accounts and reserves within the Trust as are deemed necessary, prudent, or useful in order to comply with its obligations under the Plan and this Trust Agreement, including, without limitation, to provide for the payment of Trust Expenses payable hereunder and the Allowed Asbestos PI Claims, and may, with respect to any such account or reserve, restrict the use of monies therein. Except as otherwise provided herein or required by the Plan, all amounts received by the Trust in connection with the Trust Assets, and all proceeds thereof and earnings thereon, shall be

held solely in the Trust accounts and shall be used to pay any obligations of the Trust under the Plan and Trust Agreement, including, without limitation, Asbestos PI Claims and Trust Expenses as and to the extent provided in the Trust Distribution Procedures and the Plan.

4.2. Investments. Investment of monies held in the Trust shall be administered in a manner consistent with the standards set forth in the Uniform Prudent Investor Act drafted by the National Conference of Commissioners on Uniform State Laws and approved by the American Bar Association on February 14, 1995, subject to the following limitations and provisions:

The Trust shall not acquire, directly or indirectly, equity in any Entity or business enterprise if, immediately following such acquisition, the Trust would hold more than 5% of the equity in such Entity or business enterprise. The Trust shall not hold, directly or indirectly, more than 10% of the equity in any Entity or business enterprise.

The Trust shall not acquire or hold any long-term debt securities unless (i) such securities are Trust Assets under the Plan, (ii) such securities are rated “A” or higher by Moody’s Investors Services, Inc. (“Moody’s”) or by Standard & Poor’s Corporation (“S&P”), or (iii) such securities have been issued or fully guaranteed as to principal and interest by the United States of America or any agency or instrumentality thereof, and, in the case of securities described in (ii) and (iii), such securities have a maturity of not more than five (5) years from the date of purchase.

The Trust shall not acquire or hold any United States direct obligation (*e.g.*, Treasury bills, notes, and bonds) unless the United States direct obligation has a maturity of not more than five (5) years from the date of purchase.

The Trust shall not acquire or hold any commercial paper of a foreign or domestic corporation unless such commercial paper is rated “P-1” or higher by Moody’s or “A-1 H” or higher by S&P and has a maturity of not more than six (6) months.

The Trust shall not acquire or hold any promissory note of a domestic corporation unless the note has a maturity of not more than five (5) years from the date of purchase and such note is rated “A” or higher by Moody’s or S&P.

The Trust shall not acquire or hold any foreign or domestic banker’s acceptance, certificate of deposit, time deposit, or note, unless that instrument has a maturity of not more than one (1) year from the date of purchase and is rated “A” or higher by Moody’s or S&P.

The Trust shall not acquire or hold any direct or indirect obligation of any state, county, city, or other qualifying entity unless the obligation (i) is rated “MI G 1” or higher by Moody’s or “SP-I” or higher by S&P (in the case of a short-term obligation) or “A” or higher by Moody’s or S&P (in the case of a long-term obligation) and (ii) has a maturity or redemption option of not more than five (5) years from the date of purchase.

The Trust may invest in a money market fund if the fund has minimum net assets of \$550 million and an average portfolio maturity of not more than one-hundred-eighty (180) days.

The Trust shall not acquire or hold any preferred stock or convertible securities unless such preferred stock or convertible securities are rated “A” or higher by Moody’s or “A” or higher by S&P, and have a maturity of not more than five (5) years from the date of purchase.

The Trust shall not acquire or hold any securities or other instruments issued by any Entity (other than debt securities or other instruments issued or fully guaranteed as to principal and interest by the United States of America or any agency or instrumentality thereof) to the extent that the aggregate fair market value as determined in good faith by the Trustee of all securities and instruments issued by such Entity and held by the Trust would exceed 10% of the aggregate value of the Trust estate; *provided, however*, that this limitation shall not apply to securities and other instruments issued by an investment company registered under the Investment Company Act of 1940, as amended.

The Trust shall not acquire or hold any certificates of deposit unless all publicly held, long-term debt securities, if any, of the financial institution issuing the certificate of deposit and the holding company, if any, of which such financial institution is a subsidiary, meet the standards set forth in Section 4.2(b).

The Trust shall not acquire or hold any options or derivatives.

The Trust shall not acquire or hold any repurchase obligations unless, in the opinion of the Trustee, they are adequately collateralized.

ARTICLE V

TRUSTEE

5.1. Number. There shall be only one (1) Trustee at all times. The initial Trustee shall be [_____].

5.2. Acceptance by the Trustee. The Trustee is willing, and hereby accepts the appointment, to serve as Trustee pursuant to this Trust Agreement and the Plan and agrees to observe and perform all duties and obligations imposed upon the Trustee by this Trust Agreement and under the Plan, including, without limitation, to accept, hold and administer the Trust Assets and otherwise to carry out the purpose of the Trust in accordance with the terms and subject to the conditions set forth herein. The Trustee shall owe fiduciary duties to the Debtor and its estate and to the Trust. The Trustee shall discharge his or her duties as a trustee in good faith and use the same degree of care and skill in his or her exercise as a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs.

5.3. Term of Service.

(a) The Trustee shall serve until the earlier of (i) his or her death or resignation pursuant to Section 5.2(b) below, (ii) his or her removal pursuant to Section 5.2(c) below, or (iii) the termination of the Trust pursuant to Section 8.2 below.

(b) The Trustee may resign at any time, at which time, the Trustee shall nominate a successor Trustee for appointment upon effectiveness of the Trustee’s resignation, subject to the

consent of the TAC. Such notice shall specify a date when such resignation shall take effect, which shall not be less than ninety (90) calendar days after the date such notice is given, where practicable and identify the nominated successor Trustee. If the resigning Trustee and the TAC cannot agree on the identity of the successor Trustee, the Bankruptcy Court shall appoint the successor Trustee.

(c) The Trustee or any successor Trustee may be removed by the Bankruptcy Court in the event that he or she becomes unable to discharge his or her duties hereunder due to accident or physical or mental deterioration, or for other good cause. The Bankruptcy Court shall appoint the successor Trustee.

5.4. Successor Trustee. Immediately upon the appointment of any successor Trustee, all rights, titles, duties, power and authorities of the predecessor Trustee hereunder shall be vested in and undertaken by the successor Trustee without any further act. No successor Trustee shall be liable personally for any act or omission of his or her predecessor Trustee.

5.5. Liability of the Trustee and TAC. Neither the Trustee, nor the TAC, nor any shareholder, officer, director, agent, representative or employee of the Trust or the TAC, shall be liable to the Trust, any person holding an Asbestos PI Claim, or any other person, except for his or her breach of trust committed in bad faith or for willful misappropriation. Neither the Trustee nor the TAC shall be liable for any act or omission of any other agent, representative or employee of the Trust, unless the Trustee or TAC acted with bad faith or willful misconduct in the selection or retention of such agent, representative or employee.

5.6. Compensation and Expenses of the Trustee.

(a) The Trustee shall receive compensation as a Trust Expense for his or her services as Trustee on matters related to the operation of the Trust in the amount of \$[] per hour. For all time expended as Trustee, including attending meetings, preparing for such meetings and working on Trust projects, the Trustee shall receive the sum of \$[] per hour, and the sum of \$[] per hour for non-working travel time, in both cases computed on a quarter-hour basis. The Trustee shall record all hourly time to be charged to the Trust on a daily basis. The Trustee's compensation may not be changed without approval of the TAC, such consent not to be unreasonably withheld.

(b) All reasonable out-of-pocket costs and expenses (including attorneys' fees and costs) incurred by the Trustee in connection with the performance of his or her duties hereunder will be promptly reimbursed by the Trust as a Trust Expense, to the extent sufficient funds are available.

5.7. Indemnification of the Trustee and the TAC.

(a) The Trust hereby agrees to indemnify, defend and hold harmless the Trustee and the members of the TAC (each, an "Indemnified Person"), to the fullest extent permitted by law, against any and all liabilities, expenses, claims, damages, costs, expenses, disbursements or other losses (collectively, "Losses") incurred by him, her or it to the extent such Losses arise out of or are imposed upon or asserted at any time against such Indemnified Person with respect to the performance of their duties hereunder, the creation, operation or termination of the Trust or the transactions contemplated hereby; *provided, however*, that the Trust shall not be required to

indemnify any Indemnified Person for any Losses that are held by a court of competent jurisdiction in a final, nonappealable proceeding to be the result of the bad faith or willful misappropriation of such Indemnified Person. The obligations of the Trust under this Section 5.7 shall be treated as Trust Expenses and shall survive the termination of this Trust Agreement and the resignation or removal of the Trustee or a member of the TAC.

(b) The rights of the Indemnified Persons to indemnification under Section 5.7(a) hereof are absolute, subject only to the conditions provided in Section 5.7(a) hereof. Any dispute regarding such indemnification of the Trustee or the TAC members shall be resolved only by the Bankruptcy Court.

(c) To the fullest extent permitted by law, all Losses incurred by or on behalf of any Indemnified Person shall be paid by the Trust in advance of the final disposition thereof upon receipt of an undertaking by or on behalf of such Indemnified Person to repay such advanced amounts if it shall be determined ultimately that such Indemnified Person is not entitled to be indemnified by the Trust.

(d) The Trustee has the power, generally or in specific cases, to cause the Trust to indemnify the agents, representatives and employees of the Trust to the same extent as provided in this Section 5.7 with respect to the Trustee.

5.8. Trustee's Lien. The Trustee and the TAC members shall have a first lien upon the Trust Assets to secure the payment of any amounts payable to him, her or it pursuant to Section 5.6 or Section 5.7 hereof.

5.9. The Trustee's Employment of Professionals and the TAC's Employment of Counsel.

(a) The Trustee may, but shall not be required to, consult with counsel, accountants, appraisers and other parties deemed by the Trustee to be qualified as experts on any matters submitted to them, and the opinion of any such experts on any matters submitted to them by the Trustee shall be full and complete authorization and protection in respect of any action taken or not taken by the Trustee hereunder in good faith and in accordance with the opinion of any experts retained by the Trustee.

(b) The TAC shall be permitted to retain counsel in connection with the exercise of its obligations hereunder, and compliance with the advice of such counsel shall be full and complete authorization and protection for actions taken or not taken by the TAC in good faith in compliance with such advice.

5.10. Bond. The Trustee shall not be required to post any bond or other form of surety or security unless otherwise ordered by the Bankruptcy Court.

ARTICLE VI

TRUST ADVISORY COMMITTEE

6.1. Initial Members of the TAC. The TAC shall consist of three (3) members, who shall initially be the persons named on the signature pages hereof.

6.2. Duties. The members of the TAC shall serve in a fiduciary capacity, representing all of the holders of Asbestos PI Claims for the purpose of protecting the rights of such persons. The Trustee must consult with the TAC (i) on the general implementation and administration of the Trust, (ii) on the distribution of Trust Assets to the Beneficial Owners as provided for herein and in the Trust Distribution Procedures, (iii) on the general implementation and administration of the Trust Distribution Procedures, and (iv) on such other matters as may be required under this Trust Agreement or the Trust Distribution Procedures. The TAC must approve any change in the Trustee's compensation as set forth in section 5.5(a) herein, any amendments to the Trust Distribution Procedures, any amendments to this Trust Agreement, and any other item the Trustee presents to the TAC for consideration approval; *provided, however*, that in each case such approval must be by majority vote and not be unreasonably withheld. The TAC may retain counsel to be paid by the Trust as it deems necessary.

6.3. Term of Office.

(a) Each member of the TAC shall serve until the earliest of (i) his or her death, (ii) his or her resignation pursuant to Section 6.3(b) below, (iii) his or her removal pursuant to Section 6.3(c) below, or (iv) the termination of the Trust pursuant to Section 8.2 below.

(b) A member of the TAC may resign at any time by written notice to the other members of the TAC and the Trustee. Such notice shall specify a date when such resignation shall take effect, which shall not be less than ninety (90) days after the date such notice is given, where practicable.

(c) A member of the TAC may be removed in the event that he or she becomes unable to discharge his or her duties hereunder due to accident, physical deterioration, mental incompetence, a consistent pattern of neglect and failure to perform or to participate in performing the duties of such member (such as repeated nonattendance of scheduled meetings) or for other good cause. Such removal shall be made at the recommendation of the other members of the TAC with the approval of the Trustee.

6.4. Successor Members of the TAC.

(a) If, prior to the termination of service of a member of the TAC other than as a result of removal, the subject TAC member has designated in writing an individual to succeed him or her as a member of the TAC, such individual shall be his or her successor, subject to approval by the Trustee. If such member of the TAC did not designate an individual to succeed him or her prior to the termination of his or her service as contemplated above, such member's law firm may designate his or her successor, subject to approval by the Trustee. If (i) a member of the TAC did not designate an individual to succeed him or her prior to the termination of his or her service and such member's law firm does not designate his or her successor as contemplated above that, in

either case, is approved by the Trustee, or (ii) he or she is removed pursuant to Section 6.3(c) above, his or her successor shall be appointed by the remaining members of the TAC or, if such members cannot agree on a successor, the Trustee.

(b) Each successor member of the TAC shall serve until the earliest of (i) his or her death, (ii) his or her resignation pursuant to Section 6.3(b) above, (iii) his or her removal pursuant to Section 6.3(c) above, or (iv) the termination of the Trust pursuant to Section 8.2 below.

ARTICLE VII

MEDICARE REPORTING OBLIGATIONS

7.1. RRE Registration. The 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 Trust.

7.2. Reporting. The 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 Trust. The 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.

7.3. Releases. The Trustee 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.

ARTICLE VIII

MISCELLANEOUS PROVISIONS

8.1. Irrevocability. The Trust is irrevocable, but is subject to amendment as provided in Section 8.3 hereof.

8.2. Termination of the Trust.

(a) The Trust shall automatically terminate upon the date that is the earlier of: (i) the full liquidation, administration and distribution of the Trust Assets in accordance with the Plan, the Confirmation Order, the Trust Distribution Procedures and this Trust Agreement; and (ii) the fifth anniversary of the Effective Date, subject to one or more extensions, which must be approved by the Bankruptcy Court prior to the then-current termination date, and provided that the Trustee receives (x) an opinion of counsel or a favorable ruling from the Internal Revenue Service to the effect that any such extension would not adversely affect the status of the Trust as a grantor trust

for federal income tax purposes, and (y) an opinion of counsel to the effect that any such extension would not result in the Trust or the Beneficial Interests being required to be registered under the Securities Act of 1933, the Securities Exchange Act of 1934, or the Investment Company Act of 1940 (as each may have been amended). The Trust Distribution Procedures set forth the manner and order in which Asbestos PI Claims are to be evaluated and paid.

(b) For the purposes of winding up the affairs of the Trust upon its termination, the Trustee shall continue to act as Trustee until his duties have been fully discharged. After doing so, the Trustee shall have no further duties or obligations hereunder, except as required by this Trust Agreement or applicable law concerning the termination of a statutory trust.

(c) Following the termination of the Trust, after payment of all of the Trust's liabilities has been provided for, all monies remaining in the Trust, if any, shall be paid to such charitable entities as the Trustee in his or her reasonable discretion shall determine, after consultation with and upon the consent of the TAC (such consent not to be unreasonably withheld).

8.3. Amendments. The Trustee, with the consent of the TAC (such consent not to be unreasonably withheld), may modify, supplement or amend this Trust Agreement in any respect, with such modification, supplement or amendment to be evidenced in writing. No modification, supplement or amendment shall be violative or inconsistent with the terms of the Plan.

8.4. Severability. Should any provision in this Trust Agreement be determined to be unenforceable, such determination shall in no way limit or affect the enforceability or operative effect of any and all other provisions of this Trust Agreement.

8.5. Counterparts. This Trust Agreement may be executed in any number of counterparts, each of which shall constitute an original, all of which, together, shall constitute one and the same instrument.

8.6. Successors and Assigns. The provisions of this Trust Agreement shall be binding upon and inure to the benefit of the Debtor, the Trust, the Trustee and their respective successors and assigns, except that neither the Debtor, the Trust, nor the Trustee may assign or otherwise transfer any of its, his or her rights or obligations under this Trust Agreement except, in case of the Trust and the Trustee, as contemplated by Section 5.2 hereof.

8.7. Entire Agreement; No Waiver. The entire agreement of the parties relating to the subject matter of this Trust Agreement is contained herein, in the Plan, the Confirmation Order, the Trust Distribution Procedures, and any other documents referred to herein, and this Trust Agreement and such documents supersede any prior oral or written agreements concerning the subject matter hereof. No failure to exercise or delay in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege hereunder preclude any further exercise thereof or of any other right power or privilege. The rights and remedies herein provided are cumulative and are not exclusive of rights available at law or in equity.

8.8. Headings. The headings used in this Trust Agreement are inserted for convenience only and neither constitute a portion of this Trust Agreement nor in any manner affect the construction of the provisions of this Trust Agreement.

8.9. Governing Law. This Trust Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia, without giving effect to conflicts of law principles; *provided, however*, this choice of governing law shall not submit the Trust, the Trustee, the TAC or this Trust Agreement to any provisions of state law applicable to other types of trusts that might require (i) the filing with any court or governmental body or agency of trustee accounts or schedule of trustee fees and charges, (ii) affirmative requirements to post bonds for trustees, officers, agents, or employees of a trust, (iii) the necessity for obtaining court or other governmental approval concerning the acquisition, holding or disposition of real or personal property, (iv) fees or other sums payable to trustees, officers, agents, or employees of a trust, (v) the allocation of receipts and expenditures to income and principal, (vi) restrictions or limitations on the permissible nature, amount or concentration of trust investments or requirements relating to the titling, storage or other manner of holding or investing trust assets, or (vii) the establishment of different standards of care or responsibilities or limitations on the acts or powers of trustees.

8.10. Disputes. Any disputes which arise under this Trust Agreement shall be resolved by the Bankruptcy Court as set forth in the Plan. Notwithstanding anything contained herein to the contrary, to the extent any provision of this Trust Agreement is inconsistent with any provision of the Plan or the Confirmation Order, the Plan or the Confirmation Order, as applicable, shall control.

8.11. Enforcement and Administration. As set forth in the Plan, the Bankruptcy Court shall have exclusive jurisdiction over the enforcement and administration of the Trust and any activities of the Trustee in carrying out the Trust Agreement and the Trust Distribution Procedures; *provided, however*, the Trustee shall have the power and authority to bring any action in any court of competent jurisdiction to prosecute any claims or causes of action assigned to the Trust or otherwise to protect the interests of the Trust.

8.12. Intention of the Parties. The Debtor, the Trustee, and the TAC hereby express their intent to create and maintain the Trust as a liquidating trust for Federal income tax purposes in accordance with Treasury Regulation Section 301.7701-4(d) and as a “grantor trust” subject to the provisions of Subchapter J, Subpart E of the Internal Revenue Code, and the Trustee further represents that the Trust shall not: (a) receive transfers of listed stocks or securities, any readily-marketable assets (other than those constituting the Trust Assets), or any assets of a going business; (b) receive and retain cash in excess of a reasonable amount to meet claims and contingent liabilities, determined in the reasonable discretion of the Trustee in accordance with the provisions of Articles 3 and 4 hereof; and (c) receive general or limited partnership interests or the unlisted stock of any single issuer that represents 80 percent or more of the stock of such issuer.

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IN WITNESS WHEREOF, the parties have executed, or caused to be executed by their respective duly authorized representatives, this Trust Agreement as of the ____ day of _____, 2024.

DEBTOR:

HOPEMAN BROTHERS, INC.

By: _____
Name: _____
Title _____

TRUSTEE:

Name: [_____]

TRUST ADVISORY COMMITTEE:

Name: [_____]

Name: [_____]

Name: [_____]

EXHIBIT B

TRUST DISTRIBUTION PROCEDURES

**TRUST DISTRIBUTION PROCEDURES OF THE HOPEMAN BROTHERS, INC.
ASBESTOS PERSONAL INJURY LIQUIDATION TRUST**

**TRUST DISTRIBUTION PROCEDURES OF THE HOPEMAN BROTHERS, INC.
ASBESTOS PERSONAL INJURY LIQUIDATION TRUST**

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**TRUST DISTRIBUTION PROCEDURES OF THE HOPEMAN BROTHERS, INC.
ASBESTOS PERSONAL INJURY LIQUIDATION TRUST**

These Trust Distribution Procedures (this “TDP”) of the Hopeman Brothers, Inc. Asbestos Personal Injury Liquidation Trust (the “Trust”) establish the procedures for resolution of all Asbestos PI Claims (“Trust Claims”) asserted against Hopeman Brothers, Inc. (“Hopeman” or the “Debtor”) pursuant to the *Plan of Liquidation of Hopeman Brothers, Inc. Under Chapter 11 of the Bankruptcy Code*, dated as of July 12, 2024 (as it may be amended or modified, the “Plan”),¹ and the related the Trust Agreement. The Plan and the Trust Agreement establish the Trust. The trustee of the Trust (the “Trustee”) shall implement and administer the TDP in accordance with the Trust Agreement.

**SECTION I
INTRODUCTION**

1.1 Purpose. This TDP is incorporated by reference into, and has been adopted pursuant to the Trust Agreement. It is designed to provide fair, equitable and substantially similar treatment for and among all Trust Claims.

1.2 Interpretation. Except as may otherwise be provided below, nothing in this TDP shall be deemed to create a substantive right for any holder of a Trust Claim (each, a “Claimant” and collectively, “Claimants”). The procedural rights and benefits provided herein to Claimants shall vest in such Claimants as of the Effective Date as defined in the Plan (the “Effective Date”).

1.3 Trust Goals. The goal of the Trust is to provide equitable treatment among Claimants with Trust Claims. This TDP furthers that goal by setting forth procedures for processing and paying Trust Claims generally on an impartial basis. To this end, Section IV of this TDP contains a schedule of four asbestos-related diseases (“Disease Levels”), each of which

¹ Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Plan and Trust Agreement, as applicable.

has specified medical and exposure requirements (“Medical/Exposure Criteria”) and scheduled liquidated values (“Scheduled Values”). The Disease Levels, Medical/Exposure Criteria and Scheduled Values have been selected and derived with the purpose of achieving a fair allocation of the Trust’s assets as among Claimants suffering from different diseases.

SECTION II **PAYMENT OF TRUST CLAIMS**

2.1 Showing Required. To establish a valid Trust Claim, a Claimant must meet the requirements contained in this TDP as set forth below.

2.2 Pro Rata Payment of Trust Claims. After the Scheduled Value of a payable Trust Claim is determined pursuant to the procedures set forth herein, the Claimant shall ultimately receive a pro rata share of that value based on the Trust Assets available for the payment of the Claimant’s Trust Claim, up to the amount of the applicable Scheduled Value (subject to Section 8.6 (“Excess Trust Assets”) of the Plan).

2.3 Initial Distribution. The Trustee may elect either to make an initial and a subsequent distribution or distributions on account of then-payable Trust Claims, or to make a single distribution upon the liquidation of all payable Trust Claims pursuant to the terms hereof. If the Trustee elects to make an initial distribution, the Trustee shall determine when sufficient Trust Claims have been resolved such that the Trust should make an initial distribution with respect to Trust Claims. Prior to any initial distribution, the Trustee shall set the amount of the reserves to be held by the Trust for Trust Claims that have not been resolved and for the projected expenses of the Trust. The Trustee shall distribute the assets of the Trust (net of the reserves) pro rata to Claimants (i) who the Trustee has determined have Trust Claims that are payable hereunder; and (ii) from whom the Debtor or the Trust has received properly executed releases.

2.4 Subsequent Distributions. If the Trustee elects to make multiple distributions to Claimants the Trustee shall, from time to time, determine when sufficient Trust Claims that were unresolved at the time of the last distribution have been resolved such that the Trust should make a subsequent distribution with respect to Trust Claims or if a subsequent distribution is appropriate for other reasons. Prior to each distribution, the Trustee shall set the amount of the reserves to be held by the Trust for Trust Claims that have not been resolved and for the projected expenses of the Trust. The Trustee shall distribute the assets of the Trust (net of the reserves) pro rata to Claimants (i) who the Trustee has determined have Trust Claims that are payable hereunder; and (ii) from whom the Debtor or the Trust has received properly executed releases.

2.5 Payment. Upon the Trustee's election of distribution method as set forth immediately above, the Trustee shall file a notice with the Bankruptcy Court summarizing at a minimum: (i) the number of Trust Claims reviewed; (ii) the aggregate liquidated value, by Disease Level, of payable Trust Claims; (iii) the contemplated distribution of Trust Assets, by Disease Level, on account of liquidated Trust Claims; and (iv) the number of disallowed Trust Claims. Within five (5) business days after the date of filing any such notice, or as soon thereafter as reasonably practicable, the Trustee shall make the distributions contemplated by the notice on account of any payable, liquidated Trust Claims identified but not previously paid.

2.6 Costs Considered. Notwithstanding any provisions of this TDP to the contrary, the Trustee shall give appropriate consideration to the cost of investigating and uncovering invalid Trust Claims so that the payment of valid Trust Claims is not further impaired by such processes with respect to issues related to the validity of the medical evidence supporting a Trust Claim. The Trustee shall also have the discretion to determine the amount of transaction costs to be expended by the Trust so that valid Trust Claims are not unduly further impaired by the costs of additional

investigation. Nothing herein shall prevent the Trustee, in appropriate circumstances, from contesting the validity of any Trust Claim against the Trust, regardless of the costs, or declining to accept medical evidence from sources that the Trustee has determined to be unreliable.

2.7 One Claim, One Recovery. Upon a Claimant's Trust Claim being determined as payable pursuant to the procedures set forth herein, he or she shall only receive one recovery (which may be paid in one or more distributions in accordance with the payment procedures set forth herein) in final satisfaction of such Trust Claim. Further, and for the avoidance of doubt, no Claimant shall receive more than one recovery from Hopeman—either prepetition or pursuant to this TDP—on account of his or her Asbestos PI Claim in any circumstance including, but not limited to, (i) asserting a Trust Claim pursuant to this TDP for which the same underlying Asbestos PI Claim was previously reconciled and liquidated prepetition (regardless of whether such Claimant's diagnosis has advanced following such reconciliation and liquidation prepetition); and (ii) asserting multiple claims at the different Disease Levels contemplated by this TDP.

SECTION III **CRITERIA OF TRUST CLAIMS**

3.1 Effect of Statutes of Limitation and Repose.

For claims first filed in the tort system against the Debtor prior to June 30, 2024 (the "Petition Date"), to be eligible to be considered as a timely-filed Trust Claim pursuant to Section 3.2 below, such claims must have been filed before the applicable federal, state or foreign statute of limitation and repose that was in effect at the time of the filing of the claim in the tort system.

For claims not filed against the Debtor in the tort system prior to the Petition Date, to be eligible to be considered a timely-filed Trust Claim pursuant to Section 3.2 below, the

applicable federal, state or foreign statute of limitation in effect as of the Petition Date must not have expired with respect to such claim before the Petition Date.

The running of the relevant statute of limitation shall be tolled as to a claim as of the earliest of: (A) the actual filing of the claim against the Debtor prior to the Petition Date, whether in the tort system or by submission of the claim to the Debtor pursuant to a prepetition administrative settlement agreement; (B) the tolling of the claim against the Debtor prior to the Petition Date by an agreement or otherwise, provided such tolling was still in effect on the Petition Date; or (C) the Petition Date.

3.2 Trust Filing Deadline. If a Trust Claim meets any of the tolling provisions described directly above, and the claim was not barred by the applicable federal, state or foreign statute of limitation at the time of the tolling event, it shall be treated as a timely filed Trust Claim so long as it is actually filed with the Trust before **the date that is one year following the Effective Date** (the “Trust Filing Deadline”).

If a Claimant does not submit the Trust Proof of Claim Form prior to or on the Trust Filing Deadline, the Claimant’s claim shall be considered forever barred and not payable hereunder.

3.3 Claims Materials Provided to Claimants by Trust. As soon as reasonably practicable after the Effective Date, but in no event later than three (3) months following the Effective Date, the Trust shall mail to all known potential² Claimants a proof of claim form

² Should a Claimant, or his or her counsel, not be included in the Trust’s initial mailing of Claims Materials, such Claimant (or his or her counsel) may submit a written request to the Trust to receive such Claims Materials. Upon receipt of such a written request, the Trust shall mail or otherwise deliver the Claims Materials to the requesting party by no later than the fifth business day following receipt of the request. For the avoidance of doubt, the Trust Filing Deadline shall apply to any and all Trust Claims subject to a written request described in this footnote 2.

approved by the TAC (such approval not to be unreasonably withheld) substantially similar to the form attached hereto as **Exhibit A** (the “Trust Proof of Claim Form”).

The Trust Proof of Claim Form circulated by the Trust to Claimants shall include (i) instructions—as the Trustee and the TAC shall approve—for filing a Trust Claim with the Trust by the Trust Filing Deadline, and (ii) a copy of this TDP (collectively, the “Claims Materials”).

For the avoidance of doubt, in the event the Trust Proof of Claim Form attached hereto as Exhibit A is not ultimately the form distributed to Claimants, the final Trust Proof of Claim Form circulated by the Trust to Claimants must (i) require each Claimant to assert the highest Disease Level for which the Trust Claim qualifies by the Trust Filing Deadline; (ii) set forth the specific Medical/Exposure Criteria required by the Trust, as set forth in this TDP, to process a Trust Claim; and (iii) include a certification by Claimant, or his or her attorney, sufficient to meet the requirements of Rule 11(b) of the Federal Rules of Civil Procedure, as if the completed Trust Proof of Claim Form were a filing subject to that rule.

3.4 Requirements for Valid, Payable Trust Claims. For a Claimant’s Trust Claim to be payable hereunder, his or her Trust Claim must comply with Sections 3.1, 3.2, and meet the applicable Medical/Exposure Criteria prescribed for the Claimant’s asserted Disease Level as set forth in Sections 4.2(a)(1)(4) and 4.3 below.

3.5 Withdrawal of Claims. Except for Trust Claims held by representatives of deceased or incompetent individuals for which court or probate approval of the Trust’s offer is required, a Trust Claim shall be deemed to have been withdrawn if Claimant does not accept the Trust’s written offer of payment (described in Section 4.2(a)(3) below) within three (3) months of Claimant’s receipt of the written offer.

SECTION IV
REVIEW AND RESOLUTION OF TRUST CLAIMS

4.1 Releases. As a condition to making any payment to a Claimant pursuant to this TDP, the Trust shall obtain a Trust Release, pursuant to the provisions of Section 8.4 of the Plan, in the form attached hereto as **Exhibit B** (the “Trust Release”).

4.2 Trust Claims Review Process.

(a) Review Process.

(1) In General. The Trust’s review process is designed to provide an expeditious, efficient and inexpensive method for liquidating all Trust Claims. The Trust shall take all reasonable steps to resolve Trust Claims as efficiently and expeditiously as possible, and shall provide an initial response to Claimants within four (4) months after receiving their applicable Trust Proof of Claim Form; *provided, that*, the Trustee’s initial response, in his or her discretion, may be only to acknowledge the applicable Trust Claim was received by the Trust as timely filed by the Trust Filing Deadline. The Trustee, in consultation with the TAC, shall have the discretion to establish procedures to review, reconcile, and liquidate, when appropriate, the timely filed Trust Claims in accordance with the procedures and requirements set forth in this TDP.

Trust Claims that meet the Medical/Exposure Criteria for the applicable asserted Disease Level³ shall be paid as prescribed in this Section IV. A Claimant’s eligibility to receive payment from the Trust for his or her Trust Claim shall be determined solely (i) by reference to the Medical/Exposure Criteria set forth below; *provided*, that such Trust Claim complies with the

³ Without regard to the Disease Level alleged on the Trust Proof of Claim Form, each Trust Claim shall be deemed to be a Trust Claim for the highest Disease Level for which the Trust Claim qualifies at the time of filing the Trust Proof of Claim Form. All lower or equivalent Disease Levels for which the Trust Claim may also qualify at the time of filing the Trust Proof of Claim Form, or in the future, shall be treated as subsumed into the deemed Disease Level for both processing and payment purposes. For purposes of clarity, a claimant holding a valid Trust Claim shall only receive payment on account of one Disease Level and not on account of any subsumed Disease Level.

requirements set forth in Section III above; or (ii) under the procedures set forth below governing qualification and liquidation of Prepetition Settled Claims (as defined below).

(2) Right to Arbitration. After a Claimant's Trust Claim has completed the Trust Claims review process set forth in this Section IV, either the Trust or the Claimant may elect binding arbitration of a dispute regarding Claimant's right to recover from the Trust, with such arbitration governed by the arbitration procedures of the American Arbitration Association; *provided, however*, that in any arbitration, the arbitrator shall consider the same medical and exposure evidentiary requirements set forth in Sections 4.2(a)(4) and 4.3 of this TDP. A claim determined by the arbitrator to qualify for payment will be valued and paid pursuant to Section 4.2(a)(4) of this TDP. The party requesting arbitration shall be required to pay the costs of the arbiter.

(3) Claims Processing. All Claimants seeking liquidation of their Trust Claims shall prepare and file the Trust Proof of Claim Form in accordance with the requirements set forth in Section III of this TDP. On the claim form, Claimant will be able to assert a Trust Claim liquidated by a settlement agreement (a "Prepetition Settled Claim") with the Debtor that was fully-executed on or before the Petition Date.

Notwithstanding any other provision hereof, if the holder of a Prepetition Settled Claim is acknowledged as a settled claim on the schedule attached hereto as **Exhibit C** (the "Acknowledged Prepetition Settled Claims"), such claim shall require no further processing by the Trust other than verification of Claimant's identity and the delivery of an executed Trust Release.

As soon after the Effective Date as reasonably practicable, the Trustee shall contact the law firms representing such Claimants to verify the information on Exhibit C and to request

delivery of an executed Trust Release (if such release has not already been provided). Upon verification of the accuracy of the subject information and the receipt of an executed Trust Release (if such release has not already been provided), the Trustee shall classify the subject Acknowledged Prepetition Settled Claim as a payable Trust Claim in accordance with the terms of this TDP, and Claimant shall not be required to take any further action. All Acknowledged Prepetition Settled Claims that are classified by the Trustee as payable Trust Claims shall be paid pursuant to this TDP in the amounts set forth in the TDP at the applicable Disease Level.

For a Claimant asserting a Prepetition Settled Claim that is not an Acknowledged Prepetition Settled Claim, if such claim is determined to qualify for payment, the Trust shall tender to Claimant (i) an offer of payment in accordance with this TDP for the Scheduled Value of the applicable Disease Level; and (ii) a Trust Release for Claimant to execute. If the Claimant accepts the offer and returns the Trust Release properly executed, the Trust Claim shall be paid pursuant to the terms of this TDP. For the avoidance of doubt, a Claimant asserting a Prepetition Settled Claim, which is not an Acknowledged Prepetition Settled Claim, who is determined by the Trust as not having a qualifying Prepetition Settled Claim may still seek to qualify for payment according to the procedures set forth in this TDP for Trust Claims that are not Prepetition Settled Claims.

For any Trust Claim that is not a Prepetition Settled Claim, the Trust shall determine whether the Trust Claim meets the Medical/Exposure Criteria for one of the Disease Levels set forth herein, and shall timely advise Claimant of its determination. If a Disease Level is determined, the Trust shall tender to Claimant (i) an offer of payment in accordance with this TDP; and (ii) a Trust Release to be executed by Claimant. If Claimant accepts the Trust's offer and returns the Trust Release properly executed, the Trust Claim shall be paid pursuant to this TDP.

(4) Disease Levels, Scheduled Values and Medical/Exposure

Criteria. The four Disease Levels covered by this TDP, together with the Medical/Exposure Criteria and the Scheduled Values for each are set forth below.

<u>Disease Level</u>	<u>Scheduled Value</u>	<u>Medical/Exposure Criteria</u>
Mesothelioma (Level IV)	\$180,000	(1) Diagnosis of mesothelioma (as defined below in Section 4.3(a)(1)); and (2) Hopeman Exposure (as defined below in Section 4.3(d)(2)).
Lung Cancer (Level III)	\$20,000	(1) Diagnosis of asbestos-related lung cancer (as defined below in Section 4.3(a)(2)); and (2) At least six continuous months of Hopeman Exposure.
Other Cancer (Level II)	\$3,500	(1) Diagnosis of an asbestos-related colon or colo-rectal, laryngeal, esophageal, pharyngeal, or stomach cancer (as defined below in Section 4.3(a)(3)); and (2) At least six continuous months of Hopeman Exposure.
Other Asbestos Disease (Level I)	\$3,000	(1) Diagnosis of an asbestos-related nonmalignant disease (as defined below in Section 4.3(a)(4)); and (2) At least six continuous months of Hopeman Exposure.

4.3 Evidentiary Requirements.

(a) Medical Evidence - Diagnosis.

(1) Disease Level IV (Mesothelioma). Claimants asserting a Disease Level IV pursuant to his or her Trust Proof of Claim must provide, if available, a pathological diagnosis of mesothelioma. In the absence of a pathological diagnosis, Claimants must submit

medical records and a diagnosis of mesothelioma by a qualified physician who is board-certified in the field of Oncology, Pulmonology, Internal Medicine, or Occupational Medicine (a “Qualified Physician”).⁴ Claimant’s furnished medical records must include the date of initial diagnosis of mesothelioma.

(2) Disease Level III (Lung Cancer). Claimants asserting a Disease Level III pursuant to his or her Trust Proof of Claim must provide a pathological diagnosis of an asbestos-related lung cancer. In the absence of a pathological diagnosis, Claimants must provide medical records and a diagnosis of an asbestos-related lung cancer by a Qualified Physician or a qualified B reader, finding that the disease is an asbestos-related lung cancer (1/0 or greater). Claimant’s furnished medical records must include the date of initial diagnosis of asbestos-related lung cancer.

(3) Disease Level II (Other Cancer). Claimants asserting a Disease Level II pursuant to his or her Trust Proof of Claim must provide a pathological diagnosis of an asbestos-related laryngeal, pharyngeal, esophageal, stomach, colon, or colo-rectal cancer (collectively, “Other Cancers”). In the absence of a pathological diagnosis, Claimants must provide medical records and a diagnosis by a Qualified Physician or a qualified B reader, finding that the disease is an Other Cancer (1/0 or greater). Claimant’s furnished medical records must include the date of initial diagnosis of an Other Cancer.

(4) Disease Level I (Other Asbestos Disease). Claimants asserting a Disease Level I pursuant to his or her Trust Proof of Claim must provide medical evidence

⁴ Attached hereto as **Exhibit D** is a schedule of excluded physicians and screening facilities. The Trust will deem any medical records or other supporting diagnosis materials prepared by these specified physicians or at these screening facilities as automatically failing to not meet the credibility standards pursuant to this TDP. Accordingly, the Trust will not accept or process Trust Claims that rely solely on medical records or information issued by the physicians and/or from the screening facilities listed on Exhibit D. The Trust reserves the right to amend, supplement, or modify Exhibit D at any time, and in consultation with the TAC, with no further notice to Claimants or their legal counsels.

establishing a diagnosis of an asbestos-related non-malignant disease from a qualified Pulmonologist, Internist, or Occupational Medicine physician, or a qualified B reader, finding that the Claimant has an asbestos-related disease (1/0 or greater). Claimant's furnished medical records must include the date of initial diagnosis of an asbestos-related disease.

(b) **Medical Evidence for Prepetition Claims.** If a Claimant with a Trust Claim arising from a claim that was filed against the Debtor or any other defendant in the tort system prior to the Petition Date has available a report of a diagnosing physician engaged by Claimant, or his or her law firm, who conducted a physical examination of Claimant, or if Claimant has filed such medical evidence and/or a diagnosis of the asbestos-related disease by a physician not engaged by Claimant, or his or her law firm, who conducted a physical examination of Claimant with another asbestos-related personal injury settlement trust that requires such evidence, without regard to whether Claimant or the law firm engaged the diagnosing physician, Claimant shall provide such medical evidence to the Trust.

(c) **Credibility of Medical Evidence.** Before making any payment to a Claimant, the Trust must have reasonable confidence that the medical evidence provided in support of the Trust Claim is credible and consistent with recognized medical standards. The Trust may require the submission of X-rays, CT scans, detailed results of pulmonary function tests, laboratory tests, tissue samples, results of medical examination or reviews of other medical evidence, and may require that medical evidence submitted comply with recognized medical standards regarding equipment, testing methods and procedures to assure that such evidence is reliable.

Medical evidence is presumptively reliable, although the Trust may rebut the presumption, if it is (i) of a kind shown to have been received in evidence by a state or federal judge at trial; (ii) consistent with evidence submitted to the Debtor to settle for payment similar

disease cases prior to the Debtor's bankruptcy; or (iii) a diagnosis by a physician shown to have previously qualified as a medical expert with respect to the asbestos-related disease in question before a state or federal judge. Conversely, medical evidence that does not meet the criteria set forth above in subsections (i), (ii), or (iii) of this paragraph is presumptively unreliable, although the Trustee may, in his or her discretion, nonetheless choose to rely on and accept such medical evidence.

In addition, Claimants who otherwise meet the requirements of this TDP for payment of a Trust Claim shall be paid regardless of the results in any litigation at any time between Claimant and any other defendant in the tort system. However, any relevant evidence submitted in a proceeding in the tort system, other than any findings of fact, a verdict, or a judgment, involving another defendant may be used by either Claimant or the Trust in the processing of the Trust Claims under this TDP.

The Trustee may review the governing documents of another asbestos trust and, with the consent of the TAC, determine to accept the disease level classifications as found by such other asbestos trust in lieu of the medical evidence claimants are required to submit under this TDP.

(d) Exposure Evidence.

(1) In General. Any claim based on conspiracy theories that involve no exposure to an asbestos-containing product manufactured, sold, supplied, produced, distributed, released, installed, advertised or marketed by the Debtor is not compensable under this TDP. To meet the exposure requirements set forth in Section 4.2(a)(4) above, Claimant must show (i) for Mesothelioma (Disease Level IV), Hopeman Exposure as defined in Section 4.4(d)(2) below; and

(ii) for Other Asbestos Disease, Other Cancer, and Lung Cancer (Disease Levels I, II, and III, respectively), six (6) continuous months of Hopeman Exposure.

(2) Hopeman Exposure. Claimant must have (i) evidence of exposure to asbestos or asbestos-containing products manufactured, sold, supplied, produced, distributed, released, installed, advertised or marketed by the Debtor, or exposure to an operation or other activity involving asbestos-containing products for which the Debtor may have liability on certain ships and/or at certain shipyards during the relevant time periods when Hopeman was present; and (ii) worked in a trade which generally had exposure to Hopeman asbestos or asbestos-containing products or to operations or activities involving asbestos-containing products while employed by an employer other than Hopeman (“Hopeman Exposure”).

Meaningful and credible exposure evidence may be established by an affidavit or sworn statement of Claimant, by an affidavit or sworn statement of a co-worker or the affidavit or sworn statement of a family member in the case of a deceased Claimant (provided the Trust finds such evidence reasonably reliable). If such an affidavit is provided in connection with a Trust Claim, Claimant must also provide proof of Hopeman Exposure, invoices, personnel, employment, construction or similar records, or by other credible evidence. For the avoidance of doubt, the immediately preceding sentence regarding the meaningful and credible exposure evidence being established by an affidavit or sworn statement of Claimant shall *only* apply in scenarios in which such Claimant is deceased and in no other scenarios.

The specific exposure information required by the Trust to process a Trust Claim shall be set forth on the Trust Proof of Claim Form to be used by the Trust. The Trust can also require submission of other or additional evidence of exposure it deems necessary.

Evidence submitted to establish proof of Hopeman Exposure is for the sole benefit of the Trust, not third parties or defendants in the tort system. The Trust has no need for, and therefore Claimants are not required to furnish the Trust with evidence of, exposure to specific asbestos or asbestos-containing products other than those for which the Debtor has legal responsibility, except to the extent such evidence is required elsewhere in this TDP. Similarly, failure to identify Hopeman supplied-products in Claimant's underlying tort action, or to other bankruptcy trusts, does not preclude Claimant from recovering from the Trust, provided Claimant satisfies the medical and exposure requirements of this TDP.

SECTION V
CONFIDENTIALITY OF CLAIMANTS' SUBMISSIONS

All submissions to the Trust by a Claimant, including the Trust Proof of Claim Form and materials related thereto, shall be treated as made in the course of settlement discussions between Claimant and the Trust and treated as confidential and protected by all applicable state and federal privileges, including but not limited to those directly applicable to settlement discussions. The Trust will preserve the confidentiality of such Claimant submissions, and shall disclose the contents thereof only, with the permission of Claimant, to such other persons as authorized by Claimant, or in response to a valid subpoena of such materials issued by the Bankruptcy Court, a Virginia State Court or the United States District Court for the Eastern District of Virginia. Furthermore, the Trust shall provide counsel for Claimant of the applicable Trust Claim a copy of any such subpoena upon being served.

The Trust shall, on its own initiative, or upon request of Claimant in question, take all necessary and appropriate steps to preserve said privileges before the Bankruptcy Court, a Virginia State Court or the United States District Court for the Eastern District of Virginia and before those courts having appellate jurisdiction related thereto. Notwithstanding anything in the

foregoing to the contrary, the Trust may, in specific limited circumstances, and subject to the TAC's consent, disclose information, documents or other materials reasonably necessary in the Trust's judgment to preserve, litigate, resolve or settle coverage, or to comply with an applicable obligation under an Asbestos Insurance Settlement Agreement; *provided, however*, that the Trust shall take any and all steps reasonably feasible in its judgment to preserve the further confidentiality of such information, documents and materials, and prior to the disclosure of such information, documents or materials to a third party, the Trust shall receive from such third party a written agreement of confidentiality that (i) ensures that the information, documents and materials provided by the Trust shall be used solely by the receiving party for the purpose stated in the agreement; (ii) requires that the materials provided will be returned to the Trust upon request; and (iii) prohibits any other use or further dissemination of the information, documents and materials by the third party.

Nothing in this TDP, the Plan or the Trust Agreement expands, limits or impairs the obligation under applicable law of a Claimant to respond fully to lawful discovery in an underlying civil action regarding his or her submission of factual information to the Trust for the purpose of obtaining compensation for asbestos-related injuries from the Trust.

SECTION VI **MISCELLANEOUS**

6.1 Third-Party Services. Nothing in this TDP shall preclude the Trust from contracting with another asbestos claims resolution organization to provide services to the Trust so long as decisions about the categorization and liquidated value of Trust Claims are based on the relevant provisions of this TDP, including the Disease Levels, Scheduled Values and Medical/Exposure Criteria set forth above.

6.2 Amendments. Except as otherwise provided herein, the Trustee may amend, modify, delete, or add to any provisions of this TDP (including, without limitation, amendments to conform this TDP to advances in scientific or medical knowledge or other changes in circumstances), provided the Trust first obtains the approval of the TAC (such approval not to be unreasonably withheld).

6.3 Severability. Should any provision contained in this TDP be determined to be unenforceable, such determination shall in no way limit or affect the enforceability and operative effect of any and all other provisions of this TDP. Should any provision contained in this TDP be determined to be inconsistent with or contrary to the Debtor's obligations under any Asbestos Insurance Settlement Agreement, the Trust may amend this TDP and/or the Trust Agreement to make the provisions of either or both documents consistent with the duties and obligations of the Debtor to said insurance company; provided, however, such amendment is consistent with the terms of Section 6.2 hereof.

6.4 Governing Law. This TDP shall be governed by, and construed in accordance with, the substantive laws of the Commonwealth of Virginia, without regard to any choice of law rules.

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Exhibit A

Trust Proof of Claim Form

[To Come]

Exhibit B

Trust Release

(Attached)

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.

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.

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.

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

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.

Dismissal with Prejudice with respect to any Released Claim no later than 10 days after the date hereof.

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:

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: _____

Exhibit C

Acknowledged Prepetition Settled Claims

[To Come]

Exhibit D

Excluded Physicians and Screening Facilities

[To Come]

EXHIBIT 2

HOPEMAN'S LIQUIDATION ANALYSIS

Hopeman Brothers, Inc.

LIQUIDATION ANALYSIS

Introduction

The Debtor prepared this Liquidation Analysis in connection with the Disclosure Statement for the purpose of evaluating whether the Plan meets the “best interest of creditors” test of section 1129(a)(7) of the Bankruptcy Code. The Debtor believes that the Plan meets this test and that the members of each impaired class of Claims will receive the same or higher distributions under the Plan than they would if the Debtor was liquidated under chapter 7 of the Bankruptcy Code. This analysis is summarized below.

In determining whether the best interests of creditors test has been met, the first step is to estimate the proceeds that would be realized if the Debtor was to be liquidated in accordance with chapter 7 of the Bankruptcy Code. The Debtor’s assets are primarily Asbestos Insurance Policies, Asbestos Insurance Rights and the proceeds of the Asbestos Insurance Settlement Agreements.

The total value available for distribution in a chapter 7 liquidation would be the sum of the proceeds of the Asbestos Insurance Settlement Agreements, potential value from Asbestos Insurance Rights as well as any other cash held by the Debtor at the time of the commencement of the chapter 7 case. This Liquidation Analysis has been prepared based on the Debtor’s asset values as of the Petition Date. The date of commencement of the chapter 7 case would be the date of any conversion of the chapter 11 case to chapter 7, which this Liquidation Analysis assumes would be October 30, 2024.

This available value for distribution would then be reduced by the various costs and expenses of liquidation. These would include the statutory fee of the chapter 7 trustee and the fees and expenses of the trustee’s professionals, including litigation counsel and other professionals needed to resolve the Asbestos Claims. The available value would then be distributed to creditors in order of priority pursuant to section 726 of the Bankruptcy Code.

Estimating recoveries in a chapter 7 liquidation is an uncertain process due to the number of unknown variables and is necessarily speculative. Thus this Liquidation Analysis relies upon the use of estimates and assumptions that, although considered reasonable by the Debtor, are inherently subject to significant uncertainties and contingencies beyond the control of the Debtor.

This Liquidation Analysis should be reviewed in conjunction with the Disclaimer and the accompanying Notes below.

Disclaimer

The information herein is furnished solely in connection with acceptance or rejection of the Debtor's Plan. Each Claimant should consult with his, her or its own legal, business, financial and tax advisors with respect to any matters contained herein and should not consider the contents of the enclosed information, or any prior or subsequent communications from, or information provided by the Debtor or any of its representatives or advisors, as legal, business, financial or tax advice.

The analysis contained herein is based on information from the Debtor and was developed with the assistance of the Debtor's advisors. The information provided by the Debtor has not been subjected to an examination in accordance with generally accepted auditing standards, and no opinion is expressed on the fairness of the Debtor's data. The Debtor's advisors have not independently verified the accuracy of the data provided and assume no responsibility for the accuracy or correctness of the enclosed analyses and the financial and other data upon which the enclosed presentation is based. The Debtor and its advisors expressly disclaim any representations or warranties as to the accuracy or completeness of the Debtor's books and records and the enclosed information and do not make and expressly disclaim any representations, warranties or guarantees of any kind with respect to the value or nature of the assets.

Estimates of liquidation value are presented for informational purposes only and merely reflect the estimated liquidation value of the Debtor's assets if certain conditions and assumptions can be achieved. No representations are being made that such conditions or assumptions can be achieved. It should be noted that the estimated liquidation valuation is calculated using various assumptions, which may be beyond the control of the Debtor and are inherently subject to uncertainty. No assurance can be given that such assumptions will prove to have been correct.

Liquation Analysis

In determining whether the best interests of creditors test has been met, the first step is to estimate the amount of proceeds that would be realized if the Debtor was liquidated in accordance with chapter 7 of the Bankruptcy Code. The second step is to reduce the available proceeds by the various costs and expenses of liquidation, including the statutory fees of the chapter 7 trustee and the fees and expenses of the trustee's professionals. After these various reductions, any remaining funds would be allocated to holders of Claims and Interests in strict priority in accordance with section 726 of the Bankruptcy Code.

Under the Plan, certain insurers have agreed to settle issues related to the Debtor's remaining, unexhausted policies issued by Century Indemnity Company, Westchester Fire Insurance Company, Continental Casualty Company, Fidelity & Casualty Company, Lexington Insurance Company, Granite State Insurance Company, the Insurance Company of the State of Pennsylvania and National Union Fire Insurance Company of Pittsburgh, PA that, subject to their respective terms, conditions, and exclusions cover or allegedly cover asbestos-related liabilities. These settlements have yielded approximately \$50 million in proceeds to be distributed to holders of Asbestos PI Claims in accordance with the terms for the Plan. This sum, plus the other Liquidating Trust Assets, which cannot be quantified at this time, will go to the Liquidating Trust created under the Plan to resolve and, if appropriate, pay the Asbestos PI Claims assumed by the Liquidating Trust in accordance with the terms for the Plan and Liquidating Trust documents.

Conversion to chapter 7 would substantially impact the costs and efficiency of administering the Asbestos Claims compared to the Liquidating Trust proposed in the Plan. Chapter 7 of the Bankruptcy Code contains no provision for establishing a trust or other efficient means to resolve the Asbestos PI Claims. Rather, under chapter 7, the Asbestos PI Claims would need to be resolved through a normal claims resolution process. The trustee would need to engage counsel and other professionals to assess the merits of filed claims, object to such claims, and, where appropriate, liquidate the amount of each claim.

This differs significantly from the Plan. Specifically, the Plan proposes to establish the Liquidating Trust to resolve such claims through the Liquidating Trust Distribution Procedures through a claims filing process with the Liquidating Trust, with payments being made at fixed values for the claims based on the applicable diseases associated with the claim. Accordingly, the sole issue being resolved by the Liquidating Trust is applicable disease of each claimant and the ability to establish product identification to the Debtor.

Conversely, in a chapter 7, both the merits of the claim and applicable disease, as well as the value of any harm or damages, would have to be litigated on an individual basis. Since personal injury tort claims cannot be adjudicated in the Bankruptcy Court, the Asbestos PI Claims could potentially need to be litigated in numerous other courts across the county. Accordingly, the resulting litigation to resolve the various Asbestos PI Claims in a chapter 7 case is likely to be substantially more costly and time-consuming in chapter 7 than the process proposed through the Liquidating Trust. In a Chapter 7 scenario, materially less funds would be

available to distribute to creditors after paying for (i) fees and expenses of counsel and other professionals retained to review and, potentially, litigate Asbestos PI Claims, (ii) the Chapter 7 Trustee's statutory fees and expenses, and (iii) other Chapter 7 costs of administration. These costs directly reduce the value available for distribution to Asbestos PI Claims, and the added time needed to complete individualized litigation of Asbestos PI Claims would substantially delay the reduced distributions.

Based upon the foregoing, the Debtor believes that the Plan offers the same or higher value to holders of Claims, and specifically more value to holders of Asbestos PI Claims than would result from a liquidation under chapter 7 of the Bankruptcy Code.

Liquidation Analysis

This Liquidation Analysis has been prepared to compare the results for creditors under the proposed Chapter 11 plan versus under a Chapter 7 case if the Chapter 11 case were to be converted to Chapter 7 rather than proceed under Chapter 11. The Liquidation Analysis assumes that the Chapter 11 Case would be converted to a case under chapter 7 of the Bankruptcy Code effective as of the approximate date of the confirmation hearing on the Chapter 11 Plan, October 30, 2024.

Subject to the notes to the Liquidation Analysis set forth at the end of this document, the following table presents a projected summary of assets available for distribution to holders of Claims and Interests, including Asbestos PI Claims, and for contribution to the Liquidating Trust under the Plan versus assets available for distribution to holders of Claims, including Asbestos PI Claims, after a hypothetical liquidation of the Debtor in a chapter 7 proceeding. The Liquidation Analysis is based on the Debtor's records as of the Petition Date, as well as certain estimates and projections. This Liquidation Analysis should be reviewed in conjunction with the Disclaimer and the accompanying notes below.

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Assets¹	Chapter 11²	Chapter 7³
Cash	\$ 2,551,285.63	\$ 2,551,285.63
Accounts Receivable, net	1,088,674.28	1,088,674.28
Professional Retainers	388,936.02	388,936.02
Chubb Settlement Proceeds ⁴	31,500,000.00	31,500,000.00
Resolute Settlement Proceeds ⁵	18,395,011.00	18,395,011.00
Total Assets	\$ 53,923,906.93	\$ 53,923,906.93

Less Secured Claims and Administrative Expenses		
Professional Fee Administrative Expense Claims ⁶	3,639,959.91	3,639,959.91
Asbestos Trust Claim Review Expenses ⁷	2,000,000.00	
Asbestos Trust - Professional fees	1,000,000.00	-
Priority Tax Claims ⁸	-	-
Priority Non-Tax Claims ⁹	-	-
Secured Claims	-	-
United States Trustee Fees	400,000.00	-
Chapter 7 Trustee Fees ¹⁰	-	1,500,000.00
Chapter 7 Trustee's Professional Fees and Expenses ¹¹	-	8,500,000.00
Wind Down Reserve	-	-
Total Less Secured Claims and Administrative Expenses	\$ 7,039,959.91	\$ 13,639,959.91

Assets Less Secured Claims and Administrative Expenses	\$ 46,883,947.02	\$ 40,283,947.02
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Unsecured Claims		
General Unsecured Claims ¹²	TBD	TBD
Asbestos Claims ¹³	TBD	TBD
Total Unsecured Claims	\$ -	\$ -

Assets Available for Asbestos Claims	\$ 46,883,947.02	\$ 40,283,947.02
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Notes to the Liquidation Analysis

1. Except as otherwise expressly set forth in these notes, the Liquidation Analysis is based on the estimated values of the Debtor's assets and liabilities on June 25, 2024. If different dates were used for the analysis, the asset values may change. These values have not been subject to any review, compilation, or audit by any independent accounting firm.
2. The Chapter 11 scenario assumes a plan confirmation date of October 30, 2024, and a plan effective date on or before November 30, 2024.
3. The Chapter 7 scenario assumes a conversion to a chapter 7 case on October 30, 2024 as an alternative to confirmation of a Chapter 11 plan. The Chapter 7 scenario also assumes, arguendo, that the Chubb Settlement Agreement and the Resolute Settlement Agreement were consummated, and the proceeds of those settlements remain available to the Chapter 7 trustee.
4. Pursuant to the June 27th, 2024 Chubb Settlement Agreement, Chubb has agreed to pay the debtor \$31,500,000 million of settlement proceeds.
5. Pursuant to the July 10th, 2024 Resolute Settlement Agreement, Resolute has agreed to pay the debtor \$18,395,011 of settlement proceeds.
6. The Debtor has estimated the Professional Fee Administrative Expenses to be paid from current Cash and Accounts Receivables. To the extent there is excess Cash after payment of the Professional Fee Administrative Expenses, that Cash would be available to either a Chapter 11 plan or a Chapter 7 trustee.
7. Asbestos Claim Trust Review Expenses include costs associated with the processing of claims via the trust. These costs are expected to be significantly lower than the pre-bankruptcy monthly average of defense costs.
8. There are no known Allowed Priority Tax Claims asserted against the Debtor.
9. There are no known Allowed Priority Non-Tax Claims asserted against the Debtor.
10. The estimated chapter 7 trustee's fee is based on 3% of the amount available for distribution to holders of Allowed Claims in a hypothetical chapter 7 case. For the sake of convenience, this estimate uses a flat 3% amount although section 326(a) of the bankruptcy Code provides for a somewhat higher trustee's fee based on 3% of all amounts in excess of \$1 million disbursed or turned over by the trustee plus certain larger percentages for amounts disbursed less than \$1 million.
11. The chapter 7 trustee would need to engage litigation counsel to defend and liquidate the Asbestos Claims. Prior to the Petition Date, the Debtor's annual costs related to defending Asbestos Claims averaged approximately \$5.6 million. The Debtor believes that the chapter 7 trustee's fees and expenses incurred liquidating the Asbestos Claims in

a chapter 7 case would be substantially higher than under the proposed chapter 11 plan. In the chapter 7 scenario, there would not be an agreed amount applicable to claims at each disease level. Claimants would be able to litigate not only the allowance but also the amount of their claims in other courts, encouraging litigation to seek advantages over other claimants by having a larger claim amount for the same disease level as other claimants in sharing the funds available for distribution.

12. There are no known General Unsecured Claims asserted against the Debtor. To the extent there are any, they are immaterial in amount.

13. As of the Petition Date, the Debtor estimated that approximately 2,700 Asbestos Claims were outstanding against it. Most of those Asbestos Claims are unliquidated, and, therefore, the aggregate amount of such claims is unknown. The Plan calls for these claims to be liquidated and resolved by the Liquidating Trust pursuant to the Liquidating Trust Distribution Procedures. Because of the unliquidated nature of the vast majority of the Asbestos Claims, the Debtor does not have sufficient information to estimate the total amount of these claims for purposes of this analysis.

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